



Country Approaches to the SDGs and Well-being: Six Case Studies on Good Practices in Selected Political Entities

Second Report

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Vienna, June 2022

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 This report was prepared as part of a project commissioned by PBL Netherlands Environmental Assessment Agency on “Country approaches to the SDGs and Well-being”. Report submitted in June 2022.

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Introduction

This **second report** is part of a larger study on “**Country approaches for SDGs and Well-being**” in Europe and beyond which is commissioned by PBL Netherlands Environmental Assessment Agency. The **main aim of the study** is to investigate how different political entities implement the Sustainable Development Goals (SDGs), which concepts and activities on well-being and beyond GDP are applied, and how these entities seek to establish coherence between the two processes of SDG implementation and well-being activities.

The **first report**, which was submitted in May 2022, **provided a general overview and update of activities on SDG implementation and well-being/beyond GDP concepts, initiatives and activities** in European countries (including two devolved governments of the UK), the European Union, and selected countries beyond Europe. It comprised a total of 35 political entities and looked, for each one, into national SDG implementation approaches and experiences, national well-being and beyond GDP concepts and initiatives, and how the coordination between SDG implementation and Wellbeing/beyond GDP is organized and managed. It also included a comprehensive overview chapter on main trends and important insights regarding the overall experiences in the political entities covered. The information presented in the first report is based on an overview survey which was conducted by using a qualitative questionnaire as well as desk and document research.

Based the findings included in the first report, the project team at PBL and the study author **selected six political entities for case studies of good practices** on well-being concepts and activities in use, implementation experiences with the SDGs and well-being as well as lessons learned on SDG implementation and well-being activities. The six case study entities that are included in this second report are the **European Union** (i.e. activities on SDGs and well-being at the EU level), **Finland, Ireland, Italy, Scotland, and Wales**.

The **2030 Agenda for Sustainable Development, “Transforming our world”, with its related 17 Sustainable Development Goals (SDGs)**¹, which was adopted by the UN countries in September 2015, can be seen as a milestone for setting up a clear and strategic set of objectives to achieve sustainable development worldwide. The SDGs are covering all dimensions of sustainable development (i.e. economic, environmental and social issues) and are intrinsically interlinked with one another. Overall, there is a **strong correlation between the SDGs and well-being**. In fact, the SDGs relate to multiple dimensions of human and planetary well-being. As has been pointed out by the Global Happiness and Wellbeing Policy Report 2019, “the SDGs are, indeed, a framework and a roadmap for global happiness and well-being”².

For many decades, Gross Domestic Product (GDP) has been used as the central concept to measure economic performance and applied in many contexts as synonymous with societal progress and well-being.³ However, relying solely on GDP to measure societal progress and general well-being has its shortcomings, as has been widely acknowledged. Therefore, **broader concepts for measuring societal progress than GDP are necessary**. Over the years, they have been developed and referred to as **beyond GDP, inclusive growth, well-being, well-being economy, etc.**

¹ United Nations (2015) Transforming our World: The 2030 Agenda for Sustainable Development, <https://sdgs.un.org/publications/transforming-our-world-2030-agenda-sustainable-development-17981>

² The Global Council for Happiness and Wellbeing (2019), Global Happiness and Wellbeing Policy Report 2019, p. 6, <https://s3.amazonaws.com/ghwbpr-2019/UAE/GHWPR19.pdf>

³ OECD (2018) Policy use of well-being metrics: Describing countries’ experiences, https://www.oecd-ilibrary.org/economics/policy-use-of-well-being-metrics_d98eb8ed-en

Even though different terms are used, the key idea is to have a stronger focus on quality of life, prosperity and flourishing for all people, and the sustainability of the planet.⁴

As regards the **methodology** applied for this second report, the basic information gathered for the six case studies was based on the filled-in questionnaires and documents analyzed for the first report. In order to cover the experiences in the selected political entities more comprehensively and more in-depth, the case studies are primarily based on **video interviews** with representatives of national government ministries or high-level institutions in the six political entities who are responsible, or partly responsible, for well-being and SDG implementation. The video interviews were based on a **semi-structured interview guide** which can be found in **Annex 1** of this report. The interviews with representatives of four political entities were undertaken between 7–16 June 2022. In the case of the European Union, the interview with a Policy Officer from the Secretariat General of the European Commission undertaken in April 2022 for the first report, included important information that was also used for this second report. Please find the **list of interview partners**, their positions, institutional affiliations, and the respective interview dates in **Annex 2** of this report. For two political entities (Ireland and Scotland), no video interviews with government ministry representatives were possible. The information for Ireland and Scotland is, therefore, based on the filled-in questionnaires provide for the first report, additional information via email (in the case of Scotland), and **desk and document research**. In general, additional information for all six case studies was gathered in in-depth desk and document research.

At the beginning of the report, an overview chapter on the **main insights and important lessons learned** summarizes the key experiences made in practice in the six political entities covered in this report. This is followed by the **six case study chapters** which include in detail for each political entity an overview of their respective well-being concept and well-being activities in use, their implementation experiences with the SDGs and well-being as well as their lessons learned on SDG implementation and well-being activities (including success factors, remaining challenges, and recommendations based on their respective experiences).

⁴ Wellbeing Economy Alliance (2020) Understanding Wellbeing, https://weall.org/wp-content/uploads/WEAll-Briefing-Understanding-Wellbeing_July2020.pdf

Main Insights and Important Lessons Learned

This overview chapter points out the main insights and important lessons learned from the six case studies that are described in detail in this report. Some of these insights and lessons learned are unique to one or two of the political entities, most however are shared by many, if not all. For details on the individual political entities and their approaches and experiences, please go to the respective case study chapter.

Understanding of well-being, well-being approaches and the link to sustainable development

What all political entities share is the recognition that the traditional way to measure the well-being or progress of society by **using Gross Domestic Product (GDP) as the sole measure falls short of including broader societal, socio-economic, environmental, or cultural aspects in societies**. This realization in the political entities covered in the report is closely related to the beyond-GDP debate and activities that have been started and gained prominence in policymaking since the financial crises of 2008-2009, for instance, with the Stiglitz-Sen-Fitoussi Commission and the work of the OECD, like their “Better Life Initiative: Measuring Well-Being and Progress”. The beyond-GDP thinking has been the backbone, for instance, of various *European Union (EU) policy documents*, like the European Commission’s communication “GDP and beyond: Measuring progress in a changing world” from 2009 and its follow up in 2013, the “Progress on ‘GDP and beyond’ actions”. More recently, the EU’s Resilience Dashboard (from November 2021) is aimed at contributing to an integrated approach for measuring people’s well-being beyond GDP. In *Italy*, the equitable and sustainable well-being indicators (ESW/BSW) complement the traditional GDP measures of economic prosperity by adding the well-being dimension in the annual economic programming and budgeting process. And in *Ireland*, the Department of Finance noted in a 2020 report on “Well-being and the Measurement of Broader Living Standards in Ireland” that ignoring the limitations of GDP could foster activities which may have negative impacts on the well-being of societies in the long-term.

The **understanding of well-being** in the political entities covered in this report show some important similarities: Well-being is mainly related to **equal opportunities, social fairness and equity, social protection and inclusion**, increase in the **well-being of individual citizens** (e.g. health, physical and mental well-being), improved **job opportunities and working conditions**, better **education and qualifications**, as well as the **equal importance of economic, environmental and social progress**. This understanding enables a more **well-rounded and holistic view of how current societies are faring** compared to the sole application and use of GDP as guidance for policymaking and policy measures.

One can also discern a **close link between well-being and sustainable development** in the political entities: **Sustainable development**, in general, and the **SDGs**, in particular, comprehensively cover economic, environmental and social dimensions, and refer to the **interconnectedness and balancing of these three areas**. **Well-being** is generally considered as **one of the ultimate goals of sustainable development and, with its focus on social and socio-economic aspects, regarded as an integral part of sustainable development policymaking**. Examples of how this close link has informed the strategic approach and actual policymaking can be found, for instance, in Scotland, Wales, Finland, and the EU: In *Scotland and Wales*, the **SDGs and well-being are strategically combined and comprehensively addressed with their overall policy approaches**, the National Performance Framework (NPF) in Scotland, and the Well-being of Future Generations Act in Wales. The aim in both political entities was to **translate the SDGs to the respective national context** and, in addition, to enable a **coordinated and integrated way of policymaking to achieve both, SDG implementation and the well-being goals alike**. In *Finland*, the Finnish National Commission for

Sustainable Development defines **sustainable development as human well-being within planetary boundaries**, and the Finnish policy approach is characterized by **ensuring human well-being and strengthening ecological, social and economic sustainability**. In the *EU*, the concept of “Competitive Sustainability”, that is closely linked to the Annual Sustainable Growth Survey 2022, aligns environmental sustainability, productivity, fairness and macro-economic stability and in so doing, **aims to achieve the integration of the various dimensions that encompass sustainable development and well-being goals**.

Another characteristic that can be seen in several of the case study entities is that **concepts like the Well-being Economy and resilience are gaining more prominence**. Both concepts are **specific variations of how well-being has entered the policy debates and practical policymaking regimes**. And they both underline the **close link between sustainable development and well-being**: The **Well-being Economy** aims to create opportunities to **increase well-being and economic growth at the same time, but growth must be economically, ecologically and socially sustainable**. The Well-being Economy was a focus of the Finnish EU Presidency of 2019 and is still a key strategic approach in *Finland*. Within the *EU*, the Well-being Economy has been further developed since the Council Conclusions in 2019 and addressed in the 8th Environmental Action Program of 2022 which outlines how the concepts should be achieved in the context of the 2030 Agenda. In addition, and fostered by the socio-economic challenges posed by the COVID-19 pandemic, the **concept of resilience** has increased in significance in some political entities. In the *EU*, for example, policy debates on **resilience as a response of a society to different stress and shock situations** have been around for a while now. In this context, the Strategic Foresight Reports by the European Commission introduce resilience as a new compass for EU policymaking and highlights that the measurement of resilience is an important step towards a more integrated well-being framework. In *Scotland*, the current Government Program aligns the recovery from the COVID-19 pandemic with the ambition for a well-being economy that is based on principles such as equality, sustainability, prosperity, and resilience.

Legal and political foundations for well-being and the SDGs

In two of the six political entities covered in the case studies, the **activities on well-being are based on legal provisions**. In *Wales*, the Well-being of Future Generations (Wales) Act of 2015 has created a duty for all public bodies in Wales to carry out their work in pursuit of the economic, social, environmental and cultural well-being of Wales. And in *Scotland*, the Community Empowerment (Scotland) Act of 2015 has formulated legal requirements for well-being that need to be considered in the work of public bodies. On the basis of these legal provisions, the two political entities **integrated well-being and sustainable development with a single strategic and comprehensive policy approach** which ascribes **well-being a key role and orientation for policymaking for their respective governments**.

