Paris minus the SDGs: a formula for inequality?

Insights on effective policy coherence in Kenya

HLPF 2020 side event
Ambassador Magnus Lennartsson
Deputy Permanent Representative
Permanent Mission of Sweden to the United Nations
Gabriela Iacobuta

Researcher, Environmental Governance and Transformation to Sustainability

German Development Institute - Deutsches Institut für Entwicklungspolitik (DIE)
Philip Osano

Acting Centre Director
Programme Director, Natural Resources and Ecosystems
Stockholm Environment Institute (SEI), Africa Centre
Stephen Odhiambo
Chief Economist
The National Treasury & Planning, Kenya
Ken Oluoch

Technical Lead - Sustainable Development Goals (SDGs)
Council of Governors, Kenya
Agenda

- 14:00 – Welcome and introduction by Zoha Shawoo
- 14:05 – Opening remarks from Permanent Mission of Sweden to the United Nations by Ambassador Magnus Lennartsson
- 14:10 – Presentation of key findings by Zoha Shawoo
- 14:20 – Just transitions: findings from Germany, South Africa, and the Philippines by Gabriela Lacobuta
- 14:30 – Deep dive into Kenya: key findings by Philip Osano
- 14:40 – Intervention from Stephen Odhiambo
- 14:50 – Intervention from Ken Olouch
- 15:00 – Discussion and Q&A
- 15:30 – Event ends
Ambassador Magnus Lennartsson
Deputy Permanent Representative
Permanent Mission of Sweden to the United Nations
Key findings

Zoha Shawoo
Stockholm Environment Institute (SEI)

zoha.shawoo@sei.org
SEI initiative on integrated climate and development planning

NDC-SDG connections (SEI and DIE)
https://klimalog.diegdi.de/ndc-sdg/

SDG synergies https://www.sdgsynergies.org/
Policy coherence between Agenda 2030 and the Paris Agreement: a national perspective

**Rationale:** the goals of the Paris Agreement intersect both positively and negatively with the SDGs; progress on climate goals can therefore either help or hinder progress on the SDGs. The success of both can be helped by policy coherence, wherein countries promote synergies and address conflicts in the implementation of both their climate and SDG agendas.

**Methodology**
- Chose six countries (Germany, Kenya, South Africa, Sri Lanka, Sweden and the Philippines) to provide a diverse representation with respect to levels of income and domestic dependence on fossil fuels.
- Review of the policies and documents related to climate change and SDGs in each country.
- Literature review of academic papers and grey publications in each country.
- 4 and 9 interviews in each country, spanning stakeholders from national government, civil society and the private sector.
Inequality tradeoffs are prominent in cases of incoherence.
Barriers to policy coherence are political in nature

<table>
<thead>
<tr>
<th><strong>Ideas</strong></th>
<th><strong>Institutions</strong></th>
<th><strong>Interests</strong></th>
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</table>
| • Sri Lanka: overarching economic growth paradigm compromising core goals for poverty alleviation, inequality reduction and environmental sustainability | • Institutional fragmentation (Sri Lanka)  
• National development plans lacking alignment between their climate and SDG agendas (South Africa, Germany, Sweden)  
• Lack of broad stakeholder involvement in the implementation of the two agendas (Philippines, Sri Lanka) | • South Africa: 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 |
Strategies to facilitate policy coherence

- Governments should ensure that all levels of society *share the responsibility* of implementing the National Sustainable Development Strategies, the 2030 Agenda and the NDCs to overcome accountability concerns.
- Greater *coordination and interaction* is needed between relevant government departments and agencies.
- Countries should *mainstream climate and development goals* into their overarching development strategies, and align their related sectoral plans, laws and policies.
- Countries could also enhance policy coherence by *tracking the progress* and alignment of the climate and SDG agendas – such as through monitoring, reporting and evaluation mechanisms.
- Further research is needed on navigating the *political barriers* to coherence.
- Research is needed on whether coherence is always possible -- and *whether it is necessary* for ambitious policy and the achievement of SDG and climate goals.
Thank You!

