



# Executive summary

## FROM THE 2016 PCDI TO THE 2019 PCSDI

The 2019 Policy Coherence for Sustainable Development Index (PCSDI) 2019 revises and enhances the Policy Coherence Development Index (PCDI) drawn up by the Plataforma 2015 y más. This edition was put together by a multi-disciplinary team of researchers with the cooperation of specialists in statistics and was coordinated by the Spanish Platform for NGOs and the Spanish Network of Development Studies (REEDES).

In addition to adding the adjective sustainable to the name of the tool and adapting it to the new international framework of agendas and sustainable development goals, the PCSDI incorporates stricter thresholds for missing data, revised and adjusted variables, modifications in the methods for weighting and standardizing, and an overhaul of the environmental component. While maintaining and consolidating the focus of the original research, these developments add rigour, consistency, transparency and ease of interpretation to the 2019 PCSDI, thus heightening its potential for use in research and studies.

Owing to these differences, the 2019 PCSDI findings are not comparable to those of the 2016 PCDI, meaning that changes in the countries' scores and rankings cannot be interpreted as variations in these countries' policy coherence performance.

## The 2019 PCSDI

Through 57 variables grouped together under 5 components (economic, social, global, environmental and productive) this index measures the behaviour of 148 countries in terms of policy coherence for sustainable development (PCSD). Thus, the PCSDI analyses the degree to which 19 different public policies integrate the sustainable development perspective in each one of the countries analysed. Instead of analysing them sectorially in and of themselves, each policy is analysed through the four dimensions of sustainable development (economic, social, environmental and political) in order to reveal their interactions, synergies, tensions, conflicts and trade-offs.

The PCSDI was built by combining five theoretical approaches that consider development as an expansion of people's capabilities (human development), bearing in mind that we are eco-dependent (sustainable development), that we live in an interdependent world that is connected beyond political borders (cosmopolitan development); that development processes are not gender neutral (gender approach); and that people are bearers of rights (human rights approach).

The PCSDI conceives coherence as the mainstreaming of the sustainable development perspective into the entire public policy cycle, that is, in the design, formulation, implementation, monitoring and evaluation phases. Therefore, of the 57 indicators, 28 measure elements relating to policy design, while 29 of them attempt to capture the more complex findings resulting from the interaction with other policies and contextual elements.

Of the 57 variables, 38 measure positive contributions to the processes of sustainable development while 19 measure those that run against it. By incorporating both direct and indirect negative impacts, the PCSDI reflects the complexity and contradictions inherent to development and brings to light practices that must be transformed or even eliminated.

The gender perspective in sustainable development processes is factored in through 20 of the 57 variables, 11 of which are main gender indicators, and 9 of which measure aspects of processes significantly impacting inequality between men and women.

The PCSDI has 29 variables drawn from governmental or official bodies and 10 from sources springing from other types of initiatives and research centres. The remaining 18 were built by the team of researchers, 11 from official data and 9 from non-official data. Most of the data were drawn between February and June 2018. Therefore, due to lags in the publication of statistical information, most of the variables refer to the 2014 to 2017 period, meaning that the snapshot provided is not absolutely current.

Though they vary depending on the aspect of the PCSDI in question, often departing from prevailing approaches, issues of data availability around the world have inevitably compromised the analysis and made it necessary to exclude certain significant elements. This holds true particularly for indicators enabling proper evaluation of public policies from a gender perspective. This opens a field of possibilities for improving the PCSDI in the future with further research and studies for more in-depth analysis.

## **MAIN 2019 PCSDI FINDINGS**

One of the PCSDI's virtues is that it affords different analytical possibilities for each one of the five components it comprises. This means that a given country's overall ranking is not as significant as the analysis that can be drawn of each individual country as regards its room for improvement and performance in each one of the components, which is what would lead it to improve its overall ranking in policy coherence for sustainable development.

From this standpoint, the PCSDI shows that no country is properly developed and that we need new models across the globe. These new models must not only ensure social and productive coherence with a system geared towards people and national legislation protecting all social groups equitably, but also responsible behaviour vis-à-vis the planet and other human beings through democratic economic practice and effective contribution to a fair and environmentally sustainable global order to ensure the future.