In most other political entities, well-being has been included as a **major objective in the government programs or separate high-level policy strategies which also puts it in the center of government activities and policymaking**. In *Finland*, the current Finnish Government Program includes “Fair, equal and inclusive Finland” as one of its seven strategic themes. The current *Irish* Government Program also gives well-being a prominent role by stating to use the well-being framework as complementary to existing economic tools across policymaking and supplementing existing economic measurements with new ones. And in the *EU*, policy objectives in the vein of well-being, equal opportunities and social protection have that been formulated in the European Pillar of Social Rights Action Plan, are now part of the Annual Sustainable Growth Survey, and characterize the aims of the Recovery and Resilience Facility.

The major **difference between the legal provision for well-being**, like in Wales and Scotland, and **the inclusion of well-being in government programs and/or separate policy strategies** is that the

former is a very strong tool that is independent from the programs or approaches of a respective government and can thus “outlive” single governments which **enables the continuation of well-being objectives and policy efforts beyond government terms or election cycles.**

As regards strategies for SDG implementation, there exist **either single national SDG strategies** (e.g. Finland, Ireland, Italy), **joint strategies for well-being and the SDGs** (Scotland and Wales), or **a mainstreaming approach with no single strategy but a strategic integration of SDGs in all policy areas** (European Union):

- a) In general, **having a single dedicated national SDG strategy is important**, not only to formulate clear objectives for the SDG implementation, but also to provide guidance on objectives and their achievement for all government ministries and, ideally, for important stakeholder groups (e.g. business, civil society). They are, however, **very much related to the approach taken by the respective government.** Finland tried to address this issue and has developed, with the requirement of government reports on the SDG implementation to the parliament, a structure that defines a necessary reporting scheme that goes beyond a government's term.
- b) As outlined further above, **having a joint strategy for well-being and the SDGs** allows to **create comprehensive objectives and corresponding measures that cover both policy areas**, to define their **inter-connectedness**, and to enable **synergies in the implementation process.**
- c) The **mainstreaming approach for SDG integration in all policy areas and whole-of-government implementation efforts** is an emerging trend that one can see in several political entities (see also Deliverable 1). The European Commission's decision to take this approach was influenced by past experiences of developing overarching policy strategies which can be long and winding processes that take up many resources. This is the loosest form of strategic policymaking, but is usually backed up by government programs or related mechanisms (e.g. the mission letters to individual Commissioners as in the EU's case).

Finally, the **responsibility for policies related to well-being are located at a high political level (i.e. Prime Minister's Office or Government Office) in most of the political entities covered in this report.** In *Ireland*, the development of the well-being framework is led by the Department of the Taoiseach (Prime Minister's department). In *Scotland* and in *Wales*, the political responsibility for the well-being framework or policies lies with the Deputy First Ministers who are the second highest ranked ministers of the government after the First Minister (which is similar to a Prime Ministers in other countries). In *the EU*, the Secretariat-General has a major role in coordinating the work on well-being of different Directorate Generals. In *Finland*, the Prime Minister oversees the main strategic theme of a fair, equal and inclusive Finland. In contrast to the five political entities mentioned above, in *Italy*, the development of the equitable and sustainable well-being indicators was led by the then President of the Council of Ministers, but the actual development process and policy responsibility lies with the Ministry of Economy and Finance.

The trend of assigning the policy process to the highest political level is **matched in national SDG implementation** for which responsibility for sustainable development, in general, and the SDG implementation, in particular, is located at the level of the **Prime Minister's or Government Office** in most political entities covered in this report. An exception is Ireland where the Department of Environment, Climate and Communications has the main responsibility for SDG implementation.

Overall, **assigning responsibility for well-being and SDG policy design and delivery to a high political level or directly to the Prime Minister's Office** provides a clear signal for all government ministries and stakeholders about the **political importance of the topic**, and it also increases the likelihood of a **more coordinated policy process across the various sectoral government ministries** so that general policy objectives are streamlined and all ministries work towards the achievement of the same set of goals.

Inter-department coordination for well-being and the SDGs

The policies and activities for well-being and the SDGs are **increasingly characterized by inter- or cross-departmental cooperation as they cut across traditional sectoral responsibilities and require the balancing of economic, environmental, and social aspects**. Therefore, **inter-departmental coordination and cooperation structures and mechanisms are necessary and applied in all political entities** covered in this report. In general, inter-departmental coordination, also referred to as **“horizontal policy integration”**, is **one of the main governance principles for achieving sustainable development**. Here are examples, of how inter-departmental coordination for the SDGs and well-being are applied in the six political entities (more details for each one can be found in the respective case study chapter):

As pointed out above, the *Secretariat General of the European Commission* is providing important coordination work for the different Directorates General (DGs) which are responsible for sectoral policies. For SDG implementation, an Inter-Service Steering Group has been established. In general, the European Commission has, over the last six to seven years, increasingly moved towards more cooperation and cross-sectoral work as it proved to be necessary to work across sectoral responsibilities, especially in the context of sustainable development. *Finland* has a very long history of inter-ministerial cooperation. Well-being, due to the fact that it is deeply rooted in Finnish political culture, is regarded as a core responsibility of each government ministry. The inter-ministerial implementation of the SDGs is mainly steered by the Sustainable Development Coordination Network in which all ministers are represented. In *Italy*, the newly established Inter-ministerial Committee for Ecological Transition is responsible for SDG implementation. In *Ireland*, there is an Inter-departmental Working Group for the well-being framework. For the 2030 Agenda and SDG implementation, several coordination mechanisms are in place, for instance, the SDG Senior Officials Groups with high-level representatives from each government department. In *Scotland*, all ministries are expected to work towards the shared well-being objectives and the current Government program includes the commitment to reconstitute the Ministerial Working Group on Policy Coherence for Sustainable Development. In *Wales*, cross-departmental coordination is enabled by locating well-being and SDGs at the Deputy First Minister and by defining “5 Ways of Working” of the government ministries which include collaboration and integration on well-being and SDGs.

Looking at the practical mechanisms applied for inter-departmental coordination, one can discern that there are **specifically developed institutionalized coordination mechanisms like inter-ministerial coordination networks, working groups, or committees for the SDGs** (on EU level, Finland, Ireland, and Italy) and, **to a lesser extent, also for well-being** (in Ireland). These institutionalized coordination mechanisms enable the **most structured and effective way to organize the cooperation** between different sectoral ministries to work towards achieving SDG implementation and well-being objectives, to **develop joint activities**, and to **exploit synergies** for effective policy solutions. Based on the long-time experiences with sustainable development policymaking and national strategy processes, the above-mentioned political entities could **base their inter-ministerial coordination mechanisms for the SDGs on pre-existing structures and cooperation mechanisms**. It would certainly **benefit the implementation of well-being objectives to either establish specifically dedicated inter-ministerial coordination mechanism or link the well-being agenda clearly and with its own objectives to the existing SDG coordination mechanisms**.

In Scotland and Wales, where the SDGs and well-being have been strategically combined, the implementation of their strategic approaches (National Performance Framework and the Well-being for Future Generations Act) is the **responsibility of all government ministries**. In order to **support this approach and compensate for the lack of an institutionalized coordination mechanism**, both have **developed support tools**: In Scotland, the **Scottish Government has developed a toolkit**,

“Outcomes-focused Policy Making in Scotland”, which is designed to support Scottish policy makers to be more joined up and coherent across policy areas, especially in the context of Scotland’s National Performance Framework (NPF) and the SDGs. In **Wales, inter-ministerial cooperation should be fostered by the “5 Ways of Working”, which is based on the sustainable development principle**, with two of them focusing on collaboration and integration, respectively.

Indicators and continuous evaluation of progress

All political entities have developed **indicators to measure progress towards achieving well-being objectives and SDG implementation**. The number of individual indicators in the different indicator sets is broad, ranging **from small sets of 10 indicators** (indicator basket for the SDGs in Finland) **to the over 150 indicators** (equitable and sustainable well-being indicators in Italy).

At the *European level*, the EU set of **sustainable development indicators** comprises 101 indicators that are structured along the 17 SDGs and monitor the progress towards achieving the SDGs in the EU. An annual EU SDG monitoring report provides a comprehensive evaluation of progress. The **Quality of Life indicators** provide an overview of various aspects of quality of life in Europe. These indicators are complementing the traditional measures of economic and social development. In addition, renewed headline indicators for the European Pillar of Social Rights have been developed recently and the Social Scoreboard of indicators shows current data and trends. A challenge is the timeliness of well-being and social indicators in relation to the more traditional economic indicators.

Finland is currently working on a relaunch of the **“Findicators”**, a set of about **100 indicators** that describe the development of the Finnish society. There are, at the moment, no specific well-being indicators used, but the **10 indicator basket for the SDGs** includes indicators related to human well-being and environmental issues.

In *Ireland*, **35 indicators** have been developed for the **11 dimensions of the national well-being framework**. A well-being dashboard is used for easy access and the analysis of the dashboard provides an overall picture of the country’s progress toward reaching its well-being objectives.

Italy has been applying, since 2012, the **equitable and sustainable well-being indicators** which currently comprise **153 indicators**, including topics covered by the SDGs. Italy was also the first country which linked the well-being indicators to economic policy programming and the budget planning process (see more details further below).

In *Scotland*, a total of **81 indicators** is used to track progress toward achieving the **11 National Outcomes**. These indicators incorporate a wide range of different types of data, from social attitudes and perceptions to economic and environmental statistics. A performance overview measures progress on the 81 indicators and 11 National Outcomes in a continuous way.

Wales has developed **50 indicators and related milestones** that are used to measure progress towards the seven well-being goals. Various reports have been published to show progress made and to provide further information on the quality of the data used.

Indicators are an **important aspect of measuring progress towards achieving SDG implementation and well-being objectives in a quantitative manner**. Based on the experiences in the political entities included in this report, it is crucial to **ensure data availability and high quality of data**; to **guarantee the regular measurement of SDG and well-being indicators to increase their timeliness** (e.g. indicators related to economic development aspects are usually measured more frequently compared to SDG and/or well-being related indicators); to summarize the **indicators findings in regular reports** (i.e. regular reporting cycles); to provide **easy access to the data and statistics** for

policymakers and stakeholders alike (i.e. increase transparency); and to **combine the quantitative measures with qualitative evaluations**. As regards the **combination of SDG and well-being indicators, or developing separate indicators sets**, the experiences in the case study political entities are mixed: In *Wales*, for instance, the set of 50 indicators combines well-being objectives and SDGs, and this combination is seen as an effective way to measure progress in both areas at the same time. This helps, for instance, in fulfilling international reporting obligations, like the Voluntary National Reviews (VNRs) for the UN's High-Level Political. In other political entities, the different indicators sets have been developed separately and focus on different aspects: On the *EU level*, for instance, the EU SDS indicators set is directly related to the SDG implementation at the EU level and has a well-established reporting system (EU SDS monitoring reports). The Quality of Life indicator set complement traditional GDP measures and focus on economic and social aspects. Overall, it is important to **reflect upon the advantages of combining SDG and well-being indicator sets (also due to the strong interconnectedness of both) to either integrate them or actively seek synergies between separate indicator sets**.