For further information, read our policy brief:

Just transitions as synergic solutions for climate and SDGs

- Germany, South Africa and the Philippines -

Ramona Haegele, Sander Chan, Gabriela Iacobuta
German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE)

High-Level Political Forum 2020, 9th July 2020
### Comparative study of three country cases with different socio-economic, political and environmental backgrounds

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Germany</th>
<th>South Africa</th>
<th>Philippines</th>
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<tbody>
<tr>
<td>Income-level</td>
<td>High-income</td>
<td>Upper-middle income</td>
<td>Lower-middle income</td>
</tr>
<tr>
<td>GDP growth (%)</td>
<td>1.42</td>
<td>0.62</td>
<td>6.2</td>
</tr>
<tr>
<td>GINI</td>
<td>30.1</td>
<td>60.8</td>
<td>46.4</td>
</tr>
<tr>
<td>Poverty headcount ratio at $1.90 a day (%)</td>
<td>0.0</td>
<td>18.9</td>
<td>7.8</td>
</tr>
<tr>
<td>Human Development Index</td>
<td>5 out of 188</td>
<td>113 out of 188</td>
<td>113 out of 188</td>
</tr>
<tr>
<td>State capacity</td>
<td>1.71</td>
<td>0.27</td>
<td>-0.6</td>
</tr>
<tr>
<td>Climate action (CAT)</td>
<td>&lt; 3°C (insufficient)</td>
<td>&lt; 4°C (highly insufficient)</td>
<td>&lt; 2°C (2°C compatible)</td>
</tr>
<tr>
<td>SDG Index</td>
<td>4 out of 156</td>
<td>107 out of 156</td>
<td>85 out of 156</td>
</tr>
</tbody>
</table>
Germany: Coal phase-out

Key issue

• High GHG emissions and environmental footprint
• 80,000 coal-related jobs condensed in a few regions

Synergic solution

• Coal Commission (inclusive approach) – strategy to phase out coal by 2038
• Compensation, training and support for workers
• Compensation of private and industrial energy users if prices increase
• Concrete strategies for structural transformation and renewables expansion
• Environmental compatibility, security of supply, economic efficiency, energy infrastructure, planning and legal certainty

Challenges: Too late, too long, legal support needed
South Africa: Coal phase-out

Key issue
• Poverty, inequality, unemployment vs climate mitigation
• 80,000 coal jobs concentrated in a few regions; exports of coal and security risks

Synergic solution
• Carbon tax, with 95% exceptions until 2022
• REI4P – renewable investment with benefits for communities
• Renewables manufacturing in areas with high economic potential and social needs
• Dialogue on Pathways for a Just Transition (inclusiveness)
• New Growth Plan – stimulate jobs, mostly in the green economy

Challenges: strong lobby; limited community benefits; poor infrastructure; lack of policy coherence; regions not addressed
Philippines: Green Jobs

Key issue
- Energy access and demand; inclusive growth; infrastructure needs; spatial inequalities
- Decrease in share of renewables since 1990; electricity as key GHG emissions sector

Synergic solution
- Green Jobs Act (2016): training programs; incentives for businesses; social protection
- Tax Reform for Acceleration and Inclusion (coal tax); renewables feed-in tariffs
- National Spatial Strategy (infrastructure gaps and resilience to climate)
- Around 200,000 decent jobs in renewable energy sector
- National Ecotourism Strategy and Action Plan (jobs and livelihood support)

Challenges: non-inclusive institutional arrangements + lack of political support -> lack of implementation; Coal Roadmap (10GW by 2025); infrastructure and technical knowledge
Synergic solutions for climate and the SDGs

Challenges and opportunities

• **Incoherence trade-offs**: job losses, regional social and economic impacts (SDG 1, 8, 10)
• **Just transition benefits**: environmental protection (SDG 13, 14, 15), green growth and green jobs (SDG 8), health, air and water quality (SDG 3, 6), clean and reliable energy (SDG 7), inequalities and poverty reduction (SDG 1, 10), greener human settlements (SDG 11)

Country-specific dimensions

• **Implementation** – political and public support, legal enforcement, state capacity
• Clearly defined coordinating and implementation **responsible bodies**
• Vertical and horizontal **policy coherence**
• **Inclusive** policy design and implementation approaches
Thank you!
The German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE)
Tulpenfeld 6, D-53113 Bonn
www.die-gdi.de

gabriela.iacobuta@die-gdi.de
Towards policy coherence in actions towards achieving SDGs and NDC in Kenya

Philip Osano
Email: philip.Osano@sei.org
Methodology

1. a. Policy document analysis
   1. National policies on growth and development and environment,
   2. Sectoral policies pertaining to climate change (e.g. energy, agriculture, etc.)

   b. Institutional mapping

2. Review of academic and grey literature on policy coherence between sustainable development and climate change in Kenya.

