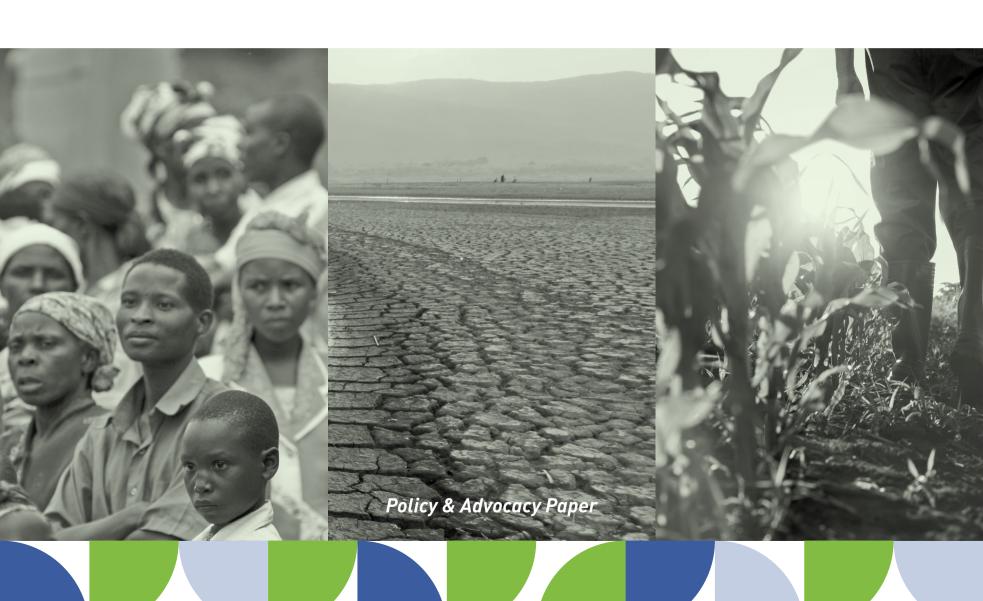


## **Policy Coherence for Development**

**Roadmap for Action** 



#### **Roadmap for Action**

What is it?
What are the commitments?
How to implement it?
What remains to be done?

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Publisher: FEC | Fundação Fé e Cooperação

Place of Publication: Lisbon

Publication Date: August 2024

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## INTRODUCTION

The current context of **major global challenges and multiple crises** (climate and environmental crises, food crises, security crisis, crisis of democracy and fundamental freedoms), exacerbated by the effects of the pandemic in recent years and compounded by international conflicts, has resulted in (i) higher levels of poverty and inequality, with a disproportionate impact on the poorest and most vulnerable countries and sectors of the population, and (ii) a focus on internal/national issues and the urgency of resolving short-term issues, jeopardising the fulfilment of international commitments and the centrality of solidarity and cooperation – at a time when these are even more necessary.

The implementation of the 2030 Agenda for Sustainable Development goes far beyond development cooperation and can only advance with greater complementarity and coherence of other policies and sectors, jointly contributing to this systemic and transformative vision. Likewise, development aid policies will only have the desired impact if their objectives are not undermined by incoherent policies, particularly in countries with greater poverty and vulnerability. The revitalisation of Policy Coherence for Development (PCD) as a crucial approach and instrument for addressing global development challenges is therefore essential both within the framework of cooperation policies and within the contribution of all relevant actors to more just, equitable, and sustainable development.

This Policy & Advocacy Paper analyses the current status, existing frameworks, challenges and future prospects for implementing PCD. It constitutes **a roadmap that outlines and summarises what has already been done and what remains to be done to promote PCD** in light of current global, European and national policies. The analysis results in recommendations, focusing on the next steps for Portugal to implement its commitments and advance the more systematic integration of this principle into policies and practices.

This is a **reference document** for all stakeholders who wish to learn more about the topic and also a **basis for action**, serving as a **working tool** for development actors in the promotion of PCD. It thus has a dual function: on the one hand, it provides information and Development Education, summarising in a single text the existing framework and current work on this topic; on the other hand, it provides advocacy, pointing out ways to achieve coherent objectives and a positive impact on Global Development.

## 1. PCD as a central axis of Development

#### 1.1. A concept, approach and instrument for Global Development

#### What is it?

Policy Coherence for Development (PCD) is simultaneously a principle, an instrument, and an approach that allows for the analysis and identification of the impact of various sectoral policies on Global Development. In this sense, it aims to contribute to more informed decision-making and to more effective and sustainable policies, less contradictory with development processes and objectives.

PCD refers to the need to ensure that all policies, measures, and actions adopted by different sectors and actors are compatible and complementary to promote sustainable development and reduce poverty and inequality. The various sectoral policies – trade, security, migration, agricultural, climate, investment, etc. – should actively contribute to, or at least not undermine, development objectives and efforts. Furthermore, PCD also ensures that a country's policies and practices are aligned with international commitments, such as the 2030 Agenda for Sustainable Development and Human Right conventions, with human dignity as a fundamental pillar.

PCD is not the internal coherence of development policies, but the coherence between the various sectoral policies in their contribution to development.

PCD constitutes a "lens" through which to view Development, as it provides us with tools to better understand existing barriers and the implications of global challenges in the economic, social, and environmental spheres, as well as the interconnections between these areas.

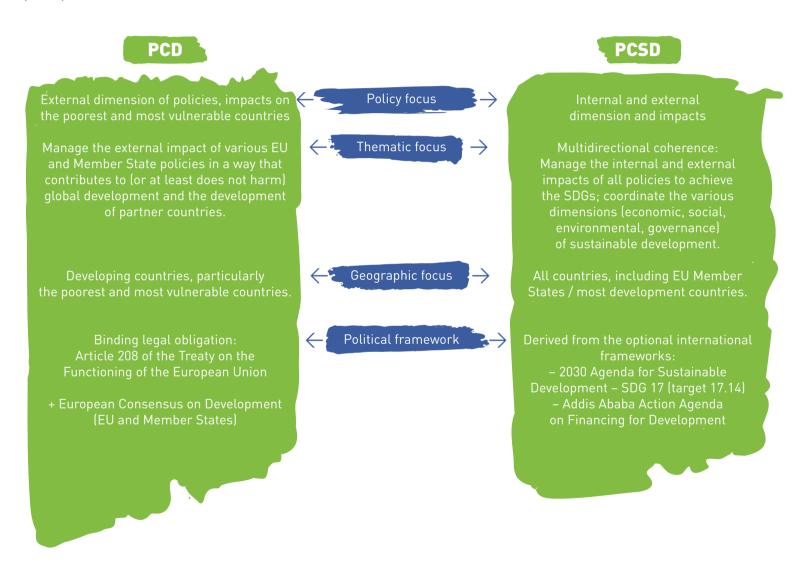
At the operational level, the logic of PCD allows us to analyse and verify whether the various policy measures are designed and implemented in a manner that is harmonised and coherent with Development, and whether the results obtained do not harm Development processes or, on the contrary, create effects that negatively impact the pursuit of the desired objectives.

Therefore, PCD should not be seen as an end in itself, but as a means to prevent inconsistencies, detect them before or when they occur, and reverse or resolve them in favour of the ultimate goal: improving the impact on the poorest and on Global Development.

With the adoption of the 2030 Agenda for Sustainable Development, a new concept emerged, adding an "S" for Sustainable to PCD. These concepts have complementary meanings, and it can be argued that PCD is a dimension of PCSD and contributes to PCSD (Figure 1). Policy Coherence for Sustainable Development (PCSD) has the advantage of gaining greater momentum and predominance across various policies, as it is more comprehensive and focuses more on sustainability. However, fully integrating PCD into PCSD could mean a dilution of concerns about the external and global dimension of policies, as countries tend to focus more on the internal dimension of coherence and the impacts of various policies at the local/national level. Furthermore, PCD is legally binding within the European Union, unlike PCSD.