Efforts to make well-being and SDGs a part of the budget planning process

All political entities included in this report have made **efforts to link well-being and the SDGs to the budget planning process**, however, to a **varying degree and are thus at different stages in practice**.

Italy was the first country which linked a set of **well-being indicators to economic policy programming and the budget planning process**. Based on the equitable and sustainable well-being indicators (ESW/BSW), the legislator in Italy made a change to the overall budget law in 2016 and this reform now requires the **inclusion of set of ESW indicators in the budgetary process**. A selection of 12 indicators (out of the total 153 ESW indicator set) was chosen. Since 2017, the Treasury department of the Ministry of Economy and Finance prepares an annual ESW Report to the Italian Parliament, covering the evolution of the 12 ESW indicators in relation to the policy measures that were adopted with the previous year's budget law. This is an **ex-post exercise** as it analyzes the impact of the budget law and related measures on the 12 indicators of a budget law that has already been passed in the parliament. There is also an **ex-ante exercise** in which the Ministry of Economy and Finance presents an ESW Annex to the Economic and Financial Planning Document which shows the evolution of the ESW indicators over the past 3 years and a forecast for the current year and over the budgetary period.

In the *European Union*, the **inclusion of the SDGs and well-being aspects in the European Semester process** (an important part of the **EU's economic governance framework focusing on economic, fiscal, labour and social policy coordination within the EU**), especially in the Annual Sustainable Growth Survey, marks a shift towards a sustainable, resilience and inclusive economic model. The European Semester process is closely linked to the **Recovery and Resilience Facility (RRF)** which aims to **mainstream climate across the budget** and formulates the "ambitious target of at least 30% of EU expenditure contributing to climate objectives"⁵. Overall, the RRF has the goal to foster fair and sustainable growth, quality of employment and well-being.

In *Scotland*, the Scottish Government and Parliament in 2016 set up the Budget Process Review Group which recommended that **the National Performance Framework (NPF) should be used more widely by the Parliament to evaluate the impact of Scottish Government budgets**. The Group's report and recommendations were agreed by Parliament in May 2018, with the Finance and Constitution Committee subsequently sending budget guidance to each of the Parliament's subject committees, stressing the importance of performance information to effective budget scrutiny.

⁵ European Council Conclusions, 20 July 2020, para. 84, <https://www.consilium.europa.eu/media/45109/210720-euco-final-conclusions-en.pdf>

However, not all committees have mentioned the NPF in their budget reports or in correspondence with ministers. In order to support policymakers, the Scottish Government in 2019 issued a **booklet, entitled “Improving People's Wellbeing: 6 key questions to ask when making budget decisions”**, which aims to help policymakers to systematically think through 6 key questions to identify ways in which budget decisions could be improved to advance human rights and address inequalities.

Efforts to link well-being and SDGs to the budget planning process have also been made in the other political entities: In *Wales*, the Welsh Government needs to **map and cross-reference the overall financial budget with the carbon budget**. What is more, the Office of the Future Generations Commissioner for Wales advised the government to shift from acute spending to preventive spending. In *Ireland*, the second report on the country's well-being framework (published in June 2022) defines next steps to further embed and implement the well-being approach. It includes reference to an **annual high-level analysis of the Well-being Dashboard that will be conducted and published at an early stage of the budget process**. It will provide high-level evidence and context for the identification of potential priorities and highlighting progress across a wide range of policy issues that are important for longer-term quality of life and sustainability over the medium-term. It will serve as a **complement to standard economic and fiscal reporting**. This approach will commence for 2023 budget. Finally, in *Finland*, there was a discussion a few years ago on how to include the SDGs into the budget planning process. At that time, the Ministry of Finance developed means to measure the contributions of the budget to specific targets (i.e. climate policy, biodiversity, social sustainability and well-being) which was labelled **“sustainable development budgeting”**. However, as has been pointed out in the interview on the Finnish case study, the government has not yet been successful in re-directing the process so that the budget is developed based on SDG implementation and national sustainability objectives.

The experiences in the political entities covered in this report with linking well-being and the SDGs to the budget planning process show that, **where this link has already been made in practice**, only the **EU's approach with the inclusion of the SDGs and well-being in the European Semester process and the development of the Recovery and Resilience Facility** enables a structured and comprehensive linking. In Italy, there is extensive experience with directly linking a set of 12 indicators to the budget planning process, but this is largely done in an ex-post exercise of analyzing the impact of the budget on the 12 indicators after the budget has been adopted. **To orient the budget on SDG and well-being objectives, a stronger ex-ante approach would be required**. The Welsh experience also suggests a move from acute spending to preventive spending as has been suggested by the Office of the Future Generations Commissioner. **Mixed results** have been achieved in Scotland and Finland: Whereas in Scotland, at least some parliamentary committees mentioned the well-being objectives of the National Framework Program in their budget reports, in Finland, the government has not yet been successful in actively using SDG and well-being objectives in the budget planning. Overall, **the experiences suggest that, in order to affect and steer the policy and budget planning process, SDGs and well-being objectives need to be systematically and in an ex-ante manner included in these planning processes**.

[Success factors, remaining challenges, and recommendations from the case studies](#)

This final section includes an overview of success factors, remaining challenges, and recommendations that were either directly mentioned by the interview partners from the respective political entities of the case studies for which interviews were conducted or were concluded by the author based on the reports and documents used for the political entities for which no interviews were conducted. More in-depth explorations on the points raised below can be found in the lessons learned chapters of each individual case study.

Success factors:

- The development of a **national, holistic and systematic well-being framework** which is **backed by the highest political level** and **supported by specifically developed institutionalized coordination mechanisms which are used for cross-sectoral policymaking**. In many political entities, there exist national sustainable development strategies or SDG action plans which help foster the systematic inclusion of SDGs in the policymaking process. A similar effort is necessary for well-being. The well-being agenda should be the responsibility of, or strongly supported by, the highest political level (e.g. Prime Minister's Office) as this signals the political importance of the topic and enables a better inter-ministerial coordination. In addition, the establishment of specific institutionalized coordination mechanisms is the most structured and effective way to organize cooperation between government ministries in practice, including the development of joint activities and the exploitation of synergies in the work of sectoral ministries.
- **Practical guidance documents and toolkits for policymakers** how to achieve inter- or cross-ministerial cooperation and contribute to achieving well-being objectives and SDG implementation. This is especially useful for policymakers in sectoral government ministries to support them in their contribution to successfully achieve SDG implementation and well-being objectives.
- **Consultation and national conversations with stakeholders and citizens** on the vision and practical goals of well-being and the SDGs which also creates more public awareness. The active communication and exchange with different stakeholder groups and the public at large can help to create a clear understanding of the concept of well-being, to clarify the comprehensive nature and balancing requirements of the SDGs, to take stock of the available skills and resources of the different stakeholders, and to address the necessary requirements still needed in the implementation process.
- **Developing well-being and SDG indicators sets** for the national level and continuous reporting on progress made. In this context, it is crucial to ensure data availability and high quality of data; to guarantee the regular measurement of SDG and well-being indicators to increase their timeliness (e.g. indicators related to economic development aspects are usually measured more frequently compared to SDG and/or well-being related indicators); to summarize the indicators findings in regular reports (i.e. clearly defined reporting cycles); to provide easy access to the data and statistics for policymakers and stakeholders alike (i.e. increase transparency); and to combine the quantitative measures with qualitative evaluations. Reflecting upon the advantages of combining SDG and well-being indicator sets (also due to their strong interconnectedness) is important to either integrate the indicator sets or actively seek synergies between separate indicator sets.

Remaining challenges:

- Stronger and more comprehensive **inclusion of well-being and SDGs into the budgetary planning processes**. Only the EU's approach of including the SDGs and well-being in the European semester process and the Recovery and Resilience Facility offers a structured and comprehensive linkage to the policy and budget planning process. The experience in other political entities (e.g. Italy, Wales) shows that a stronger ex-ante approach would be required to fully exploit the potential of guiding policy and budget planning on the basis of the SDGs and well-being objectives.
- The **quality of data** and, especially, **timeliness of well-being and SDGs indicators** is still an issue and needs to be addressed. The quality of data is key to make well-being and SDG indicator sets a meaningful tool for providing important information in the policymaking process. In addition, the timeliness of measuring well-being and SDG indicators needs to

be improved, especially compared to the more traditional economic development indicators.

- **Greater visibility of concrete actions** for well-being and SDG implementation by different stakeholders. There are practical actions for both, well-being and SDGs, but making them more accessible and also showing what different stakeholder groups are contributing in practice and very concretely (e.g. ministries, regions, municipalities, businesses, etc.) would increase visibility greatly.
- Creating a **stronger public ownership** for well-being and SDGs throughout society. This is related to the previous bullet point, but also to achieving a greater knowledge about the concept of well-being and the interconnectedness of the SDGs and how they can be adapted to the specific national or sub-national context. Creating national efforts towards achieving well-being and SDG implementation, guided by national policy frameworks, are a key issue in this regard.

Recommendations from the case studies:

- Well-being objectives and the SDGs **should be on the agenda of the highest political level**. Political commitment and buy-in are a precondition for effective policymaking. As mentioned above, having responsibility for well-being and SDGs located at a high, or the highest, political level provide the basis for its political significance and also fosters the coordination of sectoral ministries and, ultimately, the inclusion and cooperation of all stakeholder communities.
- Backing well-being and SDGs implementation with a **legal framework and long-term institutionalized structures** helps increase their importance and **enables continued policy efforts despite changing governments**. It is certainly key, especially due to the comprehensive and long-term nature of both, the SDGs and well-being, to create structures that can “outlive” individual government programs and election cycles.
- A **clear and strong inter-departmental coordination regime** is crucial to enable successful implementation of well-being and SDGs, both of which are very comprehensive and cross-cutting and transcend traditional sectoral policy structures. Institutionalized coordination mechanisms, like inter-departmental coordination networks, committees or working groups are the most effective way to achieve this.
- A broad **national conversation on the meaning and approach of well-being** with the most important stakeholder groups. Creating a thorough understanding of well-being and how it complements more traditional measures of societal progress is a key ingredient for achieving the buy-in of stakeholders and addressing the balancing of economic, environmental and societal aspects in societies, including cultural aspects that underpin the general understanding of equal opportunities, fairness, inclusion and the well-being.

