

EXECUTIVE SUMMARY

The World Public Sector Report 2019

Institutions are paramount to the achievement of the 2030 Agenda for Sustainable Development and all the Sustainable Development Goals (SDGs). The strengthening of national institutions to deliver the SDGs is seen as a priority in many Member States, as shown by their voluntary presentations at the UN high-level political forum on sustainable development during the first three years of SDG follow-up and review.

The Agenda and the SDGs prominently feature institutions, both as a cross-cutting issue in many of the goals and as a standalone goal (SDG 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”. The targets under SDG 16 highlight several concepts that may be viewed as institutional principles: effectiveness, transparency, accountability, anti-corruption, inclusiveness of decision-making processes, access to information, non-discrimination of laws and policies. Those principles apply to all the Goals.

In July 2019, the high-level political forum on sustainable development (HLPF) will review SDG 16 for the first time. The forum will provide a platform for reflecting on the adequacy and effectiveness of existing societal and institutional arrangements to support the implementation of all the SDGs. The World Public Sector Report 2019 aims to inform that discussion. The report provides an overview of trends in relation to the institutional principles of SDG 16, highlighting developments from past decades and reviewing what is known about the effectiveness of initiatives in these areas in different national contexts.

Within SDG 16, the report limits its scope to the following targets: 16.5, 16.6, 16.7, 16.10 and 16.b. These targets are arguably the most directly relevant to public institutions, even though the case can be made that other targets could be considered as well. The report is organized around the institutional principles encapsulated in the above targets of SDG 16, rather than around the targets themselves.

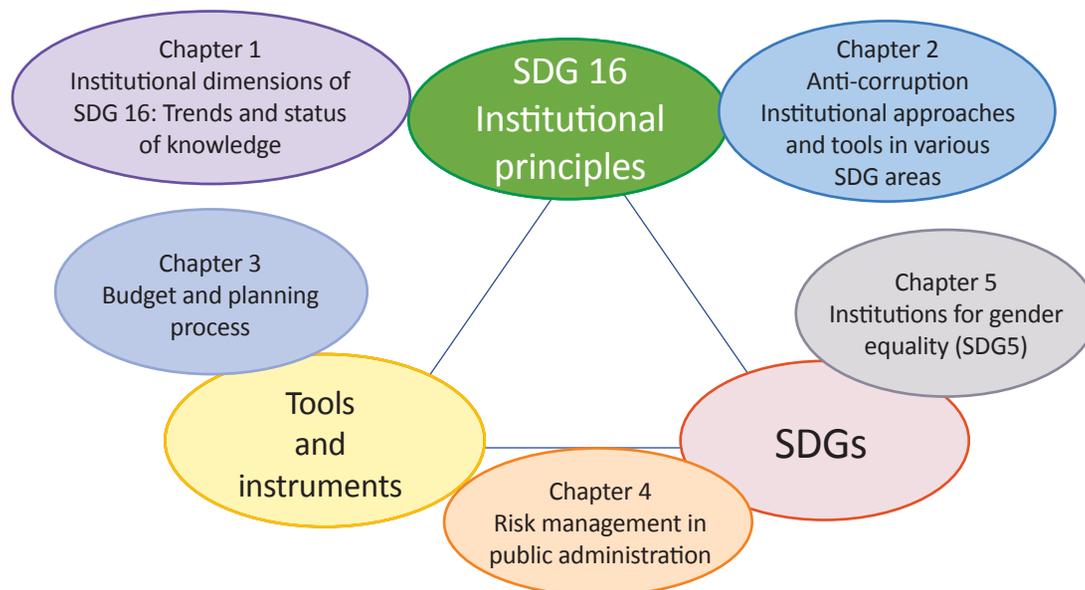
Institutional principles encapsulated in SDG 16 targets on which the report focuses

- 16.5 Substantially **reduce corruption and bribery** in all their forms
- 16.6 Develop **effective, accountable and transparent** institutions at all levels
- 16.7 Ensure **responsive, inclusive, participatory and representative decision-making** at all levels
- 16.10 Ensure **public access to information** and protect fundamental freedoms, in accordance with national legislation and international agreements
- 16.b Promote and enforce **non-discriminatory laws and policies** for sustainable development

The focus of the report is on public institutions to deliver the SDGs. The report looks primarily at the national level, and international institutions are mentioned only to the extent that they contribute to shape the development of national institutional landscapes. The conceptual framework of the report is based on the interplay among three broad sets of concepts: (1) societal goals and strategies to achieve them, as articulated in the SDGs at the global level and in national sustainable development strategies at the country level, as well as by general principles articulated in the 2030 Agenda; (2) the principles for institutions highlighted in SDG 16; and (3) tools and instruments that support the building and functioning of institutions. In practice, it is this interplay that determines how well institutions work for the achievement of societal goals. The report uses this analytical framework as a unifying thread. The first chapter of the report reviews trends in terms of the operationalization of the institutional principles of SDG 16; the other chapters all illustrate the interplay of goals, institutional principles and tools, from different perspectives (Figure E.1).

Figure E.1.

Chapters of the World Public Sector Report 2019



Progress on institutional dimensions of SDG 16

The report presents a preliminary stocktaking of developments in relation to the institutional principles of SDG 16: transparency, access to information, accountability, anti-corruption, inclusiveness of decision-making processes, and non-discrimination.

Challenges to measuring progress on SDG 16

Monitoring developments of institutional dimensions of the SDGs is challenging, for several reasons. First, transparency, accountability, participation, and other institutional principles are broad concepts, and are approached differently by scholars and practitioners from different disciplines. The various expert communities, including international institutions that promote work on governance, often adopt different semantic maps of these concepts.

Second, for any of the institutional dimensions considered in the report, defining progress can be challenging, as tensions may arise with other institutional or human rights principles. For example, defining the “appropriate” degree of transparency in a given environment has to balance considerations of privacy and security, among other factors. Institutional choices that best reflect societal consensus vary across countries and may change over time due to social, political or technological developments. In addition, within each dimension, there remain conceptual debates on how the development of institutions and processes in a certain area (e.g., access to information) produces societal outcomes (for example, better access to public services or reductions in corruption). This translates into difficulty in unambiguously defining “progress” at the level of broad principles such as accountability or transparency, in a way that would be valid in all contexts and at all times. Therefore, progress can only be meaningfully defined in reference to local political and institutional contexts and dynamics.

In spite of the multitude of national level indicators and indices that have developed over time around all dimensions of governance, no comprehensive information system exists that would provide trends in simple, readily understandable forms for all institutional dimensions and all countries. Institutional developments in relation to some dimensions are well covered for some groups of countries, but this is not the rule. For all the institutional dimensions covered in the report, more evidence is available on processes and outputs of initiatives than on outcomes and broader impacts.