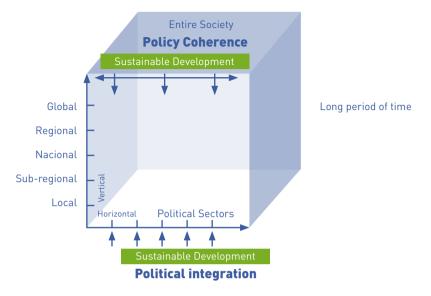
From the perspective of Education for Development and Global Citizenship, PCD is a highly relevant approach, as it fulfils the purpose of focusing on the asymmetries, imbalances and inequalities existing in global systems, to stimulate critical thinking about the challenges we face collectively, enabling more informed and conscious citizenship and decision-making, with a view to social transformation.

Figure 1. Differences between Policy Coherence for Development (PCD) and Policy Coherence for Sustainable Development (PCSD).



Horizontal coherence (between policies and actors from various sectors and thematic areas) intersects with vertical coherence (the need to act at various levels of governance, from local to global) (Figure 2).

Figure 2.



Therefore, PCD must be applied transversally and at multiple levels:

- At the global level. It is now recognised that the benefits of globalisation are distributed very unevenly and that large sectors of the world's population are being "left behind". The fact that global architecture regarding trade, fiancé, and international security are currently inconsistent in many aspects, and that there is no joint and sustainable management of global common goods (such as the environment, health and others) does not contribute to coherent and inclusive progress, with broad and fairly distributed benefits. The composition of the global governance system in the various multilateral institutions, participation and influence in regional and global forums, and the policies defined therein are fundamental to influencing development outcomes, and the reduction of poverty and inequality.
- At the level of relations between countries with higher and lower development indices. Policies, relationships and partnerships (investment, trade, security, etc.) between actors from the "Global North" and "Global South" are often based on highly asymmetrical capabilities at the technical and technological, human resources and financial levels that translate into differentiated benefits for the parties. It is now clear that development aid flows are insufficient to address the systemic and multidimensional challenges currently prevailing; diversified financial flows aligned with the Sustainable Development Goals (SDGs) in their various dimensions are needed. Furthermore, the outcomes of development aid can easily be enhanced or offset by conflicting or divergent interests in other sectors. The most developed countries will increasingly be evaluated for their broad and multisectoral contribution to Global Development<sup>1</sup>, which requires an analysis of their policies, investments and agreements entered into in areas as diverse as fisheries, migration, the environment, or energy, among others.

<sup>&</sup>lt;sup>1</sup> See the 2023 Commitment to Development Index - https://www.cgdev.org/cdi#/

• At local and nacional level. Promoting coherence among public policies should be, first and foremost, a national responsibility. However, for countries and their governments, poverty reduction is one among many other objectives – such as improving security, increasing national competitiveness, promoting exports, etc. – that can be considered (more) a priority. Balancing the interests of various internal or external interest groups is not always easy or straightforward. Within countries, public policies may be guided by other interests that undermine the development process, and clearly incoherent actions may end up having significant costs and negative impacts on people's dignity and living conditions. The various sectoral policies at the national level must, therefore, be assessed from the perspective of whether or not they contribute to the development of the country and its citizens. Furthermore, national policies must be consistent with the commitments made by each country at the international level.

Promoting PCD goes beyond "doing no harm" or avoiding negative effects. It is also a way to leverage synergies between policies, sectors and approaches, foster mutually beneficial partnerships, and ensure positive impacts on global development.

#### Why is it important?

The current global context is unfavourable to PCD. The world is divided with international conflict and worsening geopolitical struggles for spheres of influence; with a questioning of the fundamental principles and values of humanity and the multilateral, rules-based international order; with the erosion of democratic systems and attacks on human rights and fundamental freedoms in various parts of the world. The effects of these trends disproportionately affect the poorest countries and the most vulnerable social groups, who feel the impact of external shocks and global crises, and are also less resilient and responsive to these challenges. These trends threaten to reverse the results of decades of collective efforts toward sustainable, fair, and equitable global development that responds to people's legitimate aspirations for a dignified life while simultaneously protecting the planet we inhabit. In this scenario of uncertainty and complexity, PCD becomes even more urgent and important. There are multiple reasons and motivating factors for investing in PCD as a policy and action tool:

a. For reasons of relevance and necessity. The diversity of the SDGs proves that development challenges are multidimensional, interdependent and interconnected, making it impossible to achieve these goals without coordinated and comprehensive approaches that can address the systemic nature of the problems. Without changes in agrifood systems, trade systems, security systems, migration management, climate action, and environmental preservation, development cooperation will be unable to have broad positive impacts. The multiple crises of the last decade have also demonstrated that development challenges have implications for everyone, whether in developed or developing countries.

Added to this is a blurring of the distinction between the internal and external dimensions of policies. In other words, local, internal or national policies are increasingly interconnected and have impacts on the external and global level, and vice versa (as seen with the effects of the pandemic or the war in Ukraine). These inconsistencies mean that the response to existing challenges is inadequate, making PCD an increasingly important necessity for achieving the desired outcomes.

b. For reasons of effectiveness and impact. Inconsistencies between policies result in the contradiction of "giving with one hand and taking with the other", as potential positive impacts are undermined or offset by other negative effects, which can even "cause damage" to development processes. What is the effectiveness, for example, of exporting garbage and toxic waste to developing countries, enabling exporters to meet climate targets in Europe, without supporting them to develop the capacity to adequately treat this waste? What is the development effectiveness of supporting local production through development aid while simultaneously flooding poorer and more vulnerable countries with products (e.g., textiles or agricultural products whose production and export are subsidised) that impede the development of local industries, or having tariff barriers that prevent these countries from taking advantage of trade opportunities? Therefore, responses are needed that do not cancel each other out, that take into account cross-cutting effects, and that combine various efforts, resources, skills, and knowledge around shared objectives. PCD allows us to prevent or mitigate negative side effects between policies and promote positive synergies that benefit development policies and objectives. The increased focus on the quality and effectiveness of Development thus implies more coordinated and coherent approaches, since incoherent policies are clearly ineffective.

c. For reasons of efficiency and rationality. It is certainly not in the interest of a country that spends financial resources on development aid for this action to be fruitless and for the support to be wasted. At a time when cooperation and development aid budgets are under great pressure in the most developed countries (particularly in European countries), it is important that the various policies and external action generate synergies and jointly contribute to Global Development, and that inconsistencies are identified and minimised. From the standpoint of economic and social efficiency, it is counterproductive to develop financing frameworks and implement actions that encourage expenditures that are harmful to health or the environment (e.g., financing carbon-intensive projects or projects that promote deforestation) or that are likely to increase disparities in equality and well-being. Furthermore, long-term effects need to be taken into account to avoid a situation where a policy option may have short-term gains but, overall, long-term losses. Added to this is the ethical, political, and financial responsibility to citizens, which should motivate us to spend taxpayers' money sustainably. Inconsistencies increase inefficiency and have costs, particularly economic and financial costs.





#### An example of incoherence: financial flows in Africa

The African continent loses more than USD 88.6 billion annually in illicit financial flows, with significant impacts on its economies and societies. These capital outflows almost equal the combined total of official development assistance (ODA) inflows of USD 53.5 billion in 2022, and foreign direct investment (FDI) of USD 45 billion in the same year.<sup>2</sup> Better regulation of global financial systems (particularly at the multilateral level), more effective responses to the problem of tax havens and secrecy jurisdictions, measures requiring greater transparency in profit reporting, measures to combat tax evasion and money laundering are among the measures that promote PCD in this area.

