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Increasing policy coherence between NDCs and SDGs: a national perspective

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IMAGE (ABOVE): Fisherman's boat, Pang Lao Bohol, Philippines
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Key messages

- **The Paris Agreement and Agenda 2030 include cross-cutting and ambitious goals, as defined in nationally determined contributions (NDCs) and Sustainable Development Goals (SDGs). Countries are more likely to meet these goals if they enhance policy coherence between the two agendas.**

- **An initial analysis identifies the synergies and conflicts between NDC goals and SDGs in six countries – Germany, Kenya, South Africa, Sri Lanka, Sweden and the Philippines – and offers insights on the key barriers and governance challenges to policy coherence.**

- **The Agenda 2030 goal to reduce inequality, or SDG 10, conflicts with other goals in all six countries, appearing when governments plan for just energy transitions away from fossil fuels, promote economic growth for poverty alleviation, or enact fuel taxes that open up an urban-rural divide.**

- **Institutional measures, such as reducing government fragmentation, can increase policy coherence. But policymakers also must look to the underlying political factors that are at the root of policy incoherence, such as the values, norms and vested interests unique to each country.**

Fewer than 10 years remain to achieve Agenda 2030, yet no country is on track to meet all 17 Sustainable Development Goals (SDGs) (Sachs et al. 2018). Countries are also far behind in achieving the low-carbon and climate-resilient society envisioned in the Paris Agreement; their climate pledges, or nationally determined contributions (NDCs), are far less ambitious than required to keep global warming to the Paris target of "well below" 2°C above pre-industrial levels (UNEP 2019).

The goals of the NDCs intersect both positively and negatively with the SDGs; progress on climate goals can therefore either help or hinder progress on the SDGs (Brandi et al. 2017; Dzebo et al. 2019). The success of both can be helped by policy coherence, wherein countries promote synergies and address conflicts in the implementation of both their NDC and SDG agendas.

This policy brief presents initial findings on coherence in the joint implementation of these two agendas in 6 countries: **Germany, Kenya, South Africa, Sri Lanka, Sweden and the Philippines**. We chose these countries to provide a diverse representation with respect to levels of income and domestic dependence on fossil fuels.

Our analysis included a review of the policies and documents related to climate change and SDGs in each country, including national development plans, NDCs, national

adaptation plans, low-carbon development strategies and numerous other documents. We also conducted a literature review of academic papers and grey publications on each country's policies and implementation of climate goals and SDGs, focusing on synergies and conflicts between them. This was complemented with between four and nine interviews in each country, spanning stakeholders from national government, civil society and the private sector.

This policy brief details the findings of this analysis. We present insights on key synergies and conflicts between goals, describe the barriers and governance challenges leading to policy incoherence, and share recommendations on how to enhance policy coherence in the countries considered.

Exploring synergies and conflicts

To limit the scope of our study, we took the climate agenda as a starting point and identified key synergies and conflicts between climate goals and the SDGs spanning three specific issue areas in each country: (i) the water-energy-land-food nexus (SDG 2, 6, 7 and 15); (ii) economic growth and responsible consumption and production (SDG 8, 9 and 12); and (iii) poverty, equity and inequality (SDG 1, 5 and 10). These were selected to get an adequate representation of social, economic and environmental goals. We also identified synergies and conflicts within the SDGs themselves. The empirical analysis from all six countries indicates that interactions between and within climate goals and the SDGs are not confined within a single issue area but are cross-cutting across the three issue areas, as well as other SDGs. In particular, the third issue area on poverty, equity and inequality emerges as an overarching theme, with relevance in the other issue areas.

The water-energy-land-food nexus refers to the linked relationship between water, energy, land use and agriculture. Our analysis identified this as a key area of synergies and conflicts for all six countries; its implications for economic growth and for poverty and inequality mean it also intersects with the other issue areas.