Institutional developments at the national level: a global overview

Over the past two decades, a steady wave of international and national legal instruments have framed institutional developments in relation to the institutional principles considered in the report. Rapid changes in information technologies are modifying the space in which policies and institutions develop. Drastically reduced costs of producing and disseminating information have made possible the development of the open government data movement. The Internet has enabled almost universal adoption of e-government practices, including channels for e-participation. The wave of access to information laws, the adoption of new norms and standards for fiscal transparency, the development of open government data, and the development of new channels for direct citizen participation are undeniable. At a first level, this can be seen as a sign of progress.

Yet, when focusing on outcomes and impacts of the observed changes, it remains difficult to construct a clear global picture in terms of “progress”. The impacts of transparency, accountability and participation initiatives vary widely. Enforcement of laws can be an issue, and this can be linked to multiple factors, including limited resources and capacity in government. Resistance to change in public institutions or in political leadership can also be a constraining factor. Experts underline the importance of context, and the lack of replicability of institutional instruments. For all the institutional principles reviewed in the report, experts point to a lack of clarity on causal links and the lack of clear models of institutional change. These challenges often lead to gaps between the assumed objectives of policy initiatives and their actual impacts.

Recent literature has pointed to the importance of using broad strategies that combine multiple instruments, as opposed to individual institutional mechanisms. For example, when working on social accountability for the delivery of public services, combining the use of social participation tools with actions that promote legal empowerment may result in higher likelihood of enhanced accountability. In general, the effectiveness of specific institutional arrangements crucially depends on the broader accountability system that prevails in a given country.

Monitoring developments of institutional aspects of the SDGs over the next 12 years until 2030 will be a challenge. More work is needed to provide a comprehensive global review of developments in this area. In all, the question of the effectiveness of institutional arrangements that seek to promote accountability, transparency and inclusive decision-making remains vexed. Similarly, surprisingly little is known about the effectiveness of anti-corruption initiatives. This lack of evidence calls for systematic efforts to collect and analyze information in this domain, with greater focus needed on outcomes and impacts, rather than on processes and outputs.

Understanding institutional developments in relation to the implementation of the SDGs at the national level (and sub-national level when relevant) requires taking into account the history and institutional setting of each country. SDG 16 and the SDGs more generally provide a convenient frame or umbrella for looking at institutions in a holistic manner. In every country, existing institutional processes (for instance, reforms of the justice system, reporting under various international treaties, internal monitoring done by government agencies, and reports done by oversight bodies) have evolved monitoring systems that track changes, outcomes and sometimes impacts on relevant dimensions of SDG 16. Finding ways to assemble information coming from those processes would enable reviews that are relevant to national circumstances and can inform SDG 16 implementation and monitoring. Many countries have started in this direction.

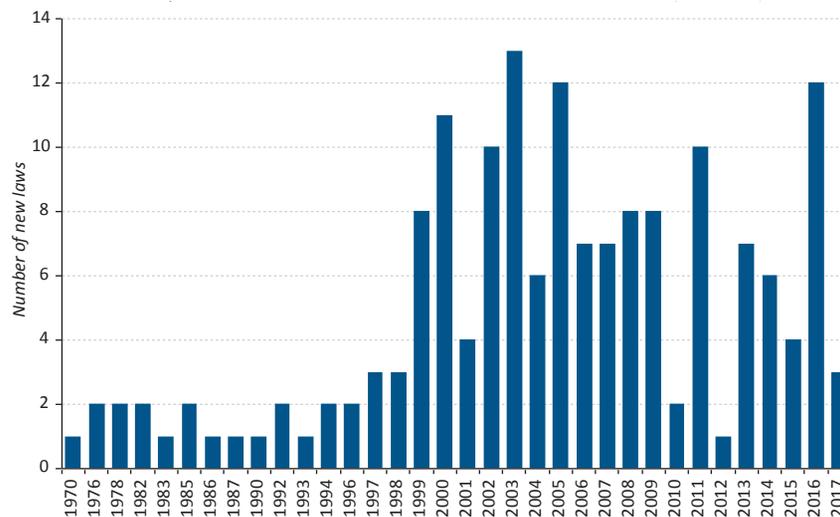
Transparency and access to information

Access to information has been addressed in multiple international instruments. At the national level, the right to information has been inscribed in access to information laws and sectoral laws (e.g. on environment, consumer protection, anti-corruption or public procurement) that regulate access to specific types of information. As of 2017, 118 countries had adopted a law or policy on the right to information. In addition, 90 countries had the right to information explicitly mentioned in their national constitution.

Not all right to information laws have been implemented effectively. Governments and public institutions have adapted their practices to information disclosure requirements, in ways that are not always conducive to increased transparency. In a broader context, advances in government transparency may be concomitant to threats to privacy and increased surveillance. International instruments and national access to information regimes derived from them in general do not oblige the private sector to disclose information, even when it performs public service missions and delivers public services.

A large portion of the information disclosed by public agencies or private firms providing public services results from compliance with laws or regulations. In a great variety of sectors, such mandated transparency has increased over the years, often with the dual purpose of reducing risks faced by citizens and improving the public services they use. No global or even national maps of such provisions exist. In terms of effectiveness, these initiatives exhibit a great diversity of outcomes, which are often linked

Figure E.2.

Development of national freedom of information laws or decrees, 1970-2017

Source: Open Society Justice initiative 2017, list of countries that guarantee a right of access to information in national/federal laws or decrees.

with detailed characteristics of their design and implementation. For example, the choice of the information to disclose and the way in which it is presented often greatly influence impact. As with other forms of transparency, it has been suggested that targeted transparency tools should be seen as a complement to other forms of policy intervention, for example standards or market-based instruments. In many cases, their success depends on the concomitant use of other policy instruments.

Proactive publication of government data on government websites has made massive strides during the past decade. Most governments now offer information and transactional services online. For example, the majority of countries now offer e-procurement tools, with a rapid progression in the diffusion of such tools during the past few years. As of 2018, 139 countries had gone a step further and implemented open government data (OGD) initiatives that make data available to the public through central portals, as compared with only 46 in 2014. Most of these portals offer data in machine-readable format, as per commonly accepted Open Government Data standards. The Open Government Partnership, launched in 2011, has been a highly visible initiative to promote open government, including (but not limited to) open government data.