**debt** has increased, diverting already scarce resources to debt repayment, when they would be essential to strengthen national budgets for economic recovery and improving basic social services, such as education and health. With the need to increase spending in the face of pandemic and multiple crises (e.g., rising food and energy prices), much of the wealth that could be generated by several of the poorest and most vulnerable countries is thus allocated to debt repayment. Low-income countries – mostly African – have seen their debt triple in a decade, and it is estimated that 60% are in a situation of debt distress. Several of the recovery aid measures made available also contributed to this debt burden. At the same time, debt relief initiatives fell short of expectations, mostly promoting rescheduling rather than comprehensive debt restructuring and/or forgiveness operations, which would free up essential funds for their development <sup>3</sup>.

<sup>&</sup>lt;sup>2</sup> Illicit financial flows estimates – UN/UNCTAD, **Economic Development in Africa Report 2020**; ODA – **ONE**, analysis of OECD data; IDE – UNCTAD data, **2023 World Investment Report**. Illicit flows leaving the African continent are linked to the commercial activities of multinational companies (incorrect transaction valuations, overpricing and misinvoicing, unequal contracts) and also to criminal operations involving embezzlement and capital flight.

<sup>&</sup>lt;sup>3</sup> On this issues, see "World Bank warns of 'intensifying' debt crisis for poorest nations", Devex, 06.12.2022; "Avoiding 'Too Little Too Late' on International Debt Relief", PNUD, 2022; "The Human Cost of Inaction: Poverty, Social Protection and Debt Servicing, 2020-2023", UNPD 2023.

#### 1.2. The implementation of PCD: levels of action, difficulties and solutions

#### Implementation of PCD

Applying PCD requires thinking in systemic terms, addressing the transnational impacts of policies, and connecting sectors that tend to operate in silos, separately and with their own dynamics. Only then will it be possible to:

- address and analyse the negative effects and repercussions of various public policies on medium - and long-term development prospects;
- increase capacities to identify trade-offs and compromise solutions in order to reconcile domestic policy objectives with internationally agreed development goals;
- promote positive synergies between sectoral areas, particularly between the social, economic and environmental dimensions, in order to effectively support sustainable and equitable development.

To this end, as defined by the OECD, coherence is a cycle involving three pillars of practical implementation (Figure 3).

The first pillar includes legislative measures, political statements, and policy documents that actively promote PCD and an integrated and multidimensional thematic approach, establishing a clear vision and objectives for multiple stakeholders.

Regarding the second pillar, examples include the creation of interministerial groups and technical-political forums for consultation, coordination and the promotion of synergies, financing mechanisms that bring together various areas, or the establishment of a network of focal points for PCD in various sectors. These interinstitutional and multi-stakeholder mechanisms should foster a structured and systematic dialogue to formulate proposals and concrete progress on this agenda.

The third pillar, focused on knowledge generation and impact analysis, includes the existence of annual reports by/to national Parliaments on PCD, the implementation of intersectoral monitoring and tracking systems, the development of indicators and tools to assess actions, as well as partnerships with academic institutions and civil society to gather data and evidence and conduct impact studies. Monitoring instruments can cover the entire policy cycle, from before approval (ex-ante) to after implementation (ex-post). These inputs, in turn, will fuel a more informed and coherent strategic definition and decision-making, completing the PCD cycle.

The understanding regarding PCD is that, increasingly, the participation of developing countries is essential both in the international dialogue on this matter and to share their own experience with existing inconsistencies or best practices, which can be continued and encouraged within the framework of dialogue processes and partnerships.

Figure 3. The three pillars of PCD implementation

#### Strategic vision and leadership

- Political commitments
- Defining of a long-term vision
- Integrated policy approach

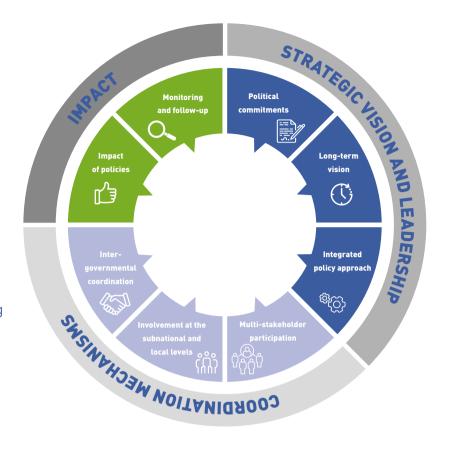
## Coordination mechanisms across sectors and policies

- Intergovernmental coordination
- Involvement at the subnational and local levels
- Multi-stakeholder participation

## Instruments on the impacts of policies on development

- Identification of the impacts of policies and financing
- Monitoring and follow-up, reporting, assessment

Source: Adapted from OECD, 2019.



#### Difficulties and solutions

Among the main challenges faced in promoting PCD are:

## • Lack of political will and difficulties in reconciling interests and priorities

Divergent interest and priorities are common in political management, becoming necessary to make choices and establish priorities. In the current context of major challenges and widespread uncertainty, other interests considered more urgent easily take precedence, and development concerns are subordinated to those interests or are simply forgotten. Balancing the internal/national dimension with the external/international dimension is also increasingly challenging.

It is wrong to approach coherence as a merely technical issue, which will materialise if the appropriate mechanisms and instruments exist, without considering the political variable. By requiring the reconciliation of interests, often divergent or competing with each other, PCD typically entails **compromise solutions** and an issue of an eminently political nature, which will not progress unless there is strong will and leadership to direct policies and actions to take development processes into account. If this occurs, technical solutions will be more easily found and promoted.

#### Vague commitments and lack of planning

Translating political commitments into actions requires concrete guidance and a level of implementation that often fails. In general, operationalising PCD commitments becomes easier and faster when there are action plans with defined measures and timelines (or other formats that integrate well-defined objectives), as highlighted with several donor evaluations conducted by the OECD-DAC4. Furthermore, it is important to avoid institutional dispersion or lack of clarity, as the existence of clear mandates and a well-defined division of responsibilities and work among the various stakeholders favours the easier integration of PCD into the work of various sectoral areas.

## • The pressure for quick results and immediate solutions

Promoting PCD, like development processes themselves, requires time, as it represents a **change and evolution** in modes of action. This means, in particular, that we must move toward developing integrated responses and joint approaches across sectors (intergovernmental approaches, thematic approaches involving multiple stakeholders, etc.) to address multidimensional development challenges. It also means striking a balance between long-term objectives and the need to solve short-term problems, taking into account the broader implications of today's decisions.

Political and technical decision-makers must be aware that there are no immediate solutions and that PCD **requires conscious effort over time** so that the work of established mechanisms (e.g., a network of focal points, coordination instruments, monitoring systems, etc.) can bear fruit. Furthermore, it is not advisable to try to do everything at once; it is more effective to work toward realistic and limited objectives where there are good conditions and possibilities for generating synergies between certain sectors/policies/measures.

#### Lack of knowledge about PCD and global development

There is still some ambiguity and difficulty in understanding what some of the PCD concepts mean, what they consist of, and how they can be implemented. On the other hand, the concept is still identified as belonging to the development and cooperation sector, which does not favour the appropriation or interest of other sectors. Added to this is **the weak weight this sector has in the context of public policies**, also with little public attention and visibility, which does not help the issue gain importance in various agendas.

A lack of political will or simple inaction can stem from a lack of knowledge and awareness. It is, therefore, important to create a true pedagogy on how to integrate PCD into the different domains of policy action, with various sectors and stakeholders, so that it is understood that promoting global development is a shared interest that generates broad benefits.

For progress to be made, PCD must be viewed as the political and complex issue it is, requiring a sometimes difficult balance between conflicting interests and the reconciliation of these priorities. This requires greater coordination and the search for synergies between sectors and actors to promote more coherent, consistent, and development-aligned policies and responses.