In Kenya and Sri Lanka, for example, policies to boost agricultural productivity and increase water and energy access could also contribute to economic development and reductions in poverty and inequality. But they also raise potential conflicts around competing demands of water for irrigation and hydropower. In Germany, efforts to expand agriculture could come with higher levels of nitrate pollution, raising conflicts with biodiversity conservation and groundwater supply. In the Philippines, agriculture, forestry and fishing account for a large proportion of the country's GDP and contribute to job creation and reduced inequality, but these sectors are also significant contributors to overfishing, deforestation, soil erosion, and carbon emissions. In South Africa, coal mining contributes to economic growth and job creation, while simultaneously increasing carbon emissions and polluting surface and groundwater with acid and metals, making agricultural land unproductive. Finally, in Sweden, climate policies imposing taxes on petrol and diesel are creating an urban-rural divide, disproportionately impacting and excluding rural populations that are car-dependent and have less purchasing power. At the same time, this raises conflicts with agricultural goals, as land for biofuels and renewable energy competes with land for food.

Goals related to economic growth and sustainable consumption and production also come with conflicts. Our analysis found that a switch to sustainable energy sources could conflict with economic growth and raises concerns of increased poverty and inequality. In South Africa, for instance, the coal industry is a key employer in marginalized communities; some argue that a phase-out of coal potentially compromises livelihoods. The Philippines plans to construct more than 10 gigawatts (GW) of coal-fired power plants by 2025 under its Coal Roadmap 2017-2040. This unsustainable production is incoherent with the

The goals of the NDCs intersect both positively and negatively with the SDGs; progress on climate goals can therefore either help or hinder progress on the SDGs.

Loop of the Moselle river at the villages of Wolf and Kröv, Rhineland-Palatinate, Germanys © JORG GREUEL / GETTY

emissions reductions planned in the country's NDC. Coal also plays an important role in Kenya, which sees coal expansion as a way to develop industry and eradicate poverty. Similarly, Germany has relied heavily on coal for economic growth, and its planned phase-out has potential equity implications through job losses; compensation payments for workers, companies and states carry a heavy price for taxpayers. Sweden, meanwhile, sees conflicts when it comes to economic growth and responsible consumption, due to transboundary climate impacts. For example, Sweden imports goods from countries with less stringent social and environmental standards and invests in environmentally harmful activities in other countries.

Finally, poverty, equity and inequality shape synergies and conflicts in all the countries included in the analysis. In South Africa, Germany and the Philippines, climate goals interact with employment needs, particularly those of more marginalized populations. Green job creation for marginalized populations could help minimize equity conflict and facilitate a just transition away from fossil fuels. In Kenya, on the other hand, goals to eradicate poverty through economic growth might conflict with goals to reduce carbon emissions; equity also comes into play, considering Kenya's smaller proportion of carbon emissions when compared to developed countries. Similarly, in interviews, government actors in Sri Lanka pointed to economic growth as a way to address multiple development challenges and create synergies between jobs, education and health. Non-state actors, however, indicated that economic growth may actually conflict with climate-related priorities and further exacerbate inequalities. In Sweden, gender mainstreaming and a strong focus on the rights-based perspective of marginalized populations is central to the country's approach to sustainable development, creating synergies with Agenda 2030 goals to end poverty, ensure inclusive education and reduce inequalities, among others.