Participation and engagement

The past few decades have witnessed the development of a myriad of direct participatory mechanisms, in many forms and at different geographical levels. Consultation mechanisms at the systemic (cross-sectoral) level include traditional advisory councils such as Economic and Social Councils, and structures linked with the sustainable development tradition such as national sustainable development councils. Over the years, many countries have also put in place consultative mechanisms at the sector level. This has encompassed a great variety of institutional mechanisms and channels for engagement. The level of stakeholder engagement vary across sectors and within the same sector from country to country.

No comprehensive global mapping of the different types of consultative mechanisms seems to exist for any sector. Similarly, a systematic analysis of the effectiveness of these consultative mechanisms has not been undertaken. Evaluations do exist for specific types of mechanisms, such as participatory budgeting, national sustainable development councils, and co-management of natural resources. Those are reviewed in the report.

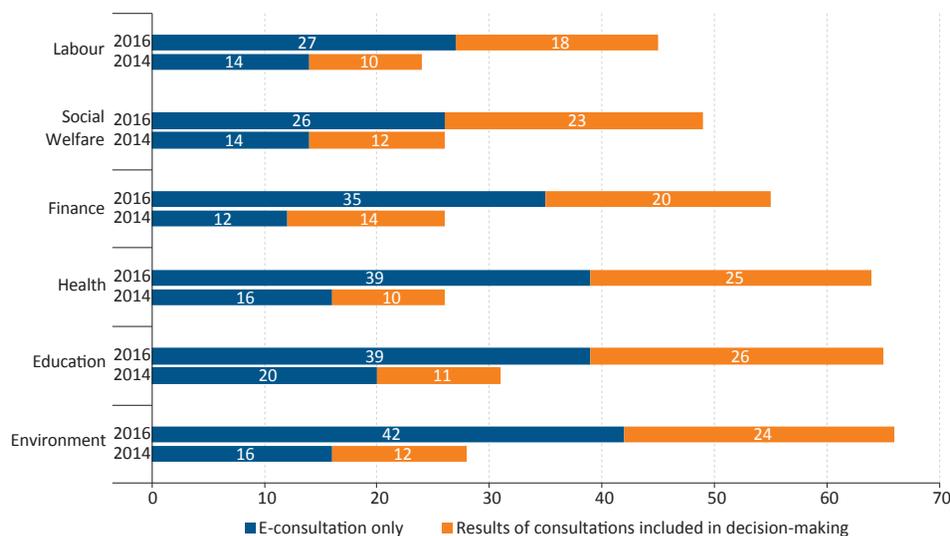
In many countries, Governments have put in place processes for consulting stakeholders at different stages of the elaboration of new policies. The trends show a rapid increase in the number of countries that use e-consultation over the past few years, and also indicate that governments often acknowledge how e-consultations have informed decision-making.

Accountability

Modern forms of government include formal oversight mechanisms such as parliaments and supreme audit institutions. The constitutional mandates conferred to parliaments in terms of oversight vary, as does the political space in which parliaments conduct their debates and the processes they use for doing so. For example, out of a sample of 115 countries, the Open Budget Survey 2017 found only 29 in which the legislature debates and approves key policy recommendations prior to the tabling of

Figure E.3.

Number of countries conducting e-consultations in different policy areas, 2014 and 2016



the budget. Among key challenges to effective parliamentary oversight are lack of resources and staff to conduct independent analysis of the questions under consideration; information gaps between governments and parliaments; insufficient time to review the budget and other issues; lack of willingness of governments to engage with parliamentary oversight; and conflicting incentives for majority members of parliaments to challenge the government.

The scope and depth of the oversight exerted by supreme audit institutions (SAIs) varies across countries. Many SAIs undertake performance audits, but others are limited to conducting compliance and financial audits. In many countries, lack of independence of SAIs remains an issue of concern, as are resource and capacity constraints. Although the past decade has witnessed a clear trend of professionalization of SAIs, this has not been uniform.

One key indicator of the effectiveness of the oversight functions of parliaments and supreme audit institutions is the degree to which governments act on recommendations included in audits and coming out of parliamentary debates. This has been an issue in developed and developing countries alike. Oversight mechanisms can use engagement with civil society and individual citizens to make their work more effective.

Social accountability – defined as citizen-led action geared to demanding direct (outside of formal electoral systems) accountability from public officials for the delivery of public services – emerged more than two decades ago. Social accountability initiatives have made use of a variety of tools that involve some type of citizen feedback on services received as well as on the use of public funds that should reach them. Those include citizen report cards, community score cards; public expenditure tracking surveys; community monitoring; and complaint and grievance redress mechanisms. There is no global map of social accountability initiatives.

Among often assumed benefits of social accountability initiatives are increased satisfaction with public services and increased accountability of public service providers, reductions in corruption, and increased citizen engagement in public matters. However, such benefits cannot be taken for granted. There is evidence that social accountability initiatives have been effective in terms of immediate goals – raising citizens' awareness of their rights and exposing corruption. On the other hand, the evidence in terms of impacts on accessibility and quality of services and improved outcomes for citizens is mixed and varies across locations.

Non-discrimination

The principle of non-discrimination is mainstreamed in the 2030 Agenda for Sustainable Development, and is the object of two SDG targets (16.b and 10.3). In addition, many targets of the Goals are directly relevant to non-discrimination, for example those that seek universal access to public services or resources. Non-discrimination has strong linkages with other institutional principles of SDG 16. In particular, participation and inclusive decision-making, as well as access to information, play a key role in addressing discrimination. At the most basic level, civil registration, which is the object of target 16.9, is a fundamental requirement for participation, inclusion and non-discrimination.

Policies addressing discrimination across the Sustainable Development Goals

The SDGs outline a number of policies that can address discrimination directly and indirectly. This includes social protection systems and the universal provision of services, including health care and education. Many countries have adopted policies on the rights or well-being of specific social groups. For example, according to a World Bank report, between 2016 and 2018, 65 economies implemented 87 reforms to expand women's economic opportunities, particularly in the areas of improving access to jobs and credit. The importance of complementary measures, which recognize that some social groups are more disadvantaged than others, is widely recognized. Special or targeted measures may include, for instance, affirmative action policies in education, housing, and access to finance. These measures are most effective when accompanied by relevant universal policies, for example, universal access to education.

International law promoting non-discrimination is extensive. Many global and regional instruments focus on the rights of groups (e.g. women and persons with disabilities), as well as non-discrimination in sectors, such as employment and education. Key international instruments have been widely adopted by Member States. However, their implementation faces multiple challenges, including the harmonization of national laws and policies to reflect treaties. The evidence on the effectiveness of international instruments in fostering non-discrimination has been mixed.