<sup>&</sup>lt;sup>4</sup> The OECD Development Assistance Committee periodically conducts reviews of its members' development policies, which constitute joint peer reviews. The last review of the Portuguese Cooperation Policy was in 2022. https://www.oecd.org/dac/peer-reviews/

#### In short, some lessons learned to move forward this agenda highlight the importance of:

- A solid commitment to PCD, at the legal or at least political level, that allows progress beyond political cycles and government changes;
- A clear definition of PCD that emphasises its importance to the country's foreign policy objectives and its contribution to global development;
- The effective involvement of ministries and sectoral entities, at the political and technical levels, so that this is not identified as a "development cooperation issue";
- The identification of priority thematic issues on which the work of PCD should be focused;
- The definition of clear guidelines and objectives for what is intended to be achieved, with a division of responsibilities and work among stakeholders;
- A commitment to more systematic mechanisms to consider and analyse the effects of policies/measures throughout their cycle: ex-ante, during, and ex-post;
- Use and mobilise existing capacity, if any, to strengthen coordination, monitoring, and follow-up mechanisms, as well as to integrate the knowledge acquired into decision-making;
- Regular reporting on PCD at the intergovernmental level, preferably with scrutiny by Parliament, and with results presented publicly;
- A strong role for civil society in existing mechanisms to ensure diversity of perspectives, accountability, and information exchange.

Now that you know what PCD is and how it can be implemented, write down how you can do it, taking into account your projects

## 2. Current situation: PCD at the global level, in the European Union and in Portugal



## 2.1. Global Dimension and the European Union

The global discussion on PCD emerged within the **aid and development effectiveness agenda**, emphasising the need for leadership and alignment with partner countries' priorities, a focus on results, transparency and mutual accountability, and balanced and inclusive partnerships for development<sup>5</sup>. Multilateral commitments and guidelines have been established primarily within the framework of the United Nations, the OECD, and the European Union.

#### United Nations

The 2030 Agenda includes coherence in the **Systemic Issues** relevant to implementing the agenda and achieving all SDGs within the framework of SDG 17.

#### **ODS 17 - Partnerships for the Goals**

Policy and institucional coherence

17.13 Enhance global macroeconomic stability, including through policy coordination and coherence

17.14 Enhance policy coherence for sustainable development

17.15 Respect the policy space and leadership of each country to establish and implement policies for poverty eradication and sustainable development

#### Multi-stakeholder partnerships

17.16 Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries

#### OECD

The **OECD Recommendation on PCSD**, revised in 2019, commits Adhering Parties (including Portugal) to achieving coherence at the various levels mentioned above. To support Adhering Parties in implementing this Recommendation in practice, the OECD has provided clear guidelines for actions to be implemented in each of these pillars. National focal points at the OECD also meet regularly to discuss.<sup>6</sup>

In particular, it is expected that:

- Governments develop a strategic vision in which policies and laws demonstrate a clear commitment to PCD, and that existing action plans define priority objectives and accountability mechanisms within the scope of coherence;
- The various sectoral areas have the mandate, capacity, and resources to address coherence issues, and mechanisms exist for greater coordination and debate on priority actions, including at the intergovernmental level but also with the involvement of other stakeholders, not forgetting the voice of developing countries.

<sup>&</sup>lt;sup>5</sup> More information on these international principles at https://www.effectivecooperation.org/landing-page/effectiveness-principles

<sup>&</sup>lt;sup>6</sup> Guidance: https://web-archive.oecd.org/2021-11-24/617484-pcsd-guidance-note-publication.pdf. Meetings of focal points: https://www.oecd.org/gov/pcsd/olderevents.htm

 Tools should be used to analyse, monitor, report and evaluate the coherence of legislation and policies and their transnational repercussions and impacts, in developing countries and in global development, which should feed into informed decision-making.

#### **European Union**

Coherence is formally considered a fundamental pillar of the EU's efforts to increase its positive impact and development effectiveness. PCD is a **legally binding principle enshrined in Article 208 of the TFEU**, which establishes that the EU and its Member States shall take into account the objectives of development cooperation (focused on the reduction and eradication of poverty) in all their internal and external policies likely to affect developing countries. It also establishes that the Union and its Member States shall respect the commitments and take into account the objectives approved within the framework of the United Nations.

In the main strategic document of Development Policy – the 2017 **European Consensus on Development** – Member States also made a political commitment to promoting the PCD, particularly as a crucial element in achieving the SDGs. Coherence is also seen as an important tool for the EU's credibility and reliability in partner countries, essential for it to play a global leadership role in promoting sustainable development.

In terms of thematic issues, starting in 2009, the EU defined **five priority areas of work on this issue: climate change, security, migration, food security, and trade and finance**. These topics have been addressed in the European Union's biennial reports on the 2030 Agenda since 2007. After the last report produced in 2019, it was considered that reporting on the 2030 Agenda would be integrated into the broader reports on the implementation of the 2030 Agenda, every four years.

The 2018 external evaluation of the EU's implementation of the 2030 Agenda revealed shortcomings and entropy in the pursuit of greater coherence in European policies, including weak political commitment, institutional dispersion, and coordination difficulties. In general, in recent years, the dilution of Development within the broader scope of International Partnerships (namely in the internal organization of the EC), the creation of a "Global Europe" Instrument within the 2021-2027 multiannual financial framework (with the merger of instruments focused on poverty reduction and the poorest countries), and a progressive concentration of the analysis of the external impact of EU policies almost exclusively on their contribution to the 2030 Agenda, have led to PCD losing momentum and visibility within European institutions.



Several analyses by **European civil society organisations and networks** have warned of the persistence of significant inconsistencies in EU policies, with harmful impacts on local communities and the development processes of partner countries. With the predominance of geopolitical and strategic interests, there even seems to be a tendency to implement a "reverse" coherence, that is, for development policy to serve security interests, migration management, or the promotion of EU trade<sup>7</sup>. Thus, it becomes increasingly challenging to ensure that EU development policy maintains its focus on poverty reduction and combating inequalities, as enshrined in the Treaties.

The 2019 **Council Conclusions on PCD** reaffirmed the importance of PCD in implementing the 2030 Agenda and **reiterated the responsibility of Member States and European institutions** to make greater progress in minimising the negative impacts of policies on developing countries and maximising synergies and mutual benefits.

One of the tools highlighted is conducting analyses that take into account the transnational effects of legislative, policy, and regulatory proposals before, during, and after their implementation. At the European level, the analysis of the impact of EU initiatives on developing countries is formally ensured from the very beginning of these initiatives' preparation, as part of the "Better Regulation" package. In its recent revision, this package incorporated specific guidelines for this verification process One of its tools includes the necessary steps to analyse the potential economic, social, and environmental impacts on developing countries, which can also be useful for Member States<sup>8</sup>.

The European Parliament's latest resolution on PCD, from 2023°, recognizes that the EU's political commitment to PCD may be threatened by the current geopolitical context and highlights the need to adapt PCD to current interconnected challenges at the global level. Specifically, it calls for the definition of a PCD action plan with a clear methodology, indicators, and implementation deadlines, applicable to the EU and its Member States. It is necessary to ensure a common EU agenda on PCD and differentiated actions by the Commission, Council, and Parliament10. This is particularly important at a time when the European Green Deal, trade policy, global and EU corporate tax standards, and corporate due diligence on sustainability bring new challenges and impacts to the "Global South", increasing the relevance of PCD.

"The European Parliament (...) calls for a radical change in the application of PCD to ensure that impacts on developing countries are properly identified and analysed, that negative impacts are avoided or minimised, and that full advantage is taken of potential synergies with the pursuit of development objectives."