European Union



Well-being concept and activities in use

The social dimension, beyond-GDP, and the resilience concept

The **social dimension** was already put into focus at the European Union (EU) level with the [Lisbon Strategy](#) in 2000 which formulated the “new strategic goal for the Union in order to **strengthen employment, economic reform and social cohesion as part of a knowledge-based economy**”. This included the objective to modernize the European social model by **investing in people and building an active welfare state**. With the [Europe 2020 strategy](#), adopted in 2010, social policy, and the social dimension overall, was put at the core of the EU’s economic strategy for the first time⁶. Besides smart and sustainable growth, Europe 2020 also included the priority of ‘inclusive growth’ with the aim to **foster a high-employment economy delivering social and territorial cohesion**. Since the beginning of the previous European Commission in 2015, lead by Jean-Claude Juncker, the emphasis on the social dimension within the European Union has been continued, including the various [social priorities for the European Union](#) formulated by the Juncker Commission. The activities and initiatives related to the social dimension were originally not formally related to the SDGs that were adopted in 2015.⁷

At the Social Summit for Fair Jobs and Growth in November 2017, the EU Institutions proclaimed the [European Pillar of Social Rights](#). The Pillar expresses [20 principles and rights](#) broken down into 3 chapters: (1) **Equal opportunities** and access to the labour market; (2) **Fair working conditions**; and (3) **Social protection and inclusion**. The Pillar is understood as “a shared and future-proof commitment to assert and better delivery on the rights that Europeans stand for, **from gender equality to social protection and from fair working conditions to lifelong learning**”⁸. The Pillar serves as a framework for a renewed process of convergence towards better living and working conditions across the EU. Funds like the new European Social Fund Plus (ESF+) and the European Globalisation Adjustment Fund (EGF) support the implementation of the Pillar.

The [European Pillar of Social Rights Action Plan](#) of 2021 aims to effectively implement the European Pillar of Social Rights. Already at the beginning of the Action Plan, the Commission points out that “a strong Social Europe is about people and their well-being”⁹. The Action Plan proposes **three goals to be reached in Europe by 2030**: 1. To create “**more and better jobs**”; 2. To promote “**qualifications and equality**”; and 3. To improve “**social protection and inclusion**”. These goals reflect the common ambition of the current European Commission and the EU Member States and updates the goals of the Europe 2020 Strategy. The Action Plan is expected to be reviewed in 2025.

Although already part of the policy debates during the financial crisis of 2008–2009, the EU in 2015/2016 has started to look more closely into **resilience**. The initial work on resilience was undertaken jointly with Enrico Giovannini who was involved in the **beyond-GDP activities of the OECD**, and a member of the [High-Level Expert Group on the Measurement of Economic Performance and Social Progress \(HLEG\)](#). The HLEG has been established to follow-up on the

⁶ European Commission (2013) Strengthening the Social Dimension of the Economic and Monetary Union, <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2013:0690:FIN:EN:PDF>

⁷ Interview with a Policy Officer of the European Commission Joint Research Centre, 16 June 2022

⁸ European Commission (2019) Social Priorities under the Juncker Commission, https://ec.europa.eu/info/sites/default/files/social_priorities_juncker_commission_en.pdf

⁹ European Commission (2021) The European Pillar of Social Rights Action Plan, <https://op.europa.eu/webpub/empl/european-pillar-of-social-rights/en/>

recommendations of the Commission on the Measurement of Economic Performance and Social Progress (also known as the Stiglitz–Sen–Fitoussi Commission) to provide impetus and guidance to the various initiatives currently ongoing on **measuring people’s well-being and societies’ progress**. Important EU policy documents in this context are the European Commission’s communication on [“GDP and beyond: Measuring progress in a changing world”](#) from 2009 and its follow up in 2013, the [“Progress on ‘GDP and beyond’ actions”](#).

Overall, as the Policy Officer of the European Commission Joint Research Centre pointed out during the interview, the **notion of resilience** has increasingly entered policy debates at the European level, including the ones focused on the social dimension. It has been realized over time that **what was needed is not a tight definition, but a meaningful understanding for the various policy fields**.¹⁰ Resilience, in general, is about the response of a society to various stress situations. It was defined by the European Commission as “the ability not only to withstand and cope with challenges but also to **undergo transitions in a sustainable, fair, and democratic manner**”¹¹.

The work on resilience within the European Commission has been strongly shaped by the Joint Research Center. In 2020, it was decided that the first annual [Strategic Foresight Report](#) should make resilience its key topic. The report identifies first lessons from the COVID-19 pandemic, introduces resilience as a new compass for EU policymaking, and discusses the role of strategic foresight in strengthening the resilience of the EU and its Member States. The report **analyses resilience along four interrelated dimensions – social and economic, geopolitical, green, and digital** – and explains its importance for achieving the EU’s strategic long-term objectives in the context of the **digital, green and fair transitions**.¹² The report also highlights **the measurement of resilience as an important step towards a more integrated framework for well-being**: To consider the current well-being components, the future for well-being, and also the shock perspectives incorporated.¹³ The [second Strategic Foresight Report](#) was published in September 2021.

The initial Strategic Foresight Report also incorporated a prototype of the **Resilience Dashboard**. The report looked at the **vulnerabilities and capacities of the Member States**, along the **socio-economic, green, digital, and geopolitical dimensions**, with different areas covered under each dimension. The graph below shows the **four dimensions of the resilience dashboards**:

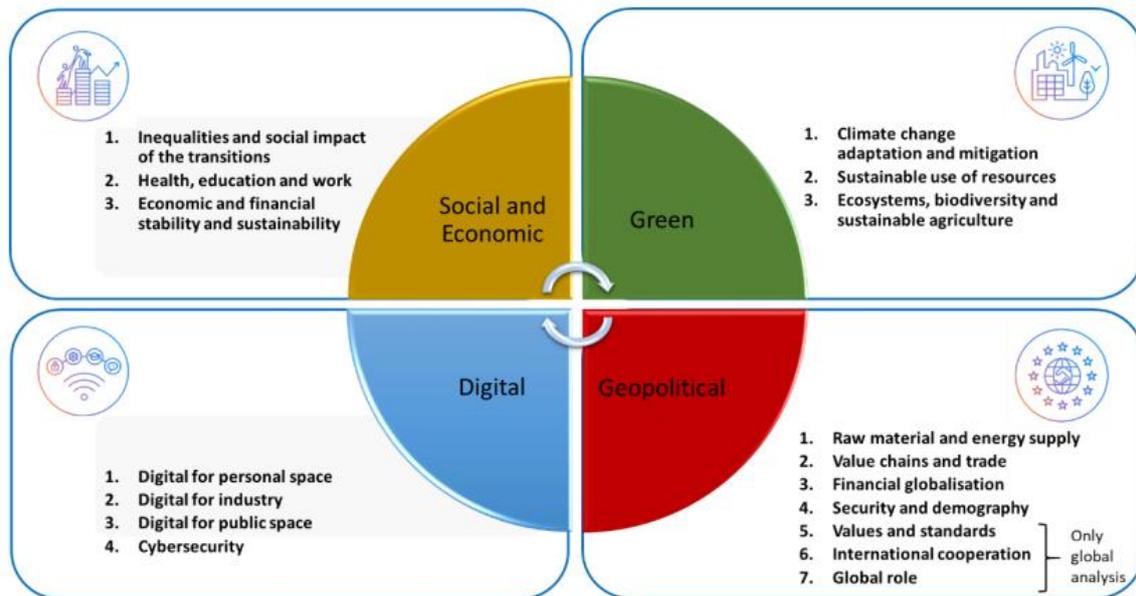
¹⁰ Interview with a Policy Officer of the European Commission Joint Research Centre, 16 June 2022

¹¹ European Commission (2020), 2020 Strategic Foresight Report, https://ec.europa.eu/info/strategy/strategic-planning/strategic-foresight/2020-strategic-foresight-report_en

¹² Ibid.

¹³ Interview with a Policy Officer of the European Commission Joint Research Centre, 16 June 2022

Graph: The four dimensions of the resilience dashboards and areas covered



Source: European Commission (2021), [Resilience Dashboards for the Social and Economic, Green, Digital, and Geopolitical Dimensions](#)

The Dashboard draws upon existing sectoral indicators and monitoring tools, such as the Social Scoreboard and the Monitoring report on progress towards the SDGs in an EU context (see details on both further below). The [Resilience Dashboard](#) was published in November 2021 and underlines that by “shedding light on important ingredients for successful transitions and coping with shocks, the dashboards contribute to an integrated approach for measuring people’s well-being beyond GDP”¹⁴. It is a dynamic tool that is updated regularly.

“Competitive Sustainability” in the Annual Sustainable Growth Survey

The concept of **“Competitive Sustainability”** has gradually evolved as an important narrative of the European Semester and is now a key focus. Previously, the Annual Growth Surveys had a narrower economic focus, even though the social dimension was included since the Pillar of Social Rights was introduced in 2017 (see above). With the current European Commission and Commission President Ursula von der Leyen, the European Semester has been guided towards a broader economic framework, and provides a more prominent focus on the SDGs and green transition.¹⁵ This was underlined in the [Annual Sustainable Growth Survey 2022](#) which pointed out that “economic activity needs to be increasingly aligned with the **four dimensions of competitive sustainability, i.e. environmental sustainability, productivity, fairness, and macroeconomic stability**. These four dimensions should not be seen in isolation, as they reinforce each other with a common goal: **shifting towards a sustainable, resilient and inclusive economic model**”¹⁶. In addition, the Annual Sustainable Growth Survey 2022 mentions that it is “important to remember in that context [...] that **competitive sustainability and resilience are two sides of the same coin**”¹⁷.

¹⁴ European Commission (2021) Resilience Dashboards for the Social and Economic, Green, Digital, and Geopolitical Dimensions, p.3, https://ec.europa.eu/info/sites/default/files/dashboard_report_20211129_en.pdf

¹⁵ Interview with a Policy Officer of the European Commission Joint Research Centre, 16 June 2022

¹⁶ European Commission (2021) Annual Sustainable Growth Survey 2022, p. 1, https://ec.europa.eu/info/system/files/economy-finance/2022_european_semester_annual_sustainable_growth_survey.pdf

¹⁷ Ibid, p. 4

The graph below shows that **four dimensions of competitive sustainability** and the various aspects covered under each one:

Graph: The four dimensions of competitive sustainability



Source: European Commission (2021), [Annual Sustainable Growth Survey 2022](#)

Recovery and Resilience Facility

Closely linked to the European Semester is the **Recovery and Resilience Facility** which aims to **mitigate the economic and social impacts of the COVID-19 pandemic** and to make **European economies and societies more sustainable, resilient and better prepared** for the challenges and opportunities of the green and digital transitions. As argued in the Commission Staff Working Document on the guidance to Member States on their national Recovery and Resilience Plans, “the aim of a reform is to **structurally change parameters**, address necessary drivers, or remove obstacles or other hindrances to the **proper performance or to the fundamentals of fair and sustainable growth, quality employment and wellbeing**”¹⁸.