Figure 1. Key SDG issue areas for synergies and conflicts in each country (source: own elaboration). The top of the figure starts with the climate agenda (Paris Agreement and SDG 13), as our study focused on interactions between and within climate and the SDGs. The arrows in the middle demonstrate around which SDGs key synergies and conflicts appear in each of the countries. The arrows at the bottom then show how the SDGs correspond to our new cross-cutting issue areas around which synergies and conflicts are observed. The colours of the issue areas show which countries correspond to which issue area, with food-energy-water-land corresponding to all of them. SDG 10 on inequality is at the bottom of the figure as it is a dominant factor shaping synergies and conflicts in each of the countries, appearing in different guises through the different issue areas.[1]
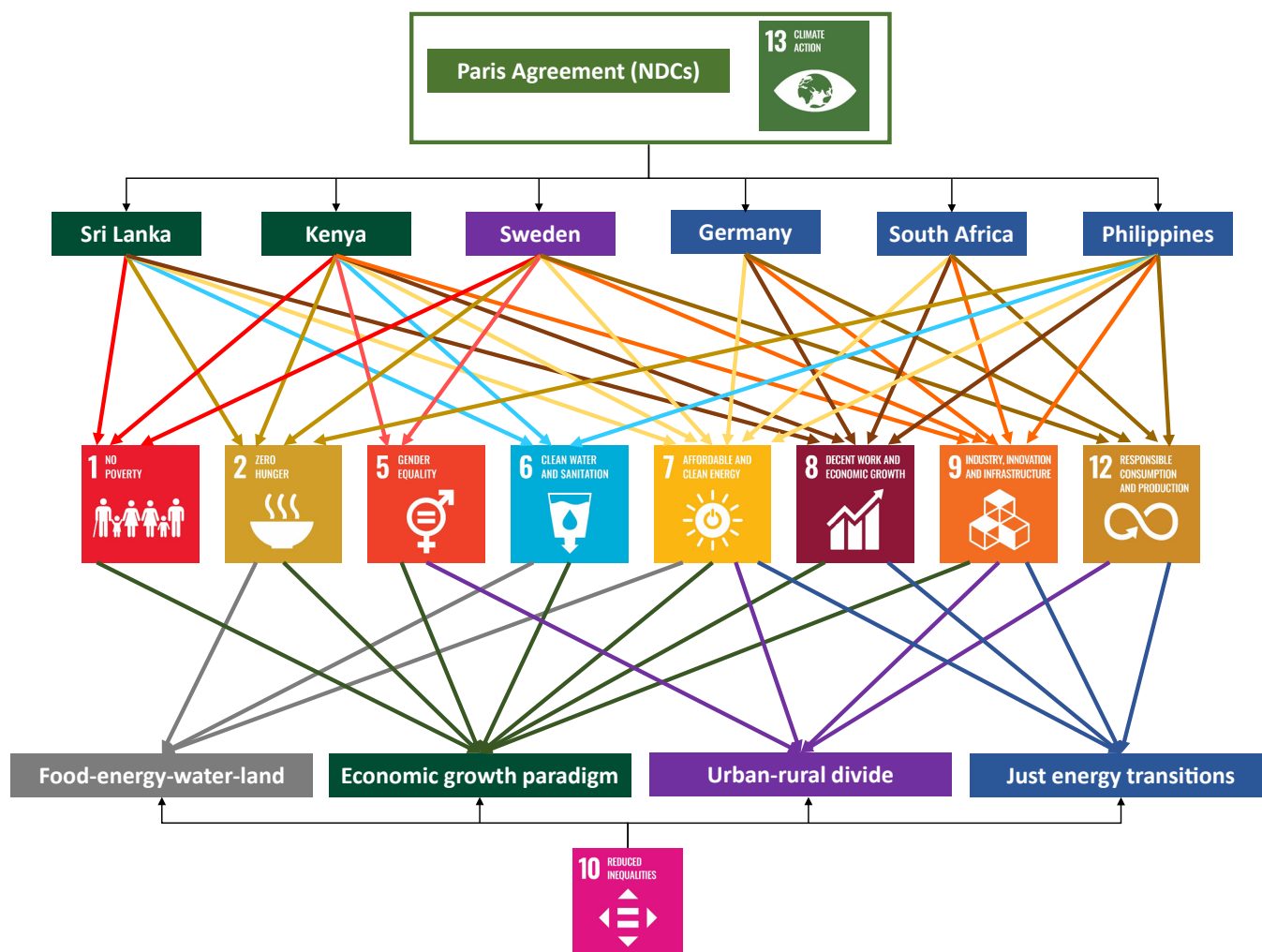
These examples demonstrate that the dichotomy between synergies and conflicts is not always clear-cut; ultimately, linkages exist between specific climate goals and SDGs, and whether they are synergistic or conflicting is determined by the policy response taken in a given context. As such, policy coherence can be promoted through implementing measures that transform conflicts into synergies. However, a question also arises on who wins and who loses as a result of a certain policy; the same response could be synergistic for certain actors and conflicting for others.

Overall, our analysis found that synergies and conflicts abound within and across the three issue areas, with particularly important interlinkages between energy, economic growth and inequality. Figure 1 below therefore maps out the four cross-cutting issue areas that emerged from our research, identifying the linkages between these issue areas and key SDGs that spark synergies and conflicts in each country.