EP Resolution on PCD, March 2023

<sup>&</sup>lt;sup>7</sup> For an analysis of the EU's inconsistencies in these and other sectors, see the studies on the 5 priority themes of the PCD at https://www.fecongd.org/coerencia/estudos/

<sup>8</sup> See the Better Regulation Toolkit at https://shorturl.at/oqty7

<sup>&</sup>lt;sup>9</sup> Since 2010, the European Parliament has had a permanent rapporteur on PCD (within the Development Committee – DEVE) and intends to place PCD on the agenda of the various parliamentary committees, in addition to creating a network for discussion and information sharing.

<sup>&</sup>lt;sup>10</sup> According to the EP Recommendation, the EC should incorporate the conclusions of the external evaluation of the PCD carried out in 2018, strengthen the dialogue between the EC and the European External Action Service (EEAS), conduct in-depth impact assessments and effective follow-up, as well as develop a new Communication on PCD that provides clear guidance for the future.

**EU Member States** have chosen different approaches and mechanisms to pursue the PCD, as the unique nature of the political and decision-making processes in each country determines this definition on a case-by-case basis. As is the case at the EU level, there is generally a transition from the PCD as an approach linked to cooperation to its incorporation into the strategic documents, coordination mechanisms, and monitoring/impact of the 2030 Agenda and sustainable development in general. Virtually all countries have a National Strategy for Sustainable Development, which guides the efforts of all sectors and actors both internally and externally. It is worth highlighting some specific examples of best practices (**Figure 4**).

Figure 4. Examples of best practices in PCD implementation processes by European countries

Levels of implementation	Exemples of best practices
Strategic vision, planning and leadership	Luxembourg: The Third Plan for Sustainable Development (2019) define the eradication of poverty and the coherence of internal/national policies regarding their external impact on development as one of the 10 priority actions.  Italy: A legally binding commitment to PCD was made in all policies (2014), PCD is part of the National Strategy for Sustainable Development (2017),
	and a National Plan for PCSD (2022) was defined.  The Netherlands: Submitted to Parliament an Action Plan for PCD (2018), revised in 2023, in which the government defines the objectives and concrete actions to guarantee PCD in priority sectoral areas.



## Coordination and consultation mechanisms across sectors and policies



Sweden: All ministries must develop and implement action plans on their contribution to the SDGs.

Belgium: Created the Advisory Council on PCD (reformulated in 2021), which advises the Interministerial Committee on PCD, analyses the impacts of policies/measures in developing countries, and has already issued several opinions, notably on the sustainable development plan and the reform of the taxation of multinational companies.

The Netherlands: interministerial committee on PCD; common instruments and funds in specific areas to ensure coherence: climate and development; trade and development, responsible business conduct.

Germany: textile industry.

Norway: Conducted assessments on the implementation of PCD, which led to changes in coordination and monitoring mechanisms.

#### Instruments for monitoring and reporting on the impacts of policies on development



The Netherlands, Sweden and others: report to Parliament on progress and actions for PCD.

Denmark: Parliamentary Committee on PCD.

Finland and Switzerland: Developed indicators for monitoring global accountability and PCD, which are included in SDG reporting.

Sweden: Civil society has published a biennial barometer/shadow report on PCD.

Scotland: Scotland's International Development Alliance, a policy-influencing community, has produced relevant recommendations on PCD.

#### 2.2. Portugal

This section analyses some aspects of Portugal's implementation of PCD, across its **three levels of implementation**.

### Political commitments and strategic guidelines

At the international level and with regard to binding commitments, Portugal is a signatory to the OECD Recommendation on PCD and is bound by the provisions of the EU treaties and other European policy instruments that advocate greater practical application of the principle of coherence. Furthermore, it is also politically committed to several international guidelines that emphasise the importance of the PCD, such as the 2030 Agenda.

At the national level, Portugal has its own legislative and political guidelines for the implementation of the PCD. The commitment to pursuing coherent policies is reflected in the **Council of Ministers Resolution (RCM) 82/2010**, of 4 November, making Portugal one of the first European countries to have approved a government resolution on PCD.

This Resolution, which remains to be implemented, provides for the strengthening of formal coordination and monitoring mechanisms, with an interministerial working group at the political level responsible for developing an internal work program on PCD, producing guidelines for defining policy decisions that affect developing countries, and preparing a national report on PCD every two years.

<sup>12</sup> Ordinance No. 215/2018, amendment to the Bylaws of Camões I.P., Article 6-A.

Within the scope of the Interministerial Commission for Cooperation (CIC), it establishes a network of focal points for PCD and the creation of sectoral interministerial groups to address specific PCD issues, placing the leadership role on the Portuguese cooperation agency.

The CIC has, in fact, a mandate to promote PCD, expressed in its bylaws<sup>11</sup> and Camões I.P. is responsible for leading this process<sup>12</sup>. However, the topic has rarely been included on this Commission's agenda, and there are no known results of a network of focal points, nor progress in developing a work plan on PWD, or a national report. In 2015, some efforts were made by Camões I.P. for greater interministerial dialogue and the definition of a work plan in this area, which were not continued. The DAC-OECD evaluations of Portuguese Cooperation have repeatedly called for the implementation of existing strategic and policy guidelines, as well as the improvement of procedures and instruments that allow for the identification and response of inconsistencies<sup>13</sup>, and facilitate synergies between sectors.

<sup>&</sup>lt;sup>11</sup> The CIC is a sectoral body supporting the Government in the area of development cooperation policy, which operates within the Camões – Instituto da Cooperação e da Língua, I.P. (Camões, I.P.) and meets at the political and technical level (SPCIC). Its bylaws are defined in Ordinance No. 173/2013, of 7 May. It should be noted that experts and entities representing civil society may participate in meetings when necessary and/or justified by the specific nature of the matter.

<sup>&</sup>lt;sup>13</sup> The last two evaluations, carried out in 2015 and 2022, highlight that improvements involve implementing programmatic approaches in bilateral cooperation (less focused on individual projects and bringing together various interventions and stakeholders from different sectors around the results that are intended to be achieved), strengthening intergovernmental mechanisms and participatory processes involving various actors at all stages.

The approval of the **Portuguese Cooperation Strategy 2030 (PCS 2030)**<sup>14</sup>, at the end of 2022, brought new impetus to efforts to achieve greater coherence. It recognises the need to strengthen the importance of development cooperation in public policies and promote PCD through the following measures:

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- a) Promote intergovernmental and multisectoral approaches to respond to specific challenges of Portuguese external action and global development, such as health, climate, action in fragile contexts, or the interconnection between security and development;
- b) Deepen the interconnection of the cooperation sector with strategic policy frameworks that impact developing countries, particularly in the areas of equality, migration and mobility, climate action, and internationalisation/investment, taking into account the coherence and contribution of these strategic frameworks to global development objectives;
- c) Implement Council of Ministers Resolution No. 82/2010, of 4 November, including the implementation of a work plan and the improvement of procedures and instruments to strengthen Policy Coherence for Development;
- d) Strengthen political and public discussion on international cooperation and development through more systematic engagement and dialogue with the Parliament, the Government, the Autonomous Regions, and local authorities

The implementation of an **action plan for the PCS 2030**, with targets, indicators, and division of responsibilities, could bring greater clarity and actionability to the implementation of the defined measures, contributing decisively to PCD.

At the strategic and political level, the Operational Strategy for Humanitarian and Emergency Action<sup>15</sup> (EOAHE, 2015) can be considered an example of promoting PCD, since it promotes common understandings, coordination and complementary action by sectoral actors in defence, interior, health and social security, consistent with international principles and best practices of humanitarian action in the various contexts of emergency, vulnerability and fragility, under the leadership of Camões I.P.