The Recovery and Resilience Facility is **structured along six pillars** as shown in the graph below:

¹⁸ European Commission (2021) Commission Staff Working Document on the guidance to Member States on their national Recovery and Resilience Plans, p. 14, https://ec.europa.eu/info/sites/default/files/document_travail_service_part1_v2_en.pdf

Graph: The six pillars of the Recovery and Resilience Facility



Source: European Commission, [Recovery and Resilience Facility website](#)

The concept of the Well-being Economy

The concept of the **Well-being Economy** is fairly recent and not yet related to indicators or specific measures. It is understood, as pointed out by a Policy Officer of the European Commission Joint Research Center, as a re-aligning of economic thinking¹⁹. The Well-being Economy was **defined during the Finnish EU Presidency of 2019** in the [Council Conclusions](#) of October 2019: “The Economy of Wellbeing is a policy orientation and governance approach which aims to **put people and their wellbeing at the centre of policy and decision-making**. While people's wellbeing is a value in itself, the Economy of Wellbeing underlines the **mutually reinforcing nature of wellbeing and economic growth**. Taking wellbeing into account in all policies is vitally important to the Union's economic growth, productivity, long-term fiscal sustainability and societal stability.”²⁰

The Well-being Economic, as approached by the European Union, has been further specified in the [8th Environmental Action Program](#) (EAP) which was adopted in March 2022. The 8th EAP is based on a Commission decision and agreed upon by the co-legislators (i.e. Council, Parliament). It sets out how the Green Deal should be applied in practice and **how a well-being economy should be achieved in the context of the 2030 Agenda**: “The green transition should take place in the context of a **well-being economy** where **growth is regenerative** and which **enables systemic change**, which recognises that the **well-being and prosperity of our societies** depend on a **stable climate, a healthy environment and thriving ecosystems** and which provides a **safe operating space within planetary boundaries**.”²¹ The 8th EAP is complemented by a Monitoring Framework in which the Commission, supported by the European Environment Agency (EEA) and the European Chemicals Agency, monitors, assesses and reports annually on progress on the priority objectives. A mid-term evaluation will be published in March 2024, and a full evaluation in March 2029.

Currently, as mentioned by the interview partner from the Joint Research Center, the Well-being Economy is only at a “discussion stage”, e.g. there are events or initiatives by the Commission and also in cooperation with the Club of Rome or the European Environmental Agency.²²

¹⁹ Interview with a Policy Officer of the European Commission Joint Research Centre, 16 June 2022

²⁰ Council of the European Union (2019) “The Economy of Wellbeing”, p. 2, <https://data.consilium.europa.eu/doc/document/ST-13432-2019-INIT/en/pdf>

²¹ Official Journal of the European Union (2022) General Union Environment Action Programme to 2030: 8th Environmental Action Programme, paragraph 16, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022D0591&from=EN>

²² Interview with a Policy Officer of the European Commission Joint Research Centre, 16 June 2022

Responsibilities and coordination on well-being issues

In general, the responsibilities for the different initiatives and activities in relation to well-being are **split between different Commission services**.²³ Coordination between the different responsible Directorates General (DGs) and units in the implementation of the above-mentioned activities and concepts is necessary. Most of this coordination is currently handled by the **Secretariat-General of the European Commission**. In addition, the Joint Research Centre also aims to facilitate the overall effort to bring the different Commission bodies together.²⁴

Implementation experiences with the SDGs and well-being

SDG implementation at the level of the European Commission

There is **no single policy strategy adopted for the overarching SDG implementation in the EU** which was, as a Policy Officer from the European Commission's Secretariat-General pointed out in an interview, a **conscious choice** of the current Commission, out of various reasons²⁵. In general, the **current Commission's political priorities (2019-2024)** are seen as a strategic approach for SDG implementation within the European Union. Due to the urgency of achieving the SDGs, the focus of the current Commission is on achieving practical results, e.g. proposing legislation and measures that are coordinated politically and that are aimed at achieving the 2030 Agenda, without having a separate strategic document to deal with. Therefore, the current Commission wanted to **integrate the SDGs into all policy areas**, including all **mission letters to the individual Commissioners** as well as the **European Semester**, etc.²⁶

The **Staff Working Documents of 2020 on "Delivering on the UN's Sustainable Development Goals – A comprehensive approach"**, explains **all workstreams and approaches** for delivering on the SDGs at the level of the European Commission. It outlines the Commission's approach to SDG implementation by pointing out that "the SDGs are an intrinsic part of the President's political programme and lie at the heart of the policymaking on internal and external action across all sectors."²⁷

Another key document that aims to implement the SDGs is the **Green Deal** which is set out as the **EU's growth strategy that delivers the objectives of the 2030 Agenda**. It is mentioned in the Green Deal that it is "an integral part of this Commission's strategy to implement the United Nation's 2030 Agenda and the sustainable development goals"²⁸. It has been designed as one of the main policy strategies that cuts across most SDGs, as it covers about 12 out of the 17 SDGs.

Finally, another important aspect of mainstreaming the SDGs in the EU policy framework is related to the **Better Regulation Framework** which aims to ensure evidence-based and transparent EU law-making based on the views of those that may be affected. In November 2021, the **Better Regulation Toolbox** was published with information on carrying out **impact assessments, applying strategic foresight for impact assessment and evaluations**, etc. In all these documents, the SDGs are now explicitly addressed. From now on, it will be **compulsory for legislative initiatives and for**

²³ Interview with a Policy Officer of the European Commission Joint Research Centre, 16 June 2022

²⁴ Ibid.

²⁵ Interview with a Policy Officer of the Secretariat-General of the European Commission, 20 April 2022

²⁶ Ibid.

²⁷ European Commission (2020) EC Staff Working Document, "Delivering on the UN's Sustainable Development Goals – A comprehensive approach", p. 1, https://ec.europa.eu/info/sites/default/files/delivering_on_uns_sustainable_development_goals_staff_working_document_en.pdf

²⁸ European Commission (2019) The European Green Deal, p. 3, https://eur-lex.europa.eu/resource.html?uri=cellar:b828d165-1c22-11ea-8c1f-01aa75ed71a1.0002.02/DOC_1&format=PDF

the Impact Assessments to address the impacts on the SDGs. All DGs and their units need to take SDGs into account in regulatory proposals. This has been led, according to a policy officer from the Secretariat-General, to a **change of mentality**²⁹.

Therefore, as argued by the Policy Officer of the Joint Research Centre, SDG implementation and putting SDGs in the center of policymaking efforts of the European Commission is the clear intention of the current Commission. A very important aspect of this **mainstreaming of SDGs** in the policy process is that the [annual EU SDG monitoring reports of Eurostat](#) has been aligned with the [European Semester Spring package](#).³⁰

Coordination efforts for SDG and well-being implementation

As regards the responsibility of SDG implementation at the level of the European Commission, a **Cross-Sectoral Team exists which stretches across several DGs**, works closely together, and also has an intensive dialogue with the Council of Ministers in a Working Party. Moreover, there is an exchange with the EU Parliament and different stakeholder groups for SDG implementation. The **Secretariat-General** is responsible for **ensuring coordination** of the different responsible DGs and units in order to **have all DGs on board to use the same concepts**.³¹

The institutional mechanism for SDG coordination is an **Inter-Service Steering Group on SDG implementation**, established inside the Commission and chaired by the Secretariat-General, which is used as a network for the exchanging on implementation. Other cross-cutting issues, like **Better Regulation, EU Semester**, etc. are looked into on how best to include relevant aspects of the SDGs in their work.³² There was also an **Inter-Service Group for the Resilience Dashboard**. In general, as the representative of the Joint Research Centre pointed out, these groups are important and a place where different policymakers from different sectoral fields work together, and they are tailored for the specific task at hand.³³

Overall, as has been pointed out by the Policy Officer from the Secretariat-General, the European Commission is **moving towards more cooperation and cross-sectoral work**, due to the efforts over the **last six to seven years to mainstream the SDGs** across the different DGs.³⁴

In addition, the European Commission has started to make **efforts to provide a clear framework on how the SDGs and the well-being/beyond GDP activities** are linked. There should be more information on this topic in 2023.³⁵

SDG and Quality of life indicators

In 2022, the **EU's set of sustainable development indicators** comprises 101 indicators that are structured along the 17 SDGs. With the exception of SDG 13, each goal has 6 indicators primarily attributed to it. A total of 31 out of the 101 indicators are multipurpose, i.e. are used to monitor more than one SDG. The indicators reflect the political priorities of the European Commission, and the indicator set is reviewed annually to adapt it to new policy strategies and targets. All indicators are grouped into sub-themes to underline interlinkages and highlight different aspects of each

²⁹ Interview with a Policy Officer of the Secretariat-General of the European Commission, 20 April 2022

³⁰ Interview with a Policy Officer of the European Commission Joint Research Centre, 16 June 2022

³¹ Interview with a Policy Officer of the Secretariat-General of the European Commission, 20 April 2022

³² Ibid.

³³ Interview with a Policy Officer of the European Commission Joint Research Centre, 16 June 2022

³⁴ Interview with a Policy Officer of the Secretariat-General of the European Commission, 20 April 2022

³⁵ Ibid.

SDG.³⁶ The **annual EU SDG monitoring reports** (the [latest monitoring report](#) was published on 23 May 2022) provide a statistical presentation of trends relating to the SDGs in the EU over the past five years ('short-term') and, when sufficient data are available, over the past 15 years ('long-term'). The indicator trends are described on the basis of a set of specific quantitative rules.

The [Quality of life indicators](#) by Eurostat provide statistics on various aspects of quality of life in the EU. This indicator work has been influenced by the OECD's approach of beyond-GDP³⁷. The Eurostat publication on these indicators presents a detailed analysis of 8+1 dimensions which can be measured statistically to represent the different complementary aspects of quality of life, **complementing the indicator traditionally used as the measure of economic and social development, Gross Domestic Product (GDP)**. Based on academic research and several initiatives, the following **8+1 dimensions/domains** have been defined as an **overarching framework for the measurement of well-being**. Ideally, they should be considered simultaneously, because of potential trade-offs between them: Material living conditions (income, consumption and material conditions); Productive or main activity; Health; Education; Leisure and social interactions; Economic security and physical safety; Governance and basic rights; Natural and living environment; and Overall experience of life.