The Constitutions of most countries guarantee the right to equality for all citizens, with many additionally specifying the rights of specific groups. Constitutional protections for women and persons with disability have become more widespread. Discriminatory laws and policies are declining in number, while laws providing protection against discrimination are on the rise. However, multiple challenges to the implementation and enforcement of national legal and policy instruments have been identified. Reporting by victims of discrimination is generally low. Awareness of available instruments and channels for seeking redress is also low, and relevant case law in most countries continues to be limited. Other barriers prevent access to justice to persons suffering from discrimination in both developed and developing countries.

Challenges to the implementation of non-discrimination law in Europe

In the European Union, the adoption in 2000 of directives against discrimination on the grounds of race and ethnic origin and against discrimination at work on grounds of religion or belief, disability, age or sexual orientation has led to enhanced legal protections of rights and to some improvements in access to justice. Yet, while the number of complaints to courts and equality bodies has slowly risen, relevant case law in most countries continues to be limited. A 2017 review of non-discrimination law in Europe identified several obstacles to litigation, including the complexity of discrimination law, inadequate financial resources with which to pursue cases, short time limits for bringing cases, as well as the duration and complexity of procedures. The fact that litigation occurs rarely was identified as an additional deterrent to those seeking justice.

Available evidence shows that discrimination remains entrenched, and outcomes in this regard tend to change slowly. For example, a survey by the European Union Agency for Fundamental Rights on discrimination and minorities published in 2017 showed little progress compared to 2008. Similarly, in many countries, persistent differences in a range of social outcomes for vulnerable groups suggests that more action is needed to fight discrimination. For instance, in many developed countries, the gender pay gap has only declined slowly, despite the adoption of legal and regulatory instruments to address discrimination against women in this area.

Corruption and the Sustainable Development Goals

Chapter 2 focuses on addressing corruption to support the implementation of the 2030 Agenda and the Sustainable Development Goals (SDGs). Effective prevention, detection and sanction of corrupt practices are fundamental for building effective and inclusive institutions and achieve all the SDGs. SDG16 acknowledges the importance of anti-corruption as an institutional principle through target 16.5, which aims to substantially reduce corruption and bribery in all their forms. Other institutional principles embraced by the 2030 Agenda—accountability, transparency, participation, and inclusion—are crucial for combatting corruption. Though not explicitly mentioned in the Agenda, integrity has also become a cornerstone of many anti-corruption approaches.

Corruption as an obstacle to sustainable development

Corruption hinders progress towards the achievement of the SDGs. The World Economic Forum estimated that corruption costs USD2.6 trillion—or 5% of the global gross domestic product, and the World Bank found that USD1 trillion is paid in bribes each year. World Bank estimates suggest that 20% to 40% of official development assistance is lost to high level corruption every year. The negative impacts of corruption are wide-ranging. Corruption hampers economic growth, creates economic losses, stymies innovation, and increases poverty in terms of income, access to public services including health, water, quality education, and access to resources. Evidence shows that corruption disproportionately affects women, the poor and vulnerable groups.

Corruption remains a problem at all levels of development. It is present at every stage of the public service delivery chain. It fuels conflict and diminishes interpersonal trust as well as trust in public institutions. It erodes democracy and produces exclusion by affecting democratic norms, processes and mechanisms.

Growing attention to corruption as a development challenge is reflected in the number of international and regional anti-corruption instruments, including the United Nations Convention Against Corruption (UNCAC). In the context of 2030 Agenda, critical questions include how the high level of participation in international anti-corruption agreements can be leveraged for SDG implementation, and how countries can build on their experience with those instruments to strengthen coordination and monitoring of anti-corruption reforms in support of the SDGs.

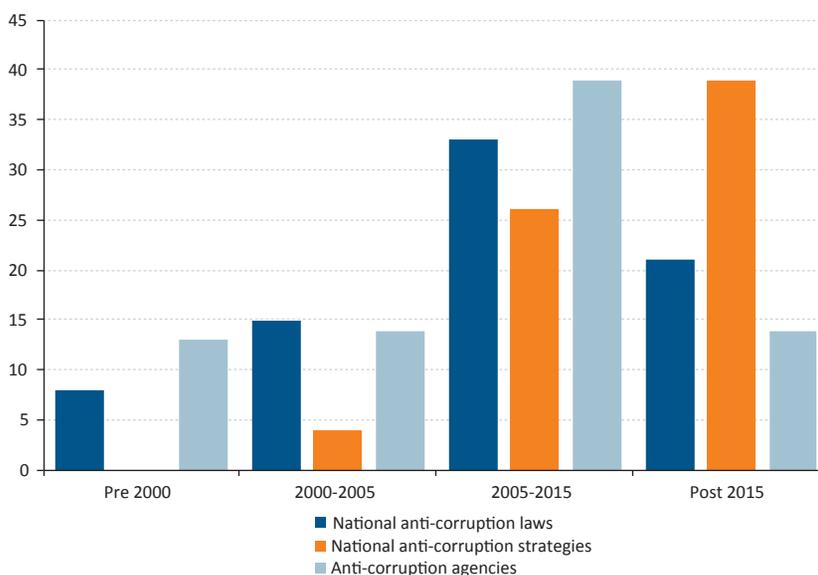
National anti-corruption efforts in support of the 2030 Agenda

National anti-corruption efforts have multiplied since the early 2000s. Countries have adopted and implemented a large variety of approaches and tools, with a focus on raising awareness about corruption, enhancing legislative and regulatory frameworks, detecting and monitoring corruption vulnerabilities and practices, preventing corruption and effectively sanctioning corrupt behavior. Some anti-corruption tools are implemented in the public administration generally, while others are sector-specific. Among the most common tools are anti-corruption laws, specialized anti-corruption agencies or authorities, national anti-corruption strategies, and selective anti-corruption and public integrity measures.

Countries across the world have also adopted a number of indirect anti-corruption strategies and policies. Major areas in this regard include public financial management, including public procurement; social accountability initiatives; and oversight institutions, in particular supreme audit institutions. The role of civil society and the media in helping expose and address corruption is also critical.

Figure E.4.

Adoption of national anti-corruption tools by year



The role of supreme audit institutions in fighting corruption

Supreme audit institutions (SAIs) are important guardians of accountability and key institutions of national integrity systems. SAIs can contribute to corruption prevention in particular by: incorporating corruption and wrongdoing issues in SAI's routine audit work; raising public awareness of corruption through timely disclosure of audit findings; improving methods and tools for combatting corruption; providing a means for whistleblowers to report instances of wrongdoing; and cooperating with other institutions. SAIs can also focus their audit plan on areas and entities prone to corruption, and evaluate the effectiveness of financial and internal control systems as well as anti-corruption systems, strategies and programmes.