(...) The aim is to integrate development objectives into public policies that may affect developing countries, thus minimising contradictions and generating synergies between policies, with more positive impacts on partner countries. Furthermore, it also contributes to the coherence of external action.

## Portuguese Cooperation Strategy 2030 (RCM 121/2022)

Greater coherence between national policies affecting developing countries and development cooperation policy represents a fundamental element for the rationality, efficiency, and effectiveness of Portuguese cooperation.

Council of Ministers Resolution on PCD (RCM 82/2010)

<sup>&</sup>lt;sup>14</sup> Council of Ministers Resolution No. 121/2022, of 9 December.

<sup>&</sup>lt;sup>15</sup> RCM 65/2015.

PCD has been formally promoted through the inclusion of development concerns in some strategic sectoral policy documents, particularly in the areas of security, migration, environment, and equality (**Figure 5**).

**Figure 5**: Sectoral strategic documents that incorporate a PCD dimension<sup>16</sup>:

#### **Security & Development**

- National Strategy on Security and Development (RCM 73/2009)
- National Action Plans for the Implementation of United Nations Security Council Resolution
   No. 1325 on Women, Peace and Security (III PNA, RCM 33/2019)

#### **Migration & Development**

- Strategic Plan for Migration 2015-2020 (RRCM 12-B/2015)
- National Implementation Plan of the Global Compact for Migration (RCM 141/2019)

#### **Environment & Development**

- National Strategy for Nature Conservation and Biodiversity 2030 (RCM 55/2018)
- National Strategy for Adaptation to Climate Change (RCM 56/2015, until 2025)
- National Strategy for the Sea 2030 (<u>RCM 68/2021</u>) and respective Action Plan (<u>RCM 120/3021</u>)
- Climate Framework Law (Law No. 98/2021)

#### **Others**

- National Strategy for Equality and Non-Discrimination "Portugal + Igual", (RCM 61/2018) and respective Action Plans for the period 2023-2026 (RCM 92/2023)
- V Action Plan to Prevent and Combat Human Trafficking 2024-2027 (ongoing)
- Promotion of Global Health (RCM 53/2018)
- National Roadmap for Sustainable Development 2030, which should integrate a policy coherence perspective (ongoing)

<sup>&</sup>lt;sup>16</sup>These documents include a dimension of development cooperation and define intersectoral collaboration in contributing to global development.

Some of the areas with the best prospects for advancing the promotion of PCD are peace/security, environment/climate change, and migration.

**PEACE AND SECURITY.** There are specific policy guidelines on the interconnection between security and development (RCM 73/2009), which should be translated into concrete actions. The mechanisms for joint analysis, integrated planning, systematic coordination, and joint assessment of security and development that were planned have not been fully implemented. Coherence in external action is, in this case, highly relevant, particularly in crisis prevention and management. The priority given to states in fragile situations by Portuguese Cooperation encourages and requires more integrated planning and operations, and closer coordination and complementarity between actors in various areas (including on the ground). This implies a greater focus on implementing the triple humanitarian-development-peace nexus, as referred to in the PCS 2030, in line with the guidelines of the DAC-0ECD Recommendation on this nexus<sup>17</sup>. On the other hand, exploring synergies and links between Education for Development, Education for Peace and Education for Human Rights also has potential.

transnational and global interconnections, and meeting national and international goals and commitments in these areas requires coherent actions, particularly with regard to the financial instruments available for projects and investments. The active participation of development and cooperation actors within the various existing strategic instruments is essential for greater interconnection between the development and environmental agendas, as advocated by the 2030 Agenda and the Paris Agreement, so that developing countries can be supported and pursue fair and sustainable green transitions. It is important not only that development cooperation incorporate the goals and objectives of climate action, but also that the transition to greener and decarbonized economies take into account climate justice and social justice, considering their impacts on social, employment, resilience, and development. The institutional collaboration between Camões I.P. and the Ministry responsible for the environment (and related entities) is regular and active, and can be further strengthened to ensure greater alignment at the political and technical levels. Similarly, development NGOs (NGDOs) and environmental NGOs (NGEOs) can explore further opportunities for dialogue and partnership.

MIGRATION. The dimensions of external action and sustainable development play a relevant role in both the Strategic Plan for Migration (2015-2020) and the National Implementation Plan of the Global Compact for Migration (RCM 141/2019), with several actions involving countries of origin and transit and development partnerships, both bilaterally and multilaterally. The National Plan includes specific measures to minimise the adverse and structural factors that force people to leave their country of origin (Obj.2), to increase the availability and flexibility of regular migration routes (Obj.5), to develop skills and facilitate the mutual recognition of skills, qualifications, and capabilities (Obj.18), and to create conditions for migrants and diasporas to contribute fully to sustainable development in all countries (Obj.19), among others. The interministerial coordination committee provided for in the Plan includes representatives from Foreign Affairs and focal points in several ministries, promoting shared responsibility and synergies. Institutionally, the creation of the Agency for Integration, Migration and Asylum (AIMA) in 2023, replacing the High Commissioner for Migration (ACM) is a recent change whose impact on coherence should be assessed in the future.

The implementation of **intergovernmental approaches** on strategic issues such as those mentioned above, encouraging the involvement of different actors and entities, can effectively contribute to the PCD, as provided for in the PCS 2030.

One of the steps towards greater intergovernmental coherence was the change in the governance model for monitoring the 2030 Agenda and its relationship with policies, placing the **coordination and monitoring of the 2030 Agenda** under the responsibility of the Presidency of the Council of Ministers and establishing an umbrella model that involves various sectors in a multidimensional manner.

The creation of PlanAPP – Centre for Planning, Policies, and Forecasts in Public Administration<sup>18</sup> was based on the concern for policy coherence, promoting coordinated and cross-cutting action across various areas. One of this entity's objectives is to foster the participation of various levels and sectors of public administration (from a whole-of-government perspective), private stakeholders, and civil society (from a whole-of-society perspective) in the discussion and definition of public policies, also contributing to greater aggregation of efforts and coherence among stakeholders.

<sup>&</sup>lt;sup>18</sup> Model of governance, coordination, and monitoring of SDG implementation (<u>RCM 5/2023</u>). Coordination of the Agenda's implementation externally remains within the Ministry of Foreign Affairs' governance area.

However, the progressive alignment of strategies and public policies with the 2030 Agenda reveals a **strong preponderance of the internal/national dimension**. For example, the National Strategy to Combat Poverty 2021-2030 and its first Action Plan 2022-2025<sup>19</sup> mention the development and implementation of integrated and/or complementary policies at the local level, within a multisectoral framework, but only at the local/national level, without any external/international dimension.

Furthermore, in some sectoral strategic documents that include an external dimension and/or mention international cooperation priorities, development actors are not involved in the coordination and monitoring mechanisms. This raises doubts about their implementation from a coherent perspective and fails to ensure the practical application of the development lens to these sectoral policies, which goes beyond the formal level.

Within the scope of the 2030 Agenda, Portugal's 2<sup>nd</sup> Voluntary National Report (NVR), presented to the United Nations in 2023, acknowledges that the vast majority of the Planning Instruments in force in Portugal make no reference to the SDGs or Global Development, and that "systemic challenges remain in the analysis of trade-offs between SDGs, external consequences (spillovers), and co-benefits, hindering a transversal and holistic perspective throughout the public policy cycle."

Furthermore, despite Camões I.P. having been an integral part of the mission structure created to monitor the 2030 Agenda and prepare the 2023 Voluntary National Report, its contribution focused specifically on SDG 17 (Official Development Assistance - ODA, financing for development and partnerships), although all other SDGs have an important external dimension, relating to Portugal's external action in various sectors and its impact on partner countries<sup>20</sup>. One of the strategic objectives of the National Roadmap for Sustainable Development 2030 is to "Ensure the coherence and alignment of public policies for sustainable development" (Obj. 3) and is expected to integrate mechanisms for inclusive consultation, identification, analysis, and reporting on the external and global impacts of policies and the external dimension of all SDGs.