Some of the **'Quality of life' indicators** are based on multi-annual modules (2013 and 2018) which means that there is no continuous annual time series for some of the well-being indicators.³⁸ In the new legal framework, EU-SILC collects annually subjective information on 'life satisfaction' and 'trust in others', and in the six-yearly module on 'Quality of life'.

As has been outlined above, the **European Pillar of Social Rights** has been put forward to serve as a compass for a process leading to renewed socio-economic convergence. A renewed list of **headline indicators** has been put forward by the European Commission in early 2021 and endorsed by the Ministers of Employment and Social Affairs of the EU Member States in June 2021. Each of the three main dimensions of the Pillar of Social Rights (Equal opportunities; Fair working conditions; and Social protection and inclusion) contains a number of policy domains (although they cannot be clearly distinguished as such), to which different principles are attached. The [Social Scoreboard of indicators](#) provides current data and trends for the headline and secondary indicators in each of the three domains.

A **challenge for SDG and well-being indicators** has been mentioned by the Policy Officer of the Joint Research Center in the interview, which is also related to the European Semester: For data and information **which is not related to the narrow economic domain, the indicators sometimes come with a significant statistical time lag**. This means that if one wants to investigate what a country did in relation to specific environmental or social indicators, some of the data stems from several years in the past. Therefore, the information based on such indicators does not necessarily show what effects recent policies had. In the economic sphere, statistics is more advanced, and data is available on a yearly, if not quarterly basis. In an effort to balance this, Eurostat and the [European Social Survey \(ESS\)](#) have made efforts to improve, for instance, the timeliness of poverty and inequality indicators. With [regulation 2019/1700](#), the delay of the main indicators will be reduced significantly, with a lag of one year for income indicators. Moreover, Eurostat is producing flash estimates for poverty in Europe and early estimates of greenhouse gas emissions which are more timely compared to official statistics.

³⁶ Eurostat website, <https://ec.europa.eu/eurostat/web/sdi/indicators>

³⁷ [The European Statistical System](#) set up [the Sponsorship Group on Measuring Progress, Well-Being and Sustainable Development](#), which was dedicated to develop specific and concrete sets of [Quality of Life Indicators](#)

³⁸ Interview with a Policy Officer of the European Commission Joint Research Centre, 16 June 2022

Lessons learned on SDG implementation and well-being activities

Main success factors

The Policy Officer of the European Commission Joint Research Centre mentioned several success factors in the context of SDG and well-being activities that are important improvements in his opinion³⁹:

- The **European Pillar of Social Rights**, which is now about five to six years old, has gradually been more and more included in various policy initiatives. Its criteria and indicators are increasingly applied, and a momentum and consensus on their usefulness has been created. This was a gradual process, however, and not an immediate recognition.
- The creation of the **EU SDG indicator list** can be regarded as a major achievement. The global SDGs were more tailored toward developing and emerging countries, and to make them meaningful in an EU context and still keep the main philosophy is not easy. There is also a continuous updating on the usefulness of individual indicators and updates are made if this is seen as necessary. **Cooperation** between the Directorates General of the Commission which are responsible for relevant policies, (e.g. DG Environment, DG Climate) and Eurostat, which ensures the statistical quality of the indicators and their assessment, is key in this context. Moreover, the fact that each Commissioner is responsible for the implementation of the SDGs in their respective area of responsibility ensures the political support for the **broad integration in various policy areas**.

Overall, the interviewee argued that an important lesson in policy process is that, sometimes, immediate consequences of initiatives can be achieved, and, at other times, **one needs to push things consistently for a certain period of time**.⁴⁰

Remaining challenges

Some remaining challenges, especially in the context of well-being, were also pointed out by the interviewee from the Joint Research Centre⁴¹:

- **Improving the “timeliness” of certain well-being, environmental and social indicators** is crucial so that they can be meaningfully used in the policy planning and budgetary processes. This refers to having data and information on well-being, environmental and social indicators on, for instance, a yearly basis to inform policymakers more swiftly and thoroughly on the effects of measures taken or the need for new measures.
- What has not yet happened to the extent required is to **create public ownership for the notion of well-being**, for its long-term objectives, etc. Knowledge about and popularity of well-being is important and needs to be increased.

Recommendations based on lessons learned

Based on the experiences in the European Commission on the SDGs and well-being, the following recommendations have been formulated by the interviewee from the Joint Research Centre⁴²:

³⁹ Interview with a Policy Officer of the European Commission Joint Research Centre, 16 June 2022

⁴⁰ Ibid.

⁴¹ Ibid.

⁴² Ibid.

- It is important that SDGs and well-being make it to the **agenda of the highest political level**. For instance, the Recovery and Resilience Fund where this has happened, where SDGs and well-being are linked to concrete funding schemes, and a high-level political narrative has been built.
- The **information about SDGs** is important, for instance, how the implementation is achieved in a country and how to further boost SDG implementation performance. This could involve the creation of something like a multi-dimensional impact assessment of policies for SDGs.

Finland



Well-being concept and activities in use

Well-being concept and approach

Even though there is not one unifying definition in Finland on well-being, the core understanding of well-being in the country by politicians, policymakers, and stakeholders alike has its roots in the **Nordic welfare model**. This model goes back to the time after the Second World War and how the Nordic countries were rebuilding in the wake of this war. The main characteristic of the Nordic model is to **create space for high standards of living, combined with low levels of inequality**.⁴³ The basic objective is to increase the well-being of all citizens. Central elements in this understanding of well-being are **equal treatment of all citizens** and **equal opportunities in society**, e.g. everyone should have the opportunity to study, irrespective of the family income.

As the representative of the Finnish Prime Minister's Office pointed out during the interview for this report, the **well-being of citizens has been at the core of Finnish public policies for several decades**. Recently, there is an increasing understanding that the traditional model of well-being is **based and heavily dependent on planetary boundaries and the use of natural resources**. Therefore, the awareness has emerged that if Finland wanted to maintain its welfare society, they need to take into account planetary boundaries and the "well-being of the environment" in their policy and decision processes. In this context, the Finnish National Commission for Sustainable Development (NCSD) defines **sustainable development as human well-being within planetary boundaries**. The **2030 Agenda is also human-centered** and at the core is the idea of human well-being, and all goals are set in relation to reach this objective. This refers to a strong link between well-being and the overall concept of sustainable development.

Well-being in policy strategies and documents

The **program of the current Finnish Government** under Prime Minister Sanna Marin, **"Inclusive and competent Finland – a socially, economically and ecologically sustainable society"**, was adopted in December 2019 and includes 7 strategic themes. One of these themes is entitled, "Fair, equal and inclusive Finland" and comprises four major objectives⁴⁴:

- (1) **Promoting well-being and reducing inequalities:** Finland should become a more equal and equitable country where everyone is valuable and where trust in others and society augments. Inequalities in health, well-being and income should be reduced, and social inclusion should be increased.
- (2) **Promoting a child and family-friendly society:** Finland should be a more child- and family-friendly country that is also more inclusive and more equal. The well-being of children and young people is considered as paramount.
- (3) **Fostering an age-friendly society:** Finland will should become a more age-friendly society that recognizes and prepares for the social effects of its ageing population.

⁴³ Nordic Council of Ministers website: background information on Social Policy and Welfare: <https://www.norden.org/en/information/social-policy-and-welfare>

⁴⁴ Program of the Finnish Government of 2019, https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/161935/VN_2019_33.pdf?sequence=1&isAllowed=y

- (4) **Improving healthcare and social welfare services:** Finland should be a country where everyone has equal access to care and treatment when they need them.

Another important strategic approach in Finland is the **Economy of Well-being**. It was chosen as the main theme of the **Finnish Ministry of Social Affairs and Health** during the 2019 Finnish Presidency of the Council of the European Union. The [Council Conclusions](#) placed particular emphasis on education, social security, equality, health care, and healthy and safe working conditions.

In addition, the Ministry of Social Affairs and Health has published a [report on incorporating the Economy of Well-being approach into political decision-making](#) (currently only available in Finnish) which presents the economists' views and proposals on integrating this approach into knowledge-based decision-making and processes. The main idea is that an Economy of Well-being should **create opportunities to increase well-being and economic growth at the same time**. It is argued that GDP growth alone cannot resolve current problems. **Growth must be economically, ecologically and socially sustainable**, and it must **reduce inequality**.

The representative of the Prime Minister's Office argued that the Economy of Well-being approach builds on the Nordic welfare model and focuses on a **deeper understanding of how the economy and the well-being of citizens are interlinked**. He argued that there is a **link between the Economy of Well-being and the post-GDP or de-growth thinking**. In all that, the idea is that the **ultimate goal is not growth itself, but to create well-being for citizens** which requires **new measures of how to look at the progress of a society**. In this context, the Ministry of Social Affairs and Health is not primarily concerned about developing new indicators alongside GDP, but focuses on **bringing health and well-being into the center of the national policy discourse**.

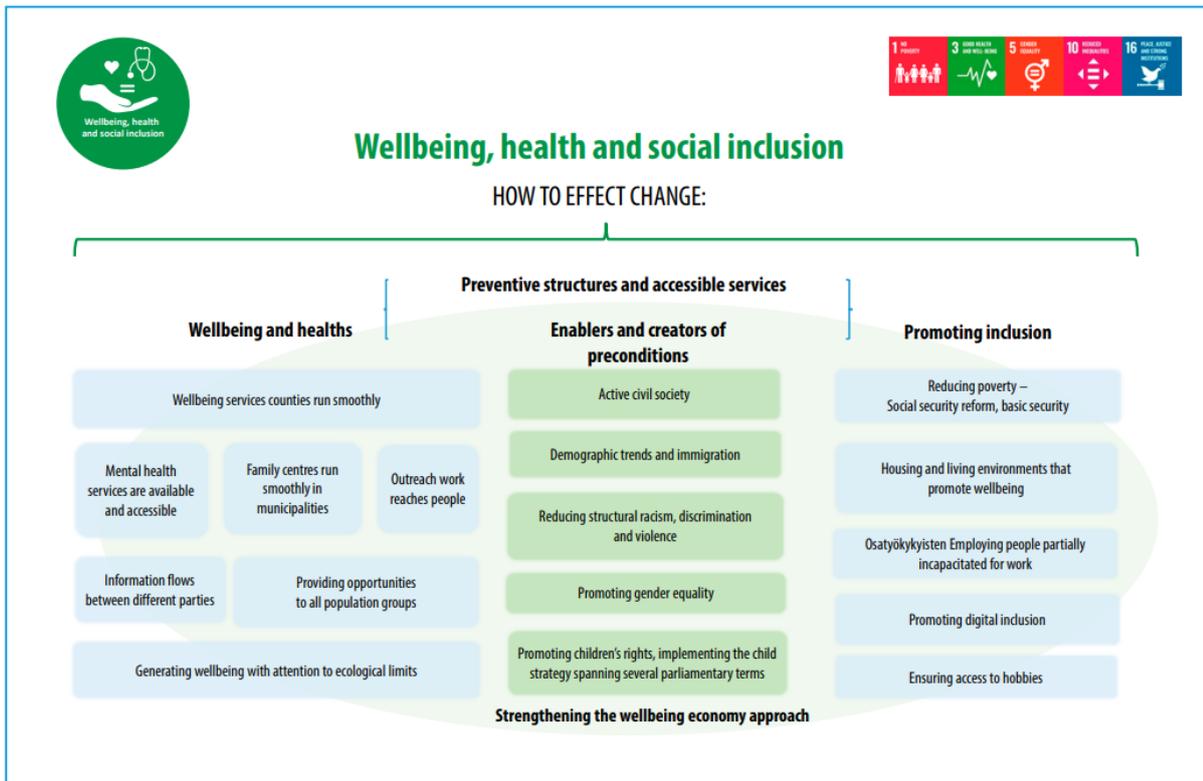
Finally, in the recently adopted **new strategy of the Finnish National Commission on Sustainable Development (NCSD)** for the time period 2022-2030, ["A prosperous and globally responsible Finland that protects the carrying capacity of nature"](#), well-being in the context of sustainable development is given a prominent role. In the introduction of this new strategy, there are various references to well-being⁴⁵, for instance, "Finland is one of the most successful countries in the world when it comes to citizens' wellbeing", or "To ensure the wellbeing of people in Finland, we must work continuously to assess and strengthen ecological, social and economic sustainability".