3. Key informant interviews (June-August 2019)

<table>
<thead>
<tr>
<th>Stakeholder category</th>
<th>Name of Organisation</th>
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<tbody>
<tr>
<td>National Government</td>
<td>Climate Change Directorate</td>
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<td></td>
<td>Ministry of Planning-SDGs Coordinating Department</td>
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<tr>
<td>County Government</td>
<td>Council of Governors</td>
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<tr>
<td>Civil Society</td>
<td>SDG Forum Kenya</td>
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<td></td>
<td>Kenya Climate Change Working Group</td>
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<tr>
<td>Development partners</td>
<td>UNDP Kenya</td>
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</tbody>
</table>
Climate change institutional arrangement (Climate Change Act, 2016)

Institutional framework outlined in the Climate Change Act (2016)

- **NCCC (Chair = President)**
  To provide overarching national climate change coordination mechanism

- **Ministry (Climate Change Affairs)**
  CS = Secretary to NCCC

- **Climate Change Directorate**
  1. Principal Government agency on national climate change actions
  2. To serve as the Secretariat to the NCCC

**MAINSTREAMING OF CLIMATE CHANGE**

- **Council of Governors**
- **National Government Sectoral Agencies (MDAs)**
  Mainstreaming at national level

- **County Governments**
- **County Assemblies**

Climate mainstreaming in the sustainable development policy framework in Kenya

- **Sustainable development, SDGs**
  - **Vision 2030**
    - **Green Economy Strategy**
        - **National Sectoral policies: energy, water, agriculture, forestry, etc.**

- **Climate action**
  - **NCCRS 2010**
  - **NDC 2016**
  - **NAP 2015-2030**
  - **Climate Change Act 2016**
    - **Climate change policy 2018**
      - **Regulations**

- **SDGs implementation**
- **Climate change mainstreaming**
- **Climate change action**
Localisation and institutionalisation of SDGs in Kenya

- **MDGs End Term Report 2000-2015**
- **State Department for Planning - coordination of the implementation of SDGs in Kenya (Executive Order No. 2 of May 2016)**
- **Identification of 128 out 232 indicators (based on data availability) (KNBS)**
- **Baseline data for most of the indicators to be between 2009 and 2014**
- **First Voluntary National Review (VNR) report 2017**
- **SDGs Roadmap to guide the domestication of the SDGs in Kenya**
- **Mainstreaming of the SDGs into policy, planning, budgeting, monitoring and evaluation systems and processes**
- **Second Voluntary National Review (VNR) report 2020**
Synergies and trade-offs SDGs (Vision 2030 MTP goals) and Climate Goals (Kenya’s NDC)

<table>
<thead>
<tr>
<th>MTP III 2018-2022, Big 4 Agenda</th>
<th>Sectors</th>
<th>Goals</th>
<th>Mitigation: emission reduction</th>
<th>Adaptation and building resilience</th>
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<tr>
<td>Foundations and enablers</td>
<td>Infrastructure</td>
<td>Increased generation through renewable energy</td>
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<td>Increase electricity access</td>
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<td>Sustainable transport systems (electrified rail, BRT)</td>
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<td>Economic pillar</td>
<td>Agriculture</td>
<td>Increasing productivity (Climate smart agriculture) &amp; food security</td>
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<td>Industry</td>
<td>Increase manufacturing</td>
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<td>Environment</td>
<td>Forest conservation (afforestation and reforestation)</td>
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<td>Green economy</td>
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<td>Waste management</td>
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<td>Pollution control</td>
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<td>Water resource management</td>
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<td>Increase access to water and sanitation</td>
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Legend:
- Positive interaction: synergy
- Negative interaction: Conflict
- Neutral interaction
## Synergies and trade-offs – Examples for 3 sectoral clusters