It is therefore important that development actors in general, and specifically the central structure of Portuguese Cooperation, are involved and participate in an increasingly systematic way in the mechanisms for defining and coordinating policies in the various sectoral areas, giving their contribution and thus conveying the perspective of Global Development at all levels, which may also translate into the development of partnerships and synergies and, consequently, greater coherence.

<sup>&</sup>lt;sup>19</sup> Respectively, <u>RCM 184/2021</u> and <u>RCM 126/2023</u>.

<sup>&</sup>lt;sup>20</sup> Please note that targets 17.14 and 17.16 of SDG 17, which are especially important for PCD, do not have monitoring indicators from Portugal, as mentioned in the RNV 2023.

#### [Institutional and coordination mechanisms

In addition to the general difficulties in implementing the PCD mentioned in section 1.2, Portugal faces specific obstacles due to the large number of actors within the development cooperation system itself, the significant institutional and financial resource dispersion among ministries and agencies, and the lack of a unified budget for the Development Cooperation Policy based on objectives and programmes. This poses a significant **challenge to internal coherence within the sector**, which overlaps with and compounds the difficulty of coherence with other sectoral policies.

The existing coordination mechanisms - notably the CIC/SPCIC for interministerial coordination and the Cooperation Forum for multi-stakeholder coordination - contribute largely to policy coherence for development. The promotion of PCD is insufficiently addressed, or largely absent, from the agendas of key stakeholders and the main mechanisms of Portuguese Cooperation. Discussions tend to focus on the internal coherence of cooperation programmes, projects, and actions, rather than on the impact of systemic issues, the effects of various policies on development, or the generation of intersectoral synergies and integrated approaches that enhance the results that development cooperation aims to achieve. Existing dialogue and coordination mechanisms and dynamics must transcend the cooperation sector to improve coherence at the political and technical levels.

An example of the difficulty in engaging sectoral ministries illustrates the path to be taken to implement PCD in a comprehensive and intergovernmental manner. In addition to the general lack of knowledge about what PCD is and what it entails, there is a difficulty, from the outset, in communicating and following up on matters.

Sectoral experts from the international relations departments (which include cooperation) of various ministries participate in the coordination mechanisms of Portuguese Cooperation. It is then very difficult for them to raise awareness among colleagues outside the development sector about these issues or reach the respective policymakers.

Coherence in external action is important and contributes to PCD. The regular participation of Camões I.P. in various mechanisms within this context, such as the Interministerial Commission on Foreign Policy, is crucial for bringing a stronger development perspective to the various issues addressed. However, overall, development tends to be the weakest link in the interconnection of the "3Ds" (Defence/Security, Diplomacy, Development)<sup>21</sup>, which is linked to the admittedly weak weight that development cooperation has within public policies. The triple nexus approach (humanitarian action - development - peace) can be a gateway to greater interconnection and coherence between the various domains of external action.

Within the scope of Portuguese Cooperation, institutional mechanisms for intersectoral and multi-stakeholder coordination must function regularly, in an inclusive and representative manner, with concrete agendas and results to be achieved, as provided for in their bylaws. The planned reformulation of the **governance and operating model of the Development Cooperation Forum**, transforming it into a space for participatory debate and effective coordination, with the creation of specific working groups on relevant thematic areas, could be an important step towards increasing knowledge, dialogue, and analysis of policies and practices from a PCD perspective.

<sup>&</sup>lt;sup>21</sup> Efforts to promote "Whole-of-government" approaches are more focused on the interactions between diplomacy/foreign policy and security/defence policies, as concluded by Seixas da Costa, F.; Ferreira, P.M. (2020).

Furthermore, **the voices of partner countries** must also be heard in the formulation and implementation of policies that impact them. In addition to bilateral dialogue, participation at the multilateral level, in regional and international cooperation organisations, must take this into account. For example, the Community of Portuguese-Speaking Countries (CPLP) offers a permanent basis for policy dialogue that can be used to identify the negative and positive effects of certain national policies in various partner countries, implementing measures to overcome or mitigate them (in the case of negative effects), or to enhance them (in the case of positive effects). Migration policies have been an example of this multilateral discussion, which has resulted in concrete measures in terms of mobility and freedom of movement in the CPLP.

#### Impact monitoring and analysis

In addition to institutional and governance mechanisms that allow for greater coordination and interactions between policies, it is important to have **monitoring and analysis systems**, that is, tools that assess the impacts of policies and actions. It is recognised that these systems are not established in a structured and harmonised manner, so the effects are largely unknown.

This analysis should be carried out throughout the entire cycle, from before the definition of policies and measures to after their implementation. It is possible and desirable to do so in advance (ex-ante), at an early stage in the preparation of laws, regulations, and strategic policies, and in all areas of government. Currently, the preliminary analysis of legislative impact focuses primarily on the financial dimension (budgetary impact of the measure/

policy) and environmental dimension (impact assessment on climate action), changes have recently been introduced to the social impact assessment questionnaires, which address gender equality, poverty, disability, and the risks of fraud, corruption, and related offenses, and are awaiting entry into force. From a PCD perspective, justifications could also be required regarding the possible effects of laws, regulations, and policies externally, on global development, and on the poorest and most vulnerable countries.

Finally, raising awareness about PCD, the interdependencies and linkages between policies, and the impacts on global development and partner countries implies the promotion, production, and dissemination of greater knowledge on these topics. This can be promoted through awareness-raising, capacity-building and training on PCD among stakeholders relevant to this coherence, both within and outside the development sector. Studies and analyses of these impacts should also be encouraged, as provided for in the 2030 PCS, in which Education for Development and Global Citizenship (EDCG) can play a relevant role.

In the field of knowledge production, discussion, and dissemination of content that contributes to the multiple objectives of informing, disseminating, and raising awareness, an important contribution has been made by some projects implemented by Portuguese NGDOs, with support from Camões I.P., which include this aspect in their activities, or even focus on PCD as a driving factor for development. These are, in fact, mentioned in the 2022 DAC review of Portuguese Cooperation as a good practice that should be strengthened and expanded.

The Portuguese Platform of NGDOs regularly places PCD on the agenda of concerns and proposals regarding Portuguese cooperation policy. Specifically, the Aidwatch working group has developed advocacy and monitoring actions for public policies relevant to civil society work, as well as monitoring debates on Development Effectiveness. The Platform's contributions, both in the definition phase and in the implementation of PCS 2030, prominently include the need to improve PCD. In the context of the 2024 legislative elections, one of the "Five Proposals for Responding to Global Challenges" focused on the specific implementation of PCD.

In the public sector, the project "Building Policy Coherence for Sustainable Development across national and local government in Portugal" (2023), implemented through the EU Technical Assistance Instrument, in partnership with the OECD, provides technical support to Portugal in implementing the 2030 Agenda. This involves recommendations that strengthen institutional mechanisms, including at the regional and local levels, public policy coherence, and capacity building of Public Administration in this area.

The appreciation and support for initiatives, projects and actions of diverse actors/sectors that contribute to PCD – from increasing knowledge to raising awareness, from multi-actor and multi-level coordination to joint thematic approaches – is a way of giving relevance to this agenda, of fostering its implementation and, ultimately, of expanding the effectiveness and positive impacts of Portuguese Cooperation, in favour of global development and partner countries.



## RECOMMENDATIONS

10 ACTIONS to be taken so that Portugal can implement existing policy commitments and instruments,

and increasingly place development concerns and objectives at the top of decision-making agendas, advancing the more systematic integration of PCD into policies and practices:

#### In the context of public policies:

1.