The new strategy also includes **six areas of change** which form the basis of its approach. One of those areas is **"Well-being, health and social inclusion"**. As for the reason to choose this area, it is argued in the strategy that "(...) while Finland is doing better than ever in terms of wellbeing, not everyone has been able to benefit from the positive trend"⁴⁶. The main approach to well-being of the strategy is shown in the graph below:

⁴⁵ Finnish National Commission on Sustainable Development (2022) "Strategy of the National Commission on Sustainable Development 2022-2030 A prosperous and globally responsible Finland that protects the carrying capacity of nature", https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/164157/VNK_2022_12.pdf?sequence=4&isAllowed=y

⁴⁶ Ibid, p. 30

Graph: Well-being approach outlined in the new strategy of the Finnish NCSO of 2022



Source: [NCSO \(2022\)](#), p. 33

As pointed out by the interviewee from the Finnish Prime Minister’s Office, there is a link in the new NCSO strategy between **Circular Economy and the aim of preserving the natural capital**. In the same vein, one can think of the **Economy of Well-being as a tool to increase the human capital in society** as it increases the well-being of citizens. In that sense, it is another endeavor to link sustainable development and well-being.

How are well-being activities institutionalized?

It is important to distinguish between well-being, in general, and the Economy of Well-being, as a particular focus. **Well-being broadly defined is developed and undertaken by almost all ministries in Finland**, as was mentioned by the interviewee. For instance, the Ministry of Education has a role because well-being depends on the education of the society; the Ministry of Justice has an important role as citizens in society need basic rights; and the Ministry of Agriculture has a role to ensure the production of healthy food. The representative of the Finnish Prime Minister’s Office pointed out that “the broader ideas of the Finnish welfare society are so **deeply rooted in the Finnish political culture** that it is **hard to image that only one ministry has a leading role and responsibility**. It is a cultural issue – all institutions are working towards it”⁴⁷.

The activities for the **Economy of Well-being** in Finland is in the hands of the **Ministry of Social Affairs and Health**. The ministry has appointed a **Steering Group on the Economy of Well-being** that will sit until the end of the current term of government (2023). Its mission is to **develop the Economy of Well-being as a tool of policymaking and action**, both nationally and internationally. The Steering Group is responsible for drawing up an action plan specifically for the Finnish

⁴⁷ Interview with a representative of the Finnish Prime Minister’s Office, 7 June 2022

conditions. It is working in partnership with the **Economy of Well-being Committee of the [Advisory Board for Public Health](#)** which seeks to **reinforce the structures of the Economy of Well-being in national, regional and local policymaking**. The Committee is chaired by the Director General of the Ministry of Social Affairs and Health, and its members include representatives from various government ministries, R&D institutes, the Association of Finnish Local and Regional Authorities, and various other organizations. In that sense, the Ministry of Social Affairs and Health is actively establishing collaborations with other ministries. However, as was pointed out by the interviewee, there is **not yet a clear and jointly shared understanding in the Finnish government ministries on what should change to reach an Economy of Well-being** and work is still to be done in this context.

Implementation experiences with the SDGs and well-being

National SDG implementation: strategies and responsibilities

Finland has a **very long tradition of coordinated policies for sustainable development**. The first National Strategy for Sustainable Development was drawn up as early as 1993. At the same time, the National Commission for Sustainable Development was set up, under the leadership of the Prime Minister.

In the above-mentioned **program of the current Finnish Government** under Prime Minister Sanna Marin, **[“Inclusive and competent Finland – a socially, economically and ecologically sustainable society”](#)**, of 2019, sustainable development provides an important backbone. The aim of the Finnish Government is “to transform Finland into a socially, economically and ecologically sustainable society by 2030”⁴⁸, including the achievement of the 2030 Agenda and its 17 SDGs.

Finland’s current **national action plan for the 2030 Agenda and the SDGs** was prepared by the Finnish Government under the title, **[“Government Report on the Implementation of the 2030 Agenda: Towards a carbon-neutral welfare society”](#)**, and has been submitted to the Parliament in October 2020. This report presents the actions the Finnish Government is taking to promote the achievement of each of the 17 SDGs in Finland and globally. It also describes the current situation as regards implementing the 2030 Agenda in Finland, the concrete actions of the Government in respect of each of the SDGs, the policy principles guiding implementation, the organization of implementation work at the national level, and the mechanisms in place for follow-up and review.⁴⁹ This Government Report is thus the **national government implementation plan** on how the Finnish Government is **implementing the 2030 Agenda**, based on the current Government Program. As pointed out by the interview partner, there will be new parliamentary elections in 2023 and this will lead to a new Government Program and new Government Report.

Finally, the **new strategy of the Finnish National Commission on Sustainable Development (NCSD)** for the time period 2022–2030, **[“A prosperous and globally responsible Finland that protects the carrying capacity of nature”](#)**, replaced the previous well-known strategy “The Finland we want by 2050 – Society’s commitment to sustainable development”. The representative of the Finnish Prime Minister’s Office pointed out that, in contrast to the Government Report, the new NCSD strategy takes a **broader view and identifies the topics and activities that should be undertaken by the Finnish society as a whole** to move towards achieving the SDGs. The aim in the NCSD is also to

⁴⁸ Program of the Finnish Government of 2019, p. 8,

https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/161935/VN_2019_33.pdf?sequence=1&isAllowed=y

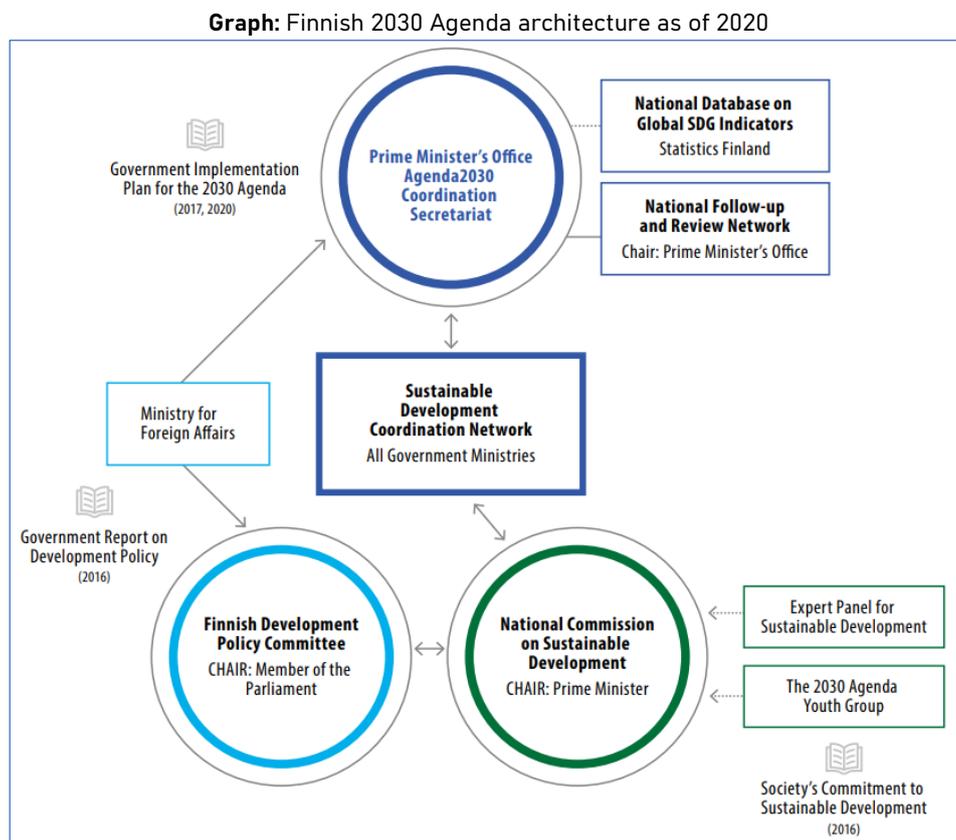
⁴⁹ Finnish Prime Minister’s Office (2020) “Government Report on the Implementation of the 2030 Agenda Towards a carbon-neutral welfare society”,

https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/162575/VNK_2020_13.pdf?sequence=1&isAllowed=y

exchange with all political parties and explain the content of the new strategy, so that they take its objectives into account in the next elections and the next government negotiations.