Levels of SAI activism regarding corruption vary across countries and depend on the mandate that these institutions have with respect to corruption. In 2017, most SAIs (77%) had a mandate to share information with specialized anti-corruption institutions, 55% to investigate corruption and fraud, and 39% to exercise oversight of national institutions whose mandate is to investigate corruption. Even without an investigation mandate, SAIs may perceive that anti-corruption is part of their general obligation to oversee public resources. Major corruption scandals may also move the SAI to focus on corruption.

There are many positive examples of SAIs' contributions to detecting and preventing corruption. In Korea, the SAI assesses the application of integrity policies at the ministry level as part of other mandated audits. SAIs conducting similar audits include Brazil, Poland, Portugal and Sweden, among others. In Brazil, the SAI (*Tribunal de Contas da União, TCU*) has developed a systematic assessment of corruption risks in federal government entities. SAIs also evaluate the design and quality of anti-corruption frameworks at a whole of government level (e.g., Poland, EU, the Netherlands, USA, Canada, Mexico). Poland, Mexico and Colombia's SAIs, among others, have conducted evaluations of national anti-corruption programmes across ministries and central institutions.

Anti-corruption reform at the subnational level can contribute to accelerate the implementation of target 16.5. Many local governments have adopted anti-corruption strategies and measures, often resorting to innovative strategies that leverage the potential of information and communication technologies to increase internal controls and monitoring by citizens. Some countries provide support to local governments, and experiment with different mechanisms for enhancing the coordination of anti-corruption measures between levels of government.

With few exceptions, evidence of the effectiveness of specific anti-corruption measures, both systemic and sector specific, is still scarce and inconsistent. Supreme audit institutions are among the few institutions for which there exists some consistent evidence of positive anti-corruption effects. In sectors, measures that have been found to have potential include public expenditure tracking tools, specialized audits and, under certain conditions, selected social accountability measures in combination with other interventions.

Coherent anti-corruption policies in support of the SDG

Anti-corruption approaches should be designed strategically and based on assessments of corruption risks and vulnerabilities. The available evidence indicates that long-term sustained efforts, and tailored, multi-pronged anti-corruption approaches combining multiple tools, are needed to effectively address corruption.

Integrated anti-corruption policy-making seeks to enhance consistency among anti-corruption interventions in various sectors, and to address potential tensions and maximize coherence between anti-corruption and other policies. For example, addressing corruption in road projects may enhance access to health services. Conversely, development initiatives, such as investments in education, may pay off in enhancing integrity and decreasing corruption over time. Different instruments, such as corruption risk assessments, can be used to systematically identify and address potential inconsistencies and tensions between anti-corruption measures and other instruments.

Adopting systemic approaches can contribute to more coherent and integrated anti-corruption policies in support of the SDGs. A country's (or an organization's or sector's) anti-corruption system is made up of the multiple bodies, actors, laws and norms, processes and practices that have responsibilities in preventing, detecting, prosecuting and sanctioning corruption. The effectiveness of anti-corruption measures depends on the performance of the whole accountability system, including the interaction between all its parts.

Institutional coordination of entities with a mandate and authority for anti-corruption (including prevention) is one way of advancing integrated approaches. However, effective coordination has been a common challenge. Specialized anti-corruption

bodies should cooperate with sector-level institutions to assess corruption risks, conduct investigations, develop preventive anti-corruption measures (e.g., codes of conduct) in vulnerable sectors, or develop common strategies to prevent and combat corruption.

Reducing corruption requires strengthening the monitoring of anti-corruption interventions. More integrated and stronger monitoring and evaluation systems, which rely on multiple indicators to measure progress, are critical to improve anti-corruption efforts, gather evidence of effective reforms and report on progress on target 16.5. Some countries are developing their own national indicators to complement the global SDG indicators, with some of them tracking progress on the implementation of anti-corruption reforms.

Budget processes in support of the Sustainable Development Goals

Chapter 3 of the report examines how budget processes can be harnessed to better support the implementation of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals. The budget process is a critical link in the chain that connects sustainable development objectives, strategies and plans to achieve those, public spending and finally outcomes. Ideally, such systems should enable governments to measure shifts in the allocation of public resources across the various goals, and more broadly to answer the question of how the allocation of public resources is changing society in the short, medium and long terms.

Linking national budget processes with the SDGs

Efforts to link the budget process with the SDGs started very soon after the adoption of the 2030 Agenda, and are informed by previous attempts to link the Millennium Development Goals (MDGs) with national budgets, as well as efforts to track public expenditures in support of sectoral objectives, including the environment and climate change, both in developed and developing countries.

In many countries, the SDGs or national adaptations thereof have been integrated in sustainable development strategies and national development plans, as well as increasingly into sustainable development financing strategies that seek to mobilize resources from different actors (both public and private) in support of SDG implementation. The integration of SDGs into national budget processes has so far been more limited.

Limited information on national efforts to link budget process with the SDGs

Mappings produced by the OECD, the European Parliament's Committee on Development, a group of international civil society organizations, and UNDP, among others, show limited adaptation of national budget systems to link them with the SDGs, except in a small number of countries.

Among 46 reports of voluntary national reviews presented at the United Nations in 2018, more than half provide no information on inclusion of the SDGs in national budgets or budgeting processes. Reports for an additional 15 countries show that the SDGs have not been incorporated into budgetary processes, with ten of these countries indicating plans to do so. Only six countries reported incorporating the SDGs into their budget processes in some fashion: Colombia, Ecuador, Latvia, Mexico, Uruguay and Viet Nam.

In OECD countries, the SDGs have not prominently impacted national approaches for designing performance budget indicators. Similarly, there is little evidence of reporting on SDG progress in the accounts that are produced at the end of the budget cycle. Some countries comprehensively report on a limited number of strategic, cross-cutting priorities, rather than individual SDGs. Some developed countries already tag how different budget appropriations contribute to certain SDGs or targets, but this is often limited to aid budgets.

There is great variety in the arrangements adopted across countries. While Mexico stands out for including performance indicators linked to the SDGs in its budget process and for mapping a large portion of government expenditures to SDG targets, many countries have adopted more limited approaches. These cover a wide range, from qualitative reporting of budget allocations in a narrative way presented by the executive branch, to the mapping and tracking of budgets against SDGs. Depending on the motivations underlying budget process reform, countries put emphasis on different products and

tools (for example, “citizens’ budgets” (simplified, non-technical briefs designed to inform the average citizen and published in tandem with the corresponding official budget document) for specific SDG areas or more participatory approaches to budgeting.

