

Background note: session 1

Effective Institutions and the 2030 Agenda for Sustainable Development

This note serves to provide the EIP membership with a brief - and by no means comprehensive - background of the latest developments with respect to how effective institutions feature in the SDG and the related discussions with respect to measurement, relevance and implementation.

1. Context

17 Sustainable Development Goals have been adopted by the international community. These are accompanied by targets and are being further elaborated through indicators focused on measurable outcomes. The SDGs build on the foundation laid by the Millennium Development Goals (MDGs), seeking to respond to new challenges.

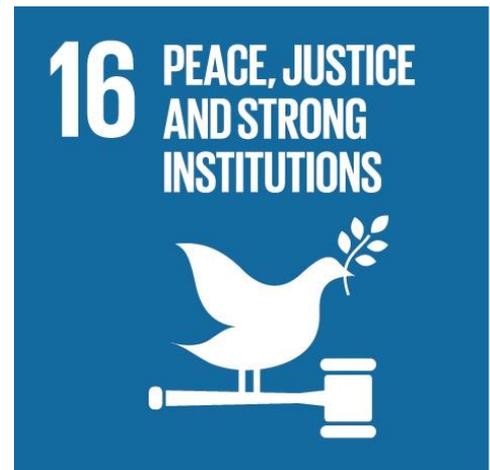
The intention is for the goals to constitute a set of global priorities for sustainable development. Indicators and targets are intended to be action oriented, global in nature and universally applicable. They are intended to take into account different **national realities, capacities and levels of development and respect national policies and priorities.**

Targets are defined as aspirational global targets, with each government setting its own national targets guided by the global level of ambition but taking into account national circumstances.

2. Effective Institutions within the SDGs

In contrast to the MDGs, governance and institutions feature within the SDGs through goal 16:

Sustainable Development Goal 16: “Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels”



SDG 16 contains 10 targets, of which three are especially relevant to the Effective Institutions Platform:

- Target 16.6: Develop effective, accountable and transparent institutions at all levels
- Target 16.7: Ensure responsive, inclusive, participatory and representative decision-making at all levels
- Target 16.10: Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements

3. What has been the debate so far?

There has been much debate about the relevance of SDG 16 in general. Some practitioners in the field suggest that the inclusion of a governance target within the SDGs is a positive reflection of a paradigm shift by the international community. SDG 16 reflects an emerging vision around a set of principles that was not as prominent and widely disseminated at the time of the MDGs.

By providing visibility for governance and reflecting emerging norms and principles - developed for example by the Open Government Partnership or the Global Initiative for Fiscal Transparency – SDG 16 supports a mainstreaming of fundamental principles related to access to information or inclusive governance, amongst other issues.

Yet, goal 16 was one of the most contested SDGs for three main reasons: i) the fact that the goal is considered cross-cutting; ii) broad; and iii) the difficulty to measure governance.

Firstly, effective institutions play a cross-cutting role in the post-2015 sustainable development agenda. Accountable, inclusive and transparent public sector institutions capable of delivering responsive policies, effective resource management, and sustainable public services are drivers of poverty reduction and inclusive growth. The success of nutrition, gender equality, water and sanitation or sustainable energy programmes will depend on the institutions underpinning their development and implementation. Some practitioners suggest that restricting governance to one SDG downplays its relevance.

Secondly, the scale of ambition in relation to SDG 16 is intended to be considered by each country. Commitments are subject to national legislations that vary broadly in scope in terms of access to information, public participation and strength of anti-corruption policies and institutions. SDG 16 fails to define principles around key and broad concepts such as rule of law, fundamental freedoms and accountable institutions.

Thirdly, there has been much debate regarding measurements for SDG16.6 for example. Practitioners in the field have warned that what “gets measured, gets managed”. This raises the challenge of selecting only a small set of measures to track SDG 16 as required by the framing of the SDGs.

In addition, in a field where increasingly regard is given to the need for problem and context based solutions, it is difficult to find a measure or set of measures which allow for the diversity of administrative, legal and historical governance systems.