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1   Please note that this figure is not an exhaustive illustration of all the climate and SDG interactions in each country, but just some of the more prominent interactions that emerged from our analysis.

Challenges leading to policy incoherence

We argue that in order to examine barriers to policy coherence between the two agendas (climate goals and SDGs), three interrelated factors are crucial to consider: ideas (underlying values, norms and assumptions about the world), institutions (procedures, routines and conventions established through organizational structures) and interests (material considerations, and the preferences and power embedded within actors) (Shearer et al. 2016). This framework helps identify the underlying explanatory factors that influence policy coherence in each country.

The ideas behind a country's policies can play a role in shaping coherence by influencing how problems are framed, what issues are prioritized, and what solutions are considered legitimate. In Sri Lanka, for example, the overarching paradigm is that economic growth (and the trickle-down effect) leads to better healthcare, higher employment rates and other development goals. This ideology can compromise core goals for poverty alleviation, inequality reduction and environmental sustainability, according to some NGOs and other non-state actors. In Germany, employment in coal-producing regions is seen as a source of identity and social cohesion, an ideology that is fundamentally cultural. These ideas could create barriers to the implementation of just transition plans.

When it comes to institutions, institutional fragmentation (Biermann et al. 2017) can be a key factor influencing policy coherence. Sri Lanka, for example, has a highly fragmented government, comprising 470 departments with overlapping mandates. There is limited coordination between the two institutional bodies for climate and SDG implementation – the Climate Change Secretariat and the Sustainable Development Council – as they fall under two separate ministries, which themselves are disconnected from the important National Planning Department. Similar challenges can be seen in Kenya, where the structures established to coordinate SDG implementation among various ministries are not yet operational.

National development plans also lack alignment between their climate and SDG agendas. For example, interviewees in South Africa emphasized the mismatch in planning frameworks across government levels and between ministries; this lack of coherence was particularly acute between provincial and local development plans. Similarly, in Germany, the plan to phase out coal by 2038 is not fast enough to meet the more ambitious Paris Agreement goal to limit warming to 1.5°C. In Sweden, the national government treats climate change as a component of broader environmental policy rather than a cross-sectoral challenge, despite acknowledging that the 2030 Agenda and the Paris Agreement are coherent parts of a "new global framework for sustainable development".

A third institutional factor influencing policy coherence is the lack of broad stakeholder involvement in the implementation of the two agendas. In the Philippines, the government is solely leading the implementation of its sustainable development and climate strategies, only giving sub-national and societal stakeholders an advisory role. In Sri Lanka, non-state actors felt excluded and underrepresented from the government-led SDG Voluntary National Review (VNR) process; they therefore took the initiative to lead their own parallel review process, known as the Voluntary People's Review (VPR), to evaluate progress on the SDGs. However, it is unclear whether and how greater participation facilitates increased coherence; further research on this is required.

Finally, vested and opposing interests also play a role in influencing policy coherence by dictating what agendas are prioritized. In South Africa, for example, the state-

owned electric utility company has been reluctant to invest in renewables, and trade unions fight to protect jobs in the mining sector; the vested interests and disproportionate power of these groups prevents joint action on goals relating to economic development, energy, jobs and climate, creating conflicts.

Overall, although institutional factors are important in influencing policy coherence, vested interests and national ideas and discourses also play a key role. Further research is therefore needed to also account for these factors, which are typically excluded from policy coherence analyses.

Strategies for increased policy coherence

The interviewees across the six countries suggested a number of recommendations and strategies for facilitating policy coherence at the national level, but most of these only addressed the institutional barriers raised above. For instance, several interviewees recommended that governments should ensure that all levels of society share the responsibility of implementing the National Sustainable Development Strategies, the 2030 Agenda and the NDCs. This would overcome accountability concerns by ensuring that relevant government departments are responsible for implementing highly cross-cutting goals. This was raised as particularly important in Germany, where interviewees identified a lack of political leadership and responsibility for climate policy interventions. In addition, interviewees also recommend that policy incoherence could be overcome through greater coordination and interaction between relevant government departments and agencies. In Sri Lanka, for example, this could come in the form of a renewed mandate for the Climate Change Secretariat and the Sustainable Development Council to interact for all relevant policies, such as through the establishment of working groups.