### **The general PCSDI ranking**

Of the countries analysed, 76% (113 countries) have lower-middle, low or very low scores, while only 24% (35 countries) stand in medium or high positions. In other words, generally speaking, countries neither design nor implement public policy by putting human beings and the sustainability of the planet at the heart of these policies. Nor do they adequately take on their global responsibilities. Therefore, all countries must overhaul their public policies in line with the sustainability of life, equity and justice, and global governance.

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Denmark leads the ranking with a score of 79.02 (on a scale from 0 to 100) while India is in last place with a score of 26.76. The group of 9 countries with a high PCSDI score is made up of five Nordic countries (Denmark, Iceland, Sweden, Norway and Finland) in addition to New Zealand, Australia, Portugal and Spain. These countries offer welfare and adequate economic, social and civil rights to a significant part of their population levels, but have tremendous environmental impact, as seen in their averages for the environmental component, far lower than the average score for the rest of the countries on that same component.

The group of 26 countries with a middle score is comprised mostly of high-income countries with a very high HDI. Western European countries prevail in this group, where the average on the environmental component is lower than the average for all of the countries taken together. This reflects the very significant environmental impact of their development. The only two Latin American countries in this category are Argentina and Uruguay, thanks to their high scores on the environmental component, although their scores on other components are weak. Japan is the only country from the Pacific and Oceania region in this group, which contains certain countries with very low scores on certain components. Switzerland, with a very low score on the economic component (the worst scoring due to financial opacity) and Belarus, among the 30 lowest ranking countries on the global component, stand as examples.

The most heterogeneous group is made up of 46 countries with a lower-middle ranking. Middle to high income countries from Latin America and Central Asia and Eastern Europe prevail to a certain extent in this group, although there are no clear patterns. For instance, the Netherlands scores second best on the global component while Israel scores the worst. Likewise, Nicaragua is the second ranking country of the 148 on the environmental component, and Luxembourg is the third worst scoring in that same ranking.

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The 35 in the low scoring group are mostly middle and lower-middle income countries, most of which are in Sub-Saharan Africa and East Asia. This group is characterized by its lower scores than the average for the 148 countries on the five components. There are a set of five high income countries (United States, Singapore, Qatar, Kuwait and Trinidad and Tobago) that score relatively high on the social and productive components, but have very low scores on the environmental and global components.

In the very low PCSDI group comprising the 31 worst-ranking countries, two distinct patterns arise, but also some shared features. Most of these countries are low income. Sub-Saharan African countries scoring lower than average on all of the components except for the environmental component prevail. Yet there is a sub-group of 6 high income countries from the Middle East and North Africa (Iran, Lebanon, the United Arab Emirates, Bahrein, Oman and Saudi Arabia), that share significant shortcomings in human rights, gender equality, fiscal progressiveness and environmental sustainability.

## **The five components**

The PCSDI economic component measures fiscal and financial policies to establish which are the most coherent in order to reduce inequality, ensure women's financial inclusion, combat financial opacity and enhance economic transparency. Finland scores the best on this count with 93.16 points while Lebanon scores the worst. Those scoring the best are countries with low rates of financialization and low opacity with well-endowed tax systems for collection and redistribution. There, the Nordic countries prevail. Among the worst scoring countries are those highly exposed to the financialization of the global economy which also significantly discriminate against women in their economic systems.

The PCSDI social component measures the behaviour of six public policies - education, social protection, equality, health, science and technology, and employment - in order to establish those that best ensure social rights and decent work. Iceland leads the ranking with a score of 88.10 and Guinea comes in last. The best-performing countries on the social component are mostly European. The Nordic countries excel. All of these countries share significant social protection and active policies on gender and vulnerable groups and are thus able to cover most of their population. The worst scoring countries, most of which are in Africa, have weak or almost non-existent social protection.

From the social component standpoint, coherence is determined by States' ability to safeguard social rights based on significant levels of social spending, incorporating feminist policies that address gaps between men and women.

The PCSDI global component measures behaviour in four public policies – justice and human rights, peace and security, cooperation, and human mobility and migrations. It establishes each country's degree of commitment to global democratic governance by evaluating its stances on international treaties and it penalises high degrees of militarization. Denmark ranks the highest on this component with a score of 84.51 while Israel comes in last. The best scoring countries on this component are those that, while making a positive contribution to global governance, have low degrees of militarization. Those prevailing among the worst scoring countries in this regard are both those that currently are or recently have been engaged in conflicts and those that have social structures heavily discriminating against women.