National actions reflect differing political circumstances, administrative dynamics and technical capacities. Experts seem to agree that the most frequently adopted approaches at present are SDG-specific (for example, focusing on climate or biodiversity) rather than Agenda-wide; and ad hoc rather than systemic. Linkages with the SDGs are made at different stages of the planning and budget cycle.

In setting up mechanisms to link their budget processes to the SDGs, countries have to operate under political, administrative and technical constraints, which are essentially idiosyncratic. Hence, it is reasonable to expect that the capacity of national governments – and by extension, of the international community – to track how public spending contributes to the realization of the SDGs will only progressively increase and will vary depending on national circumstances.

Efforts to better reflect the SDGs in national budget processes have to be conceived as part of broader efforts to strengthen budget systems, especially public financial management (PFM) reforms. While their motives and objectives are often unrelated to the SDGs, PFM reforms can provide opportunities for changes in the budget process that enhance linkages with the SDGs. International organizations, and especially international financing institutions such as the IMF and the World Bank, are an important driver of PFM reforms. There may be further opportunities for those organizations to factor the SDGs into their work on budgeting and budget reform.

The budget process and the institutional principles of SDG 16

The institutional principles of SDG 16 are all instrumental to stronger budget systems that support the implementation of the SDGs. In addition to showing the relevance of these principles at different stages of the budget process, the report illustrates how they reinforce each other – for instance, budget transparency and participation are now seen as fundamental building blocks and enablers of accountability. This complementarity calls for the creation of robust institutional arrangements that make the most of the synergies among all the principles.

The evolving nature of budget accountability

The nature of budget accountability has changed from a year-end focus to activities that span the whole budget cycle. It now goes beyond budget control and oversight and becomes a tool for managing the strategic objectives of the government, including their sustainable development objectives. Budget accountability now involves looking for good practices, learning what works, and managing networks that allow achieving interrelated policy goals, beyond the traditional focus on compliance. In some important ways, the SDGs do not represent a radical departure from the past. Governments often have national plans to address complex issues at a whole-of-government level, which overlap with the SDGs even when no explicit connection is made with them.

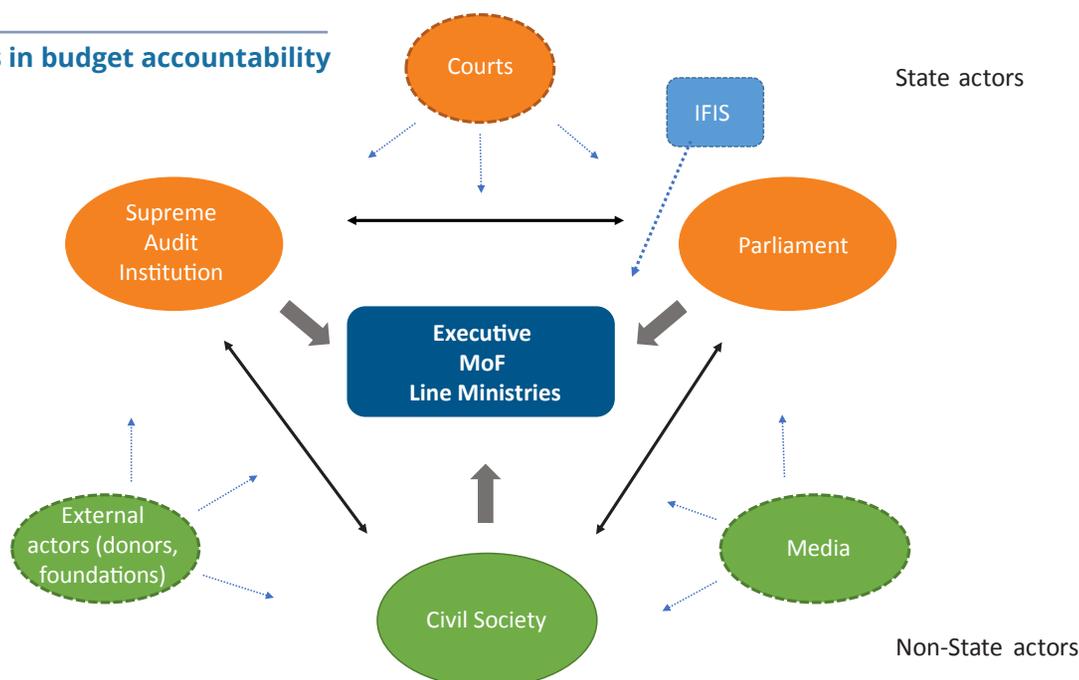
Budget reforms in recent years have sought to strengthen budget accountability by strengthening the role of Parliament, enhancing the capacity of independent oversight institutions and opening more opportunities for citizens to engage in the budget process. There has been increasing emphasis on the need to look at the whole accountability system, which includes civil society and the general public. The increasing number of stakeholders expands the opportunities for collaboration (e.g., between Parliaments and civil society, between supreme audit institutions and civil society) to contribute to increased budget accountability.

Budget transparency is a crucial principle in its own right. On the one hand, emerging and expanding means of enhancing transparency, such as fiscal transparency portals and citizens’ budgets, show promise in expanding both access to and understanding of budget information. On the other hand, the still limited level transparency observed in international surveys shows that there is room for improvement.

The notion of public participation in budget processes has steadily gained ground in past decades. Broad principles for engagement have been elaborated and increasingly used to design participatory processes at different stages of the budget cycle, as well as to analyze their impacts and effectiveness. However, participation in budget matters at the central government level remains limited, as does the body of evidence around the effectiveness of various participation mechanisms. Participatory

Figure E.5

Stakeholders in budget accountability



budgeting at the local level is more developed, and knowledge on the impacts of different versions of the tool on political and social outcomes has accumulated. Many Governments have undertaken measures to develop budget literacy, or the ability to read and understand public budgets, including in public education systems as in England, UK and Singapore. Participation in the budget process should be conceived in the broader context of citizen engagement in SDG implementation in general. In many parts of the world, civil society is already strongly engaged in SDG follow-up and review. There likely is potential for synergies, for instance through ensuring that information on budget matters is fully utilized by those engaging in other areas than budgeting.

The budget process is key to translating commitments to non-discrimination into concrete action. There is growing recognition of the relationship between budgets and discrimination. Budget-based approaches to tackle discrimination include targeted interventions, mainstreaming public services, and monitoring the impact of budget programmes on various groups of the population. Many national and local governments are utilizing a variety of gender-responsive budgeting tools. Those tools have started to be applied to other disadvantaged groups, such as children, persons with disabilities, and ethnic minorities.