Several interviewees also recommended that countries should mainstream climate and development goals into their overarching development strategies, and align their related sectoral plans, laws and policies. For example, Germany enacted a just transition plan to phase out coal and the Philippines passed a Green Jobs Act – but neither policy incorporates the full extent of the climate and SDG agendas. Without a more holistic approach, such policies could lead to the conflicts described above. In South Africa, a plan to phase out coal still lacks a clear institutional and legally binding goal, as well as the multi-stakeholder governance and finance mechanisms needed to ensure a just transition.

Countries could also enhance policy coherence by tracking the progress and alignment of the climate and SDG agendas – such as through joint monitoring, reporting and evaluation mechanisms (Bouyé et al. 2018). This comes with its own transaction costs, but that may be partly or entirely offset by efficiencies gained through policy coherence.

Beyond institutional changes, a shift in ideas and interests could also help increase policy coherence. However, these shifts could, in turn, create new forms of incoherence, creating new conflicts between goals, and giving preference to other goals or actors. Further research is needed on the kinds of strategies and interventions that could address not only institutional barriers, but also target ideas and interests in order to either enhance policy coherence or ensure goal achievement despite incoherence.

In additional to institutional factors, vested interests and national ideas and discourses also play a key role in influencing policy coherence.

Conclusion

Overall, the synergies and conflicts between the goals of the Paris Agreement and those of the 2030 Agenda are subjective, context-dependent, dynamic and cross-cutting. As such, they cannot be defined and treated in isolation; it is crucial to consider the underlying political, social and economic dynamics that shape how these interactions manifest on the ground and across the levels of government, as well as how they are perceived by various actors.

Furthermore, these interactions occur across social, economic and environmental goals. It is problematic to bound conflicts or synergies within specific issue areas without considering the interactions with other goals. This was demonstrated in our analysis, where almost all countries had synergies and conflicts between energy, economic growth and inequality goals. Inequality was particularly compromised through conflicts with other goals.

Our analysis indirectly revealed some trends, related to the countries' level of economic development and fossil fuel dependence. Countries with relatively high fossil fuel dependence and lower-middle levels of economic development – such as Kenya and Sri Lanka – see fossil fuel production as synergistic to economic growth and improved education and health. That, in turn, leads to conflicts with environmental goals. Germany, a high-income country with high fossil fuel dependence, faces challenges related to a transition away from that dependence, including how to implement a just transition and create green jobs. This is contrasted by Sweden, a high-income country with low fossil fuel dependence; with minimal fossil fuel production, the country's challenges instead relate to responsible consumption and imported emissions. In the middle of the spectrum, the Philippines and South Africa face a combination of challenges around just transitions, energy security and inequality and poverty reduction.

Overall, the incoherence between Agenda 2030 and the Paris Agreement at the national level can lead to goal conflicts that ultimately exacerbate inequalities. As such, inequality and SDG 10 need to be taken into special consideration when dealing with synergies and conflicts. To mitigate these consequences, it is crucial to consider why incoherence occurs. Underlying factors – such as a country's values and ideas, and (material and vested) interests – may be shaping incoherencies and increasing inequality. This needs to be further examined. Effective and coherent action on climate goals and SDGs – now and beyond 2030 – requires institutional changes, informed policies, and, ultimately, deep, long-term structural change.

Wind turbine stands in a field of agricultural crops © BLOOMBERG CREATIVE PHOTOS / GETTY

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Areas for further research

- Our work indicates that the nexus between climate change and inequality is critical to progress on sustainable development. Further work is therefore needed on how to untap potential synergies and minimize conflicts between climate goals and SDGs, particularly SDG 10 on inequality.

- There is a need to study the politics of policy coherence. Policy formulation and implementation are inherently political, underpinned by power and vested interests, with actors who sometimes strategically prevent coherence. Research is needed on whether coherence is always possible – and whether it is necessary and/or insufficient for ambitious policy and the achievement of SDGs and climate goals.

- Further research also is needed on ideational and interest-based barriers to policy coherence, in order to overcome them or, alternately, to navigate around them to achieve SDGs and climate goals.

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