The PCSDI environmental component measures behaviour in four public policies – fisheries, rural and agricultural development, biodiversity and energy. It evaluates each country's national and global impact and its commitment to the main international environmental agreements. The scores on this component are the lowest of all five. Kenya leads with 69.92 points while Qatar brings up the rear. The scores on this component are also the most disruptive of the five as the challenges in confronting the environmental sustainability of development require the greatest transformation.

The best-scoring countries are low to very-low income. They include African countries whose development triggers low environmental impacts, mainly owing to low levels of development and consumption. Meanwhile, countries like Bolivia, Argentina and Brazil are characterised by their middle to high levels of development and great biodiversity. However, they all have great room for improvement, as reflected in their gaps vis-à-vis the best scoring countries on the environmental component.

It should be highlighted that none of the countries with high degrees of social welfare that customarily have been considered to be most developed countries stand among the 25 best scoring countries on the environmental component. Quite to the contrary, the 15 worst ranking countries on the environmental component are high income countries and all except one have very high HDI scores. Most of these countries have productive sectors highly focused on fossil fuel extraction, entailing noxious emissions and very large ecological footprints. The environmental component adequately spotlights differences in between countries in their environmental responsibility, which all countries share.

The PCSDI productive component measures the behaviour of three public policies (urban planning, infrastructure and transport, and industry). It establishes the balance struck between solid productive infrastructure and environmental and social factors. Iceland leads the ranking on this component with 94.60 points while the Democratic Republic of the Congo comes in last. European countries prevail among the best scoring on this component, and are in the company of some Latin American countries such as Uruguay, Argentina, Paraguay and Chile. While African countries with a paucity of productive infrastructure are among the worst scoring, China and India also fall into this category. Despite their high levels of production, their imbalances are great both in ecological terms and in terms of the geographical distribution of their productive infrastructure.

## **THE PCSDI AFFORDS NEW WAYS OF MEASURING AND UNDERSTANDING SUSTAINABLE DEVELOPMENT**

The PCSDI falls within the context of efforts made by multilateral institutions to overcome the limitations observed in measuring progress based on the quantification of economic growth as the main indicator. Over the last few years, both the United Nations Development Program (UNDP) and the Organization for Economic Cooperation and Development (OECD) have developed new ways of measuring the multi-dimensional nature of development. The PCSDI stands as a transformative means of measuring countries' behaviour and status in the face of the challenges posed by the global development agendas such as the 2030 Agenda. The aim is to overcome the supremacy that GDP continues to have as a prescriber of public policy despite the evident shortcomings of its conception. The pressing transitions currently faced by the world today require solutions that factor in multi-dimensional measurements and the interdependency that we highlight involved in the challenges of sustainable development.

To this end, the PCSDI has chosen three fundamental areas that drive sustainable development and underpin indications of coherence: the ecological sustainability of development, the application of a feminist approach, and a democratisation dimension in society. In each one of its 5 components, the PCSDI includes variables that refer to each one of these three areas, thus providing a multi-dimensional picture of each one of the 19 policies analysed.

Lastly, it is useful to note the difference between the PCSDI and other rankings. As compared with the most consolidated measurement of human development, the updated and enhanced 2018 version of the Human Development Index (HDI), we observe that it is very true that the social component (very much aligned with the HDI) properly includes requirements for certain degrees of social development in order for a country to be considered more coherent. However, we can also observe significant deviations in countries with high HDIs because the PCSDI includes an environmental component that usually penalizes these countries due to the high impact and ecological effects of their development models.

Given its specific approach to countries' behaviour vis-à-vis the 2030 Agenda and its 17 sustainable development goals (SDGs), we also compared the PCSDI with the SDG Index recently elaborated by the Sustainable Development Solutions Network (SDSN). Though slighter, there are still deviations of the most advanced countries in this comparison owing to their differences of approach. The PCSDI evaluates issues such as commitments to human rights, combatting gender violence, and degree of militarization, which are not present in the SDG index. Furthermore, the latter includes economic growth as positive while in the PCSDI it is not included as it does not necessarily contribute to sustainable development.

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