Risk management in public administration and the SDGs

Chapter 4 examines how risks of various natures across the SDGs are addressed by public administration at the national level. Public administration plays a central role in managing risk across all SDG areas, as risk manager, regulator, or in other roles. As risk management becomes prominent in development management, public institutions have to not only adopt risk management approaches and tools, but also adapt their cultures and ways of operating in order to embed risks considerations in their daily business.

Public institutions and public administration processes to manage risk have evolved over time, driven both by overarching paradigm changes in governance and by developments in knowledge and practice of risk management in different fields. The adoption of national risk management frameworks in specific sectors has been significantly influenced by international and regional institutions through normative frameworks, analytical work and technical assistance.

The rise in prominence of risk considerations in public administration has also proceeded at a different pace in different sectors. In some sectors, risk management has been integrated in core functions and practices of public administration for decades (for instance, in the way Central Banks manage systemic risk in the financial sector). In other areas such as natural disasters and climate change, risk considerations have become central tenets of the mainstream paradigms over the past two or three decades. Relatively new risks such as cybersecurity have gained in importance in recent years and have elicited increasingly sophisticated responses in public administration. In yet other sectors and SDG areas, risk management may not be

firmly embedded in the way public administration thinks of its missions, nor in the ways it delivers its functions on a daily basis.

Developments in risk-related practices in different sectors have occurred largely independently from one sector to another. For example, rules and practices relating to the management of systemic risk in finance have had very little to do with developments in natural disaster management. Therefore, risk management at the national level is still primarily done on a sectoral basis, with the high-level government agencies in charge of given areas often assuming a lead role for risk management in those.

Yet, risks across SDG areas can intersect, and they frequently impact one another. Recent trends point to a recognition of the importance of, and potential for, addressing risk in more holistic ways. In particular, several emerging economies and developing countries have adopted innovative approaches to integrated risk management. They coordinate and integrate their risk management strategies and decision-making processes horizontally across various ministries, departments and agencies, with some of them establishing cross-cutting commissions. Assessments of multiple risks has become common, with a growing number of countries having instituted national risks assessment processes. These processes vary significantly across countries in scope, in how forward-looking they are, and in how they connect to other institutional processes of risk management. The coordination of risk management in public administration across a wide range of sectors is still relatively new. Few countries have created a position of Chief Risk Officer or equivalent, with a role of coordination of government response across a broad range of risks. An increasing number of countries also integrate their risk management activities vertically by engaging subnational governments. Some countries also involve non-state actors, including civil society, experts and the private sector, in all or some parts of their national risk assessment and management processes.

Risk management in public administration and institutional principles of SDG 16

The report shows the high relevance of the institutional principles of SDG 16 to risk management in public administration. The connections between them are multiple and apply at different stages of the risk cycle. Transparency is a critical enabler of efficient risk management in many sectors, with the financial sector being a prominent example. Communication around risk is an important component of transparency policies and has received increasing attention from governments in recent years. Transparency on risks is also critical to enable informed discussions within societies, including about acceptable tolerance levels and how risk should be shared among different actors. Accountability around risk is a cornerstone of effective risk management. Questions in this regard include who is responsible for risk identification and mitigation, as well as how the consequences of risk materialization (including financial crises, natural disasters, or social unrest) are addressed. Participation is also critical to risk identification, analysis and management, for instance for floods and other natural disasters. The way risk is managed can also have strong impacts on discrimination and inequality outcomes, from the community level to the global level. Lastly, the notions of risk and vulnerability are central to effective anti-corruption approaches, as highlighted in chapter 2.

Risk management in public administration faces a range of challenges. Issues at the systemic level include the politicization of certain sectors, especially in contexts where risk prevention and preparedness may not produce immediate and tangible results (for example, climate change) and electoral cycles promote short-termism; insufficient coordination, collaboration and integration among national and subnational governments, public institutions, the private sector and other stakeholders; top-down, technocratic risk management practices, which tend to put heavy emphasis on technical aspects such as modelling, foresight and innovation, including software development, to the detriment of social or local dimensions; fragmentation, duplications and inefficiencies when too many risk management institutions with overlapping mandates exist; and lack of funding, financing opportunities, investment and resource mobilization means and capacities.

Challenges noted at the level of individual organizations in public administration include insufficient awareness, weak technical skills and knowledge gaps over coping methods and other risk management techniques; opaque organizational goals; confusion between unwanted outcomes and risks; inadequate methods for monitoring and assessing risks; unclear indicators, risk thresholds and action triggers; weak uptake of risk management by senior management and operational personnel; and ineffective risk communication strategies. This is in spite of the existence of a wide variety of national, regional and international standards, guidelines, recommendations and directives on risk management. Finally, lack of adequate data is a ubiquitous challenge in risk management, both in the context of specific risks or sectors and at the level of the whole 2030 Agenda. Data, even when existing and adequate for risk management purposes, may not be interoperable due to institutional silos, even though interagency and intersectoral communication and exchange of information are critical to integrated risk management.

Going forward, the Sustainable Development Goals, due to their breadth of scope and risk-sensitive formulation, can provide a convenient framework for integrated approaches to risk management in public administration.

Institutions for gender equality

Chapter 5 analyses how public institutions have been promoting gender equality and the empowerment of women and girls. Sustainable Development Goal 5 of the 2030 Agenda calls for the achievement of gender equality and the empowerment of all women and girls. Not only is gender equality a standalone goal but it is integral to achieving all the other goals. Conversely, progress on the other SDGs impacts gender equality outcomes. In recent decades, gender equality policies have achieved wider visibility.

Governments have a key role in accelerating progress toward gender equality and the empowerment of women and girls. The array of instruments that governments have used to foster gender equality ranges from constitutional and legal approaches to regulatory frameworks to reform within organizations to the use of instruments such as gender-responsive planning and budgeting to broader attempts at shifting social norms.

Guarantees for gender equality under national Constitutions

The Constitutions of most States guarantee equal treatment based on gender, with or without exceptions. Constitutional protections for women are on the rise. Prior to 1960, just half of Constitutions adopted provided guarantees to gender equality. That percentage has steadily increased. Between 2000 and 2017, a full 100 per cent of Constitutions were adopted with such a guarantee. The number of constitutional guarantees of women's specific rights to political association, voting, and holding office are also on the rise since the adoption of the Beijing Platform for Action.