<table>
<thead>
<tr>
<th>MTP III 2018-2022, Big 4 Agenda</th>
<th>Synergies and trade-offs related to the 3 areas: food-water-energy-land nexus, economic growth and responsible consumption and production and poverty and inequality</th>
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<td>Increasing water availability</td>
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### Legend:
- **Positive interaction: synergy**
- **Negative interaction: Conflict**
- **Neutral interaction**
Governance challenges leading to policy incoherence

- Finding the balance between achieving SDGs goals and climate goals as a low-income country
- Lack of understanding of linkage between climate and SDGs and capacity gaps
- Inadequate institutional coordination and operationalisation of policy and legal frameworks
- Inadequate financial resources
- Use of real GDP as an indicator of economic growth and human welfare
Strategies for increased coherence

- Strengthen institutional coordination by operationalizing existing intergovernmental platforms.
- Coordination of ministries and actors at the conceptual stage of policy formulation to co-identify synergies and trade-offs.
- Adequate resource allocation to operationalize the policy and legal frameworks.
- Research and knowledge generation on interactions between sustainable development goals and climate goals and clear linkages between sectors in Kenya.
Thank you!
Interventions from Kenyan government
Questions for discussion

1. With regards to SDG implementation in Kenya, how are synergies and conflicts taken into consideration?

2. In terms of synergies and conflicts between the 2030 Agenda and the Paris Agreement, what did you learn from the development of the latest VNR?

3. How can the issue of inequality be mitigated in relation to SDG implementation?

4. How do you best promote policy coherence between the 2030 Agenda and the Paris Agreement? Which strategies are the most important for Kenya?
PARIS MINUS THE SDGS; A FORMULA FOR INEQUALITY - INSIGHTS ON EFFECTIVE POLICY COHERENCE IN KENYA: NEEDS FOR SDGS IMPLEMENTATION

BY

STEPHEN ODHIAMBO NABAKHO;
CHIEF ECONOMIST
INSIGHTS ON EFFECTIVE POLICY COHERENCE IN KENYA: NEEDS FOR SDGS IMPLEMENTATION

1. There is recognition in Kenya that the environmental sector is identified as key to the realization of both the Kenya Vision 2030 and the 2030 Agenda for Sustainable Development.

2. There is also appreciation of the fact that; climate change can lead to MULTI-LAYERED CRISSES that can compromise Kenya’s development aspirations and the overall National Development Agenda.
3. It is however imperative to note that over the years, there are many policies, legislations and interventions and or policy measures & frameworks that the Government of Kenya has developed/deployed to guide on its Environmental Development Agenda.

These take into account the integration of NDCs.
4. Moving forward, there are clear imperatives on policy needs to adequately facilitate the implementation of SDGs in Kenya. The need for overcoming policy coherence challenges for Sustainable Development;

A. Need for creating co-benefits of sustainable development in the context of climate change;

B. Undertaking careful policy manoeuvres and proper navigation for SDGs implementation in the context of climate change.
ATTEMPTING TO ANSWER THE PEDAGOGICAL QUESTIONS:

1. How do we promote socio-economic elevation, how do we build Poverty Free Egalitarian Societies/Communities while at the same time adopting effective sustainable development approaches or measures to contribute to positive climate actions; the intent being to reduce adversities of climate change and help build capacities of communities/societies to be climate resilient?:

2. How do we reduce socio-economic disparities – *(BUILD–BACK–BETTER)*; creating policy balances and addressing policy coherence; to minimize the trade-offs and maximize synergies between climate-energy and poverty-food security nexus.
Intellectual Summary  issues

A. having climate adaptation strategies that help build strong communities and climate resilience and further promote inclusive socio-economic growth/development - taking note and care of the adverse effects of climate change;

B. Putting more emphasis on co-benefit approaches; Kenya’s policy agenda setting must seek to recognize the comprehensive co-benefit approaches; intersecting vulnerabilities of climate change and pedagogical requirements for sustainable development;

C. Seeking to prioritize socio-economic development strategies that yield greater climate benefits without compromising on national and county development imperatives.
THANK YOU FOR YOUR ATTENTION
Ken Oluoch

Technical Lead - Sustainable Development Goals (SDGs)
Council of Governors, Kenya
Q&A