It has also been highlighted that measuring form (for example laws) while easier than measuring function (i.e. what is actually done in practice), is inadequate to generate true change in the field. The pervasive persistence of informal practices further exposes the difficulty of effectively measuring change with respect to governance.

4. What are the current proposals to measure SDG 16.6?

Below is a description of the current proposals to measure SDG 16¹.

Despite being very ambitious, target 16.6 includes ‘only’ 3 indicators so far (see below). The first proposed measure rests on a hypothesis of good performance (budget out-turn) that bears little relationship to actual effectiveness of operation – and is both easily gamed, and also difficult to triangulate (due to problems of causality and attribution). The second and third indicators are based on perception evidence that only touch on narrow aspects of the overall problem (e.g. corruption).

| Target | Proposed indicator | Alternative proposal |
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| Target 16.6 Develop effective, accountable and transparent institutions at all level | ✓ Primary government expenditures as a percentage of original approved budget | • Proportion of population satisfied with their last experience of public services, disaggregated by service. |
| | ✓ Percentage of recommendations to strengthen national anti-corruption frameworks (institutional and legislative) implemented, as identified | • Proportion of population satisfied with their last experience of public services satisfied with quality public services. |

¹ Inter-Agency and Expert Group on Sustainable Development Goal Indicators (IAEG-SDGs), October 2015.

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| | through the UNCAC Implementation Review Mechanism. | |
| Target 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels | ✓ Proportions of positions (by age, sex, disability and population groups) in public institutions (national and local legislatures, public service, and judiciary) compared to national distributions. | • Proportion of women on boards of public and private institutions and of senior positions (e.g., CEO) held by women. |
| Target 16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements | ✓ Number of verified cases of killing, kidnapping, enforced disappearance, arbitrary detention and torture of journalists, associated media personnel, trade unionists and human rights advocates in the previous 12 months. | |

Moreover, no single measure is sufficient to cover the complexity of issues related to the effectiveness of institutions. While many indicators exist and measure various aspects of institutional effectiveness, many gaps remain.

In addition, measurement and implementation of measurement presents many challenges. Amongst other challenges, the process of “localisation” of SDG 16 will raise issues around the availability of data. Data is often missing, imperfect or incomplete at the country level and the capacity to collect, monitor and track indicators will be variable.

4. How could the EIP support SDG implementation and monitoring?

Therefore, over time, the international community will need to determine tools for monitoring and accountability that provide a useful feedback loop on performance and progress. The EIP has a comparative advantage to determine monitoring tools, such as through the development of an Effective Institutions Index, as well as by providing support in terms of implementing tools and mitigating risks with respect to their use.

Monitoring of target 16.6 on the basis of indicators could be completed by reports on challenges related to the implementation of target 16.6 (and beyond). On measurement, the EIP can provide a qualitative counterpart to indicators that are quantitative, or on implementation, the EIP can promote innovation through south-south learning, on the basis of the Peer-to-Peer Learning Alliances for instance.

The EIP is well-placed to support the implementation and the monitoring of SDG 16, given:

- ✓ The multi-stakeholder nature of its membership (practitioners from 60 countries and organisations, including Supreme Audit Institutions, Ministries of Finance, Planning Commissions, development partners, parliaments, international and regional networks as well as civil society organisations). *The EIP can bridge the traditional boundaries between donors, countries and civil society.*
- ✓ The combined expertise of EIP members on issues related to effectiveness, accountability and transparency of institutions, as well as the design and the implementation of public sector reforms, mixing different policy, sector and geographical backgrounds.

- ✓ The EIP's role as an honest-broker and facilitator for peer learning activities and discussions at country-level on issues related to public sector reform. *This ensures that the monitoring of SDG 16 would not be disconnected from the real challenge of implementation.*
- ✓ The EIP is the only international platform which provides a safe space for practitioners to engage in policy dialogue, knowledge sharing and peer learning on public sector reform.