



Policy coherence for sustainable development

A variety of policies govern the relationships between Switzerland and its partner countries. For example, conclusion of a free trade agreement can also have an effect on the environment in the partner countries. Putting thought into policy coherence can help identify interactions and ensure that proper consideration is given to the impacts of a policy on other policies.

If countries want to foster development in poorer countries, there are other options in addition to development aid. These countries can design their other policies in such a way that they favour development in poorer countries and have as little negative impact on them as possible. Policy coherence for the sake of nurturing sustainable development is therefore a key pillar of the OECD Development Strategy and a goal of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs).

Policy coherence in Switzerland

Switzerland has a variety of institutional mechanisms for balancing interests in the event of conflicting goals relevant to development policy.

Interdepartmental cooperation and consultation processes within the Federal Administration ensure that foreign and development policy concerns are given due consideration in national policymaking. The ultimate decision on a transaction is a question of balancing interests, with all policy areas taken into account (no prioritisation of development policy). On the whole, the diversity of interests means that a certain level of incoherence can never be completely ruled out.

In the context of the last OECD/DAC peer review in 2019, Switzerland was assessed as having very good policy processes for promoting policy coherence for sustainable development. At the same time, Switzerland could monitor and analyse its national and international policies affecting developing countries even more systematically and communicate their results more widely.

What does SECO do?

SECO's economic development cooperation promotes reliable economic framework conditions and innovative private-sector initiatives. The process of taking interactions into account is firmly rooted in the international cooperation strategy 2021–2024.

Policy coherence for sustainable development as per OECD (2019)

Definition:

An approach to the integration of the dimensions of sustainable development into all national and international policymaking.

Goals:

- 1) Promote synergies and maximise benefits in all areas of economic, social and environment policy;
- 2) Seek balance between domestic policy goals and internationally recognised sustainable development goals;
- 3) Address the border-spanning and long-term impacts of policies, including those that may affect developing countries.

The eight principles for fostering policy coherence:

Vision and Leadership

- 1) Policy engagement and leadership
- 2) A strategic long-term vision
- 3) Policy integration

Policy interactions

- 4) Coordination of policies
- 5) Subnational engagement
- 6) Involvement of stakeholders

Impact measurement

- 7) Analysis of the impacts on policy and financing
- 8) Monitoring, reporting and evaluation

Source: Recommendation of the Council on Policy Coherence for Sustainable Development. <http://www.oecd.org/gov/pcsd/recommendation-on-policy-coherence-for-sustainable-development-eng.pdf>

Within SECO, the various service areas engage in regular exchange of information and experience, thereby cultivating synergies, and aligning economic and development policies where appropriate. SECO also raises awareness of the issue among relevant stakeholders and involves them in seeking solutions wherever possible.

SECO uses a pragmatic approach to increasing policy coherence:

First, SECO seeks to create a level playing field within the framework of international regulations, such as in the context of the UN or the OECD. Developing countries benefit from this just as much as Switzerland.

Second, SECO is committed to improving the national framework conditions in Switzerland and in developing countries, such as to improve the attractiveness of the location. For example, SECO supports the integration of its partner countries into international value chains or uses its measures to strengthen fiscal as well as revenue policy in particular. In this way, partner countries can make better use of the opportunities presented to them by globalisation and become more resilient in the face of crises.

Finally, SECO also participates in analyses and reports on Swiss policies that shed light on the impact of these policies on developing countries (e.g. Annual Report on Switzerland's International cooperation).

Project example: Better Gold Initiative for Artisanal and Small-Scale Mining

Countries: Bolivia, Colombia, Peru

Project partner: Better Gold Association (SBGA)

Duration: 2016-2021 (Phase II)

Budget: CHF 8 million (SECO share: 100 Percent)

Goals: The Better Gold Initiative (BGI) promotes the creation of value chains for responsibly produced gold from artisanal and small-scale mines. The initiative supports mine workers in their certification process. It also provides technical assistance to policy decision-makers to simplify the framework conditions for formalising economic activities. All relevant stakeholders (miners, national regulators, dealers and buyers in Switzerland) are integrated into the process. In this way, the BGI improves the coherence between economic policy interests and sustainable development interests.



Further information:

www.seco-cooperation.admin.ch

info.cooperation@seco.admin.ch

WEPO, January 2021