Gender-responsive institutions at the national level

National mechanisms for the promotion of gender equality and the empowerment of women and girls, if resourced adequately and given authority, can overcome fragmentation and siloed approaches as they coordinate cross-sectoral policy development and implementation and support greater policy coherence for gender equality and women's empowerment. They engage a wide spectrum of institutional stakeholders at national and subnational levels and collaborate with a range of partners. Through mainstreaming gender in sectoral ministries and public agencies, they serve to transform public policy values and the culture, implementation actions, and responsiveness of public institutions. They have spearheaded the development of national action plans on gender equality, ending violence against women, peace and security as well as coordinated gender mainstreaming in national development plans. Through gender analysis and assessment, capacity development and training, they have demanded action for more effective institutionalization of gender mainstreaming.

Gender equality laws and policies are an essential tool to address gender discrimination. Despite the significant body of laws that promote gender equality in most countries, more than 2.5 billion women and girls globally are affected by discriminatory laws and lack of legal protections leaving them without the legal basis to claim their rights. Enforcement remains an issue in many contexts. Women's participation in legal reform processes has contributed to the inclusion of specific provisions in constitutions and laws enhancing responsiveness to the needs of women and preventing discrimination, harassment and violence.

Transparency and access to information are essential in order to assess the impact of government policy decisions on gender and to scrutinize the quality and responsiveness of public services to women's needs. Fiscal and budget transparency have been critical to track public expenditures for gender equality, and have also spurred positive changes in broader transparency policies and accountability. Information and communication technologies (ICTs) have helped to boost transparency and access to information. In particular, ICT-based information management systems facilitate the retrieval and analysis of information, including sex-disaggregated data. Access to information has benefited from advances in the generation and dissemination of data disaggregated by sex and gender statistics in the past two decades.

Gender-responsive accountability includes gender equality as a standard against which public sector performance is assessed and measured. Gender-responsive budgeting, an example of fiscal accountability, allows the finance institutions to structure

tax and spending policies to promote gender equality. As of 2016, more than 90 countries across all regions had adopted some form of gender-responsive budgeting. National mechanisms for the promotion of gender equality and the empowerment of women and girls can facilitate the engagement of sector ministries, Parliaments and civil society on gender responsive budgeting. Multi-stakeholder approaches have been particularly effective in moving the policy agenda forward and opening space for greater civil society influence. Parliamentary oversight and audit bodies also play a major role. Gender assessments conducted by independent oversight agencies and civil society improve resource tracking and delivery of gender responsive services.

Poor women are disproportionately impacted by corruption, which covers a wide range of exploitative practices. Yet definitions and indices of corruption often do not include the multidimensional nature and impacts of corruption. Tackling corruption requires the integration of gender into measurement tools to identify gender differentiated patterns of corruption. Other important channels for addressing corruption in the context of SDG 5 include anti-corruption legislation, the adoption of gender-responsive anti-corruption programs and policies, access to recourse measures and mechanisms, and safe spaces to report corruption.

Women remain under-represented at all levels of public decision-making. Gender norms and stereotypes are often a deterrent to the selection of women candidates and pose obstacles to women throughout the electoral process. Several countries have adopted temporary special measures such as gender quotas, which can significantly improve women's chances of being elected. Parliaments with greater presence of women have been found to prioritize issues related to gender equality. However, a higher proportion of women legislators is not, per se, a guarantee that gender-sensitive legislation will be enacted. Efforts are needed to ensure gender parity across all public institutions, including the justice system.

Gender-responsive institutions at the SDG target level

Many SDG targets explicitly refer to women, girls and gender equality. Other targets which do not explicitly reference gender have strong gender dimensions. The chapter examines seven SDG target areas across the SDGs: agricultural productivity and access to land (as part of target 2.3); equal access to education and vocational training (target 4.5); adequate and equitable sanitation and hygiene (target 6.2); access to energy (target 7.1); equal pay for equal work (as part of target 8.5); mobility and migration policies (target 10.7); and safe, affordable, accessible and sustainable transport systems (target 11.2).

Institutional approaches to promoting gender equality show commonalities across these areas, as well as some differences. In many areas, mainstreaming of gender aspects in national strategies and plans has become common. For example, transport sector strategies and transport plans at the local level usually incorporate gender aspects. The gender dimension of sanitation is also broadly recognized. Gender mainstreaming appears to be less advanced in the energy sector, compared to other sectors.

In most areas, reforms of the legal and regulatory framework have been used to combat discrimination, eliminate structural barriers to gender equality and foster economic and social opportunities. Governments have set specific targets toward achieving parity between girls and boys in primary and secondary education, and many countries have adopted laws that prohibit discrimination in education. Recent land reforms have often included provisions to ensure that women are not discriminated in this regard. However, equal access to land and other productive resources for women still faces multiple constraints, some linked with the prevalence of social norms. Equal pay laws or regulations have multiplied, and are often used in combination with incentives and sanctions, as well as enhanced disclosure requirements for employers, all seeking to promote accountability of employers (including public administration) for gender equality objectives.

Strengthening accountability for equal pay: recent developments

In order to promote accountability on equal pay for work of equal value, some countries have introduced mandatory reporting on men's and women's wages in companies. According to a survey of 23 countries published in 2016, Australia, Belgium, some states of Canada, Denmark, Finland, France Italy, and Sweden had legal or regulatory instruments mandating companies employing more than a certain number of employees to publish data on wages disaggregated by sex. In 2017 the United Kingdom adopted a similar instrument, as did Germany in 2018. In Iceland, regulation from 2017 aims at holding the pay management systems of companies and institutions up to official standards via certification, to be conducted by accredited certification bodies through audits.

The scope of these measures varies across countries. The size threshold for reporting varies from 25 to 250 employees. The measure usually applies to employees only. In some countries, the measure covers both the public and private sectors, while in others the obligation to report only applies to private sector firms. The periodicity of the reports can be annual or longer. Sanctions in case of failure to report also vary across countries, as do transparency requirements. Depending on the country, results have to be made available to union representatives in the firm; to all employees; to a government agency; or posted on the firm's website when it exists. In the United Kingdom, the government created a website (<https://gender-pay-gap.service.gov.uk/>) where the pay gap data reports of individual firms are made accessible to the public.

At the operational level, many of these areas have witnessed the development of toolkits, compendiums of good practices, and other knowledge and capacity building tools that can support gender mainstreaming in programmes and projects, often produced by international organizations, including international development institutions and United Nations organizations.

In all the sectors examined, participation plays a key role in supporting women equality and fostering accountability in this regard. Women's groups have often succeeded in bringing issues to the fore of the political debate and in inducing greater accountability from governments on gender outcomes. However, in many sectors, women's participation still faces barriers. Similarly, transparency initiatives, both through legal action aiming to force disclosure or through voluntary approaches, play a key role in supporting women's engagement, promoting accountability, and exposing corruption faced by women.