Improve the coherence and alignment of Public Policies and their sectoral instruments with the principles and commitments within the scope of Development and Cooperation, both at the formal and operational levels, including the participation of development stakeholders the central structure of Portuguese Cooperation in the implementation and monitoring of sectoral policies (in areas such as security, food sovereignty, trade and finance, climate change, migration and others).

2.

Within the scope of the National Roadmap for Sustainable Development 2030, integrate into the mechanisms and reporting on the implementation of the 2030 Agenda (including existing and monitored indicators) the external impacts of the various policies and the external dimension of all SDGs, providing for the identification and analysis of these impacts, as well as processes for integrating possible mitigation measures into public policies to address the identified impacts.

3.

Include the contribution to global development in decision-making at an early stage of the **preparation of laws, regulations, and strategic policies**, adding an external/global impact criterion to the **prior analysis of the legislative impact** of proposals, thus joining the existing financial, environmental, and social criteria.

4.

Pursue integrated, **intergovernmental, and intersectoral approaches** to thematic areas of strategic interest with strong interconnections between the internal/national and external/global dimensions, **such as peace and security, the environment and climate change, and migration**, actively promoting a development and human rights perspective in these approaches. In particular, foster coordinated and coherent action in fragile contexts, including greater collaboration between the various instruments, financing types and respective stakeholders. This also contributes to the coherence of Portugal's external action.

**5**.

Fully implement the provisions on PCD in the **Portuguese Cooperation Strategy 2030 (PCS 2030)**, including the **mechanisms and instruments provided for by RCM 82/2010 on PCD**, specifically the implementation of a **work plan** on this matter, the regular identification and work of the **network of focal points of the various ministries on PCD**, and the preparation/submission of **national reports on PCD**.

6.

Operationalise PCD within the **institutional mechanisms of Portuguese Cooperation**, integrating it regularly:

(i) In the agendas of the **Intergovernmental Commission for Cooperation** (CIC), at the political and technical level, in line with its mandate in this area, promoting the involvement of various sectors and the discussion of sectoral policies that impact the development of partner countries.

(ii) In the **Development Cooperation Forum**, taking advantage of the reformulation of its governance and operating model to incorporate a working group on PCD with specific objectives, and pursuing a participatory and inclusive approach that promotes multisectoral and multi-stakeholders synergies in their joint contribution to Global Development.

7.

The development of **monitoring and analysis of the impacts of policies** in developing countries, as well as knowledge about PCD and its relevance in general, through:

(i) information management, monitoring and tracking systems for Portuguese Cooperation that include these types of analysis criteria;

(ii) capacity-building and training actions on PCD and the external impacts of policies, with stakeholders relevant to this coherence, in various sectoral areas (including Camões I.P., responsible for leadership in PCD);

(iii) support for projects, impact assessments, and the production of analyses and content in this area, particularly within the scope of Education for Development, as a relevant approach to fostering critical thinking and active global citizenship.

#### Within the scope of Civil Society, in particular Portuguese NGDOs:

8.

**Strengthen advocacy** for the inclusion of the global development dimension and a PCD approach in political and technical agendas, among ministerial and cooperation actors, political parties and the Parliament (advocacy), as well as supervision and accountability for the implementation of the commitments made by the Portuguese State in terms of PCD (watchdog role), especially in the implementation of PCS 2030.

9.

Encourage **coordination and dialogue**, playing an active role in policy consultation and multi-stakeholder dialogues, organising working groups and incorporating the topic into existing coordination platforms (e.g., Cooperation Forum), developing working relationships with political and public actors for debate and exchange of experiences; promoting dialogue and partnerships between CSOs of different scopes (NGEOs, Human Rights Organisations, NGDOs, etc.).

10.

Focus on raising awareness and knowledge in the field of PCD, either through building capacities of civil society organisations/networks and other stakeholders on the relevance and implementation of PCD (holding training sessions on the subject, awareness-raising activities, etc.), or through developing monitoring and analysis, including impact assessments on their activities and cooperation projects; producing shadow reports on PCD; participating and/or promoting analyses in specific thematic areas, especially in the field of Education for Development.

# WHAT CONSIDERATIONS SHOULD POLITICIANS AND DECISION-MAKERS MAKE WHEN DEFINING OR ANALYSING A CERTAIN ACTION/POLICY?

- → Does the measure/policy/action **adequately consider external/transnational effects** regarding global development and the development of the poorest and most vulnerable countries?
- → Does the measure/policy/action preserve the objectives of cooperation and development policy for the eradication of poverty and the promotion of more inclusive and sustainable development?
- → Does the measure/policy/action contribute to the achievement of the 2030 Agenda for Sustainable Development and its Global Goals (SDG 17)?
- → Does the measure/policy/action promote coordination and synergies between sectors and actors to formulate multidimensional, comprehensive, and integrated approaches?
- → Does the measure/policy/action have adverse or harmful consequences for future generations?
- → Does the measure/policy/action consider the needs of the most vulnerable and/or discriminated against social groups?
- → If the measure/policy/action is implemented in developing countries, does it **correspond** to the development needs and priorities of that country? And is it based on appropriate consultation at the local level and collaborative and partnership work?
- → Are mechanisms planned and/or implemented to monitor the impacts of policies/measures and accountability?

#### In the case of the private sector/businesses/organisations:

- → Do the **company's/entity's values, principles and mission**correspond to a vision of a more just,

  less unequal and sustainable society

  and economy?
- → Are there any company/entity guidelines focused on

- → → What **impacts** do the company's/entity's activity have on a social, economic, and environmental level, locally, nationally and globally (if applicable)?
- → If there are harmful/ negative effects, what measures can be taken to mitigate or eliminate them?

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## **USEFUL LINKS**

European Union | <a href="https://international-partnerships.ec.europa.eu/policies/european-development-policy/policy-coherence-development-en-development-policy/policy-coherence-development-en-development-policy/policy-coherence-development-en-development-policy/policy-coherence-development-en-development-policy/policy-coherence-development-en-development-policy/policy-coherence-development-en-development-policy/policy-coherence-development-policy/policy-coherence-development-policy/policy-coherence-development-en-development-policy/policy-coherence-development-en-development-policy/policy-coherence-development-en-development-e

OECD | https://www.oecd.org/governance/pcsd/

CONCORD | <a href="https://concordeurope.org/core-priorities/policy-coherence-for-sustainable-development/">https://concordeurope.org/core-priorities/policy-coherence-for-sustainable-development/</a>

Portugal | <a href="https://ptsustentavel.gov.pt/">https://ptsustentavel.gov.pt/</a>

PCD Portal | www.corencia.pt



## **ACRONYMS**

ODA	Official Development Assistance
OECD-DAC	OECD Development Aid Committee
Camões I.P.	Camões – Instituto da Cooperação e da Língua, I.P.
EC	European Commission
CIC	Interministerial Commission for Cooperation
PCD	Policy Coherence for Development
PCSD	Policy Coherence for Sustainable Development
CPLP	Community of Portuguese-Speaking Countries
PCS 2030	Portuguese Cooperation Strategy 2030
EDCG	Education for Development and Global Citizenship
EOAHE	Operational Strategy for Humanitarian and Emergency Action
FDI	Foreign Direct Investment
MNE	Ministry of Foreign Affairs
OECD	Organisation for Economic Cooperation and Development
SDG	Sustainable Development Goals
NGEO	Non-Governmental Environmental Organisation
NGDO	Non-Governmental Development Organisation
SC0	Civil Society Organisations
SCP	Strategic Cooperation Programme
RCM	Council of Ministers Resolution
RVN	Voluntary National Report
SPCIC	Permanent Secretariat of CIC
TFUE	Treaty on the Functioning of the European Union (Lisbon Treaty)
EU	European Union





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