The **main responsibility for SDG implementation** lies with the **Prime Minister's Office**. In general, Finland's approach is built on a **holistic inclusion of government and society**, where **all administrative sectors have a common responsibility for implementing the 2030 Agenda and the SDGs**, with the government leading the work on the 2030 Agenda, and the Prime Minister's Office having the main responsibility.⁵⁰

The most important forum for the **inter-ministerial implementation** are the meetings of the Permanent Secretaries, the **Sustainable Development Coordination Network**, the National Sustainable Development Monitoring Network, and the advisory staff network. **All ministries are represented in these networks**. The Sustainable Development Coordination Network supports the work on the 2030 Agenda under the Prime Minister's Office and promotes political consensus, while the Sustainable Development Monitoring Network is tasked with monitoring implementation of the 2030 Agenda.⁵¹ Overall, Finland has one of the **most comprehensive and well-structured architectures of 2030 Agenda and SDG implementation and policymaking** in place, as sketched out in the graph below:



Source: [Voluntary National Review \(2020\)](#), p. 91

During the interview, the representative of the Finnish Prime Minister's Office argued that **the coordination of sustainable development, in general, and the SDGs, in particular, has changed over time**. For instance, the **Sustainable Development Coordination Network** has, for a long time,

⁵⁰ Nordic Council of Ministers (2021) "The Nordic Region and the 2030 Agenda Implementation of the 2030 Agenda and the 17 Sustainable Development Goals in the Nordic Countries", <https://www.norden.org/en/publication/nordic-region-and-2030-agenda>

⁵¹ Ibid.

primarily focused on the preparation of the meetings of the NCS. With the preparation of the first Government Report on the implementation of the 2030 Agenda in 2017 and the writing of the first Voluntary Nation Report (VNR) for the HLPF one year earlier in 2016, the work on drafting these policy documents has changed the Network. When government reports are prepared in Finland, all directors of ministries and the ministers themselves are interested in this process, as the whole government needs to adopt the document before it gets passed to the parliament. As the interviewee said, “everybody was more involved and put more attention to these processes. Government reports raise the awareness and visibility of the SD Coordination Network”⁵².

SDG and well-being indicators

For several years, the [Findicators](#) indicator set, which comprised approximately 100 indicators that described the development of the Finnish society, was collected from Statistics Finland's and other data producers' data. The service has been discontinued, but a new service on the Findicators will be launched in autumn of 2022.

Currently, Finland **does not have a specific set of well-being indicators**. However, Finland has a **national set of SDG indicators**, the **10 indicator baskets** of which **some are focused on human well-being** and others on **environmental issues**. Each of the 10 indicator baskets contains 4 to 5 indicators. The state of the indicators in each basket is updated on an annual basis. The 10 indicator baskets are:

- 1) [State of nature and the environment](#)
- 2) [Resource-wise economy and carbon neutral society](#)
- 3) [Consumption and public procurements](#)
- 4) [Housing and communities](#)
- 5) [Prerequisites of health](#)
- 6) [Social inequality](#)
- 7) [Social exclusion and inclusivity](#)
- 8) [Working life, quality and change](#)
- 9) [Education and development of competence](#)
- 10) [Global responsibility and policy coherence](#)

SDGs and well-being as part of the budget planning process

The representative of the Prime Minister's Office mentioned that, about three years ago, there was a discussion in Finland between the Prime Minister's Office and the Ministry of Finance on **how do include the SDGs in the budget planning process**. This discussion took place in the context of the Government Report on the Implementation of the 2030 Agenda of the previous government which included targets on climate policy and biodiversity as well as social sustainability and well-being. At that time, the Ministry of Finance developed means to measure the contribution of the budget to the above-mentioned targets which was labelled as “sustainable development budgeting”.

Even though the Ministry of Finance succeeded in making connections between budgetary contributions and the targets in the Government Report, the interviewee mentioned that the government was not successful to re-direct the process so that the budget is developed based on SDG implementation objectives or national sustainability goals. The interviewee argued that a

⁵² Interview with a representative of the Finnish Prime Minister's Office, 7 June 2022

more comprehensive approach of “SDG budgeting” would require to look at the SDGs and well-being objectives first and then align the budget resources accordingly.⁵³

Lessons learned on SDG implementation and well-being activities

Main success factors

The representative from the Finnish Prime Minister’s Office pointed to the follow three main success factors in the context of SDG implementation and well-being activities:

- Finland has a **long tradition of building towards an equal society and a society where everybody has equal opportunities**. This is also at the core of the 2030 Agenda. And as Finland has this long tradition, they were focusing on these issues before the 2030 Agenda was adopted. Therefore, Finland has been in a good position from that start to successfully implement the 2030 Agenda.
- The **civil society in Finland has a basic trust in politics and governmental work**. This is likely a unique situation, as many countries experience at least some degree of mistrust for the government and political parties.
- Finland has a **long tradition of organizing and managing public policymaking for sustainable development**. The first National Sustainable Development Strategy and the establishment of the NSDC go back to 1993. Inter-ministerial coordination and exchange have an equally long tradition, and, as the interviewee argued, “everybody knows the structure, we can build on the tradition of sustainable development coordination”⁵⁴.

Remaining challenges

The interviewee also pointed towards an important remaining challenge. He mentioned that in Finland the **understanding of well-being is still very much based on and related to material well-being and material needs**. This seems, however, an understanding of the past and Finland aims to disconnect well-being from an increase in material resource use. Moving in this direction and towards more sustainable lifestyles, so the interviewee, requires a change in mentality.

Recommendations based on lessons learned

One of the most important recommendations, based on the Finnish experiences, is the **creation of policy structures that are not bound to parliamentary terms or election cycles** and make it possible to **create policies that continue even if governments change**. In Finland, the introduction of **Government Reports on the implementation of the 2030 Agenda that need to be sent to the parliament** – the first one in 2017, the second one in 2020 for the current government – was groundbreaking, as the interviewee pointed out.

The Government Reports process **created a structure of dialogue between the government and the parliament**, and included some devices on how to follow up on the implementation. For instance, it includes an evaluation of national implementation efforts at the end of the parliamentary term and recommendations for the next government. Currently, the second evaluation of the current government’s implementation efforts on the 2030 Agenda is ongoing with the results being available at the end of 2022. The next parliamentary elections are in April 2023 and the evaluation should provide information for the new government on SGD implementation.

⁵³ Interview with a representative of the Finnish Prime Minister’s Office, 7 June 2022

⁵⁴ Ibid.

As the interviewee argued, “it is crucial to **create broader and long-term structures with key documents and activities** where certain things need to happen at certain intervals. This can lead to a more **coherent and long-term policymaking style**”⁵⁵.

⁵⁵ Interview with a representative of the Finnish Prime Minister’s Office, 7 June 2022

Ireland



Well-being concept and activities in use

Well-being commitment of the Irish Government

The current Irish Government, in its [program for government of 2020, entitled “Our Shared Future”](#), argued that the **well-being of Ireland “goes beyond the narrow confines of economic growth”**⁵⁶. During its five-year term, the Government aims to use **well-being indicators** as well as economic indicators to point out inequalities and help ensure that policies are oriented towards increasing the well-being of the Irish population. Responding to the COVID-19 pandemic and related socio-economic challenges, the Irish Government underlines that “our **economy must recover in a way that is fair and balanced**, leaves no one behind, and is **futureproofed against shocks**. Embedding **resilience** within our economy must become a way of life (...)”⁵⁷.

The overall objective in Ireland is to develop a **multi-dimensional approach** to understanding the impacts of public policy and, over time, to use a **well-being framework as a complement to existing economic tools across policymaking**, including setting budgetary priorities, evaluating programs and reporting progress.⁵⁸

As pointed out by a report of the Irish Nation Economic and Social Council (NESC) in 2021, there is growing and widespread recognition, in Ireland and elsewhere, that there are **limits of existing approaches to the measurement of progress**. Traditionally, the progress of countries has been measured by using Gross Domestic Product (GDP) – a measure of the value of goods and services produced by a country. However, as it argued by the NESC, **GDP has important limitations**, especially in terms of its measures being limited from a social or societal perspective as well as they fail to adequately reflect the value of the environment or give sufficient indication of the sustainability of current output or income⁵⁹. These weaknesses of GDP measures have been recognized within the Irish policymaking system. For instance, the Department of Finance noted in a recent report that ignoring these weaknesses could drive activities which may have a negative impact on well-being in the long-term.⁶⁰

Therefore, the Irish Government in its government program of 2020 formulated the goal to **supplement the existing economic measurements with new ones**. The Government set out to **develop a set of indicators to create a broader context for policymaking** which includes

- a) a **set of well-being indices** to create a **well-rounded, holistic view of how our society is faring**, and
- b) a **balanced scorecard for each area of public policy**, focused on outcomes and the impact that those policies have on individuals and communities.⁶¹

⁵⁶ Government of Ireland (2020) Programme for Government: Our Shared Future, p. 7, <https://www.gov.ie/en/publication/7e05d-programme-for-government-our-shared-future/>

⁵⁷ Ibid, p. 7

⁵⁸ National Economic and Social Councils (NESC) (2021) Ireland's Well-Being Framework: Consultation Report, <https://www.nesc.ie/publications/irelands-well-being-framework-consultation-report/>

⁵⁹ Ibid.

⁶⁰ Department of Finance (2020), Budget 2021: Well-being and the Measurement of Broader Living Standards in Ireland, <https://www.gov.ie/en/publication/70874-wellbeing-and-the-measurement-of-broader-living-standards-in-ireland/>

⁶¹ Government of Ireland (2020) Programme for Government: Our Shared Future, <https://www.gov.ie/en/publication/7e05d-programme-for-government-our-shared-future/>

The development of the well-being framework in Ireland is **led by the Department of the Taoiseach (Prime Minister's department)** and is **jointly sponsored by the Departments of Finance, and Public Expenditure and Reform**. The detailed work on developing the framework is undertaken through an **Inter-departmental Working Group** chaired by the Department of the Taoiseach.⁶²

First Report on Developing a Well-being Framework for Ireland

The development of an **overarching Well-being Framework for Ireland**, which started in 2021, is undertaken as a **cross-government initiative** that aims to provide a means to draw together the different cross- departmental policy efforts and provide a more holistic view. Through **ongoing consultation and engagement**, it should also contribute to a **shared understanding of what makes for better lives**.⁶³ The **first report on the Well-being Framework for Ireland** was published in July 2021.

Importantly, the Well-being Framework is **intended to be used in a systematic way across government policymaking**, e.g. in **reporting progress**, setting **policy priorities**, and as a complementary tool for **evaluating policies and programs**. It should work in tandem with other Government initiatives "that enhance using limited public resources efficiently to **deliver effective public services** (e.g., **performance budgeting and spending review process**) and focus attention on questions around differences in people's experiences (e.g., **equality budgeting**)"⁶⁴.

The development of the Framework has been based on various **core principles**: (a) to **build on work** already undertaken; (b) to be **cohesive, understandable, and impactful** over time; (c) to pursue an **iterative approach to allow for its evolution**; and (d) to generate **buy-in from policymakers and stakeholders**.

The Framework seeks to **measure progress of the Irish society in a more holistic**, multi-dimensional, inter-connected and inter-generational manner, and therefore has **sustainability at its core**.⁶⁵ The first conceptual Framework **followed the OECD model, adjusted for Ireland**, based on consultation with stakeholders and experts **carried out by the National Economic and Social Council**. It covers **11 dimensions** across issues such as housing, work, the environment, health community, safety, social connections and work that are understood as key elements that make up **well-being for Ireland**, across **person, place and society** (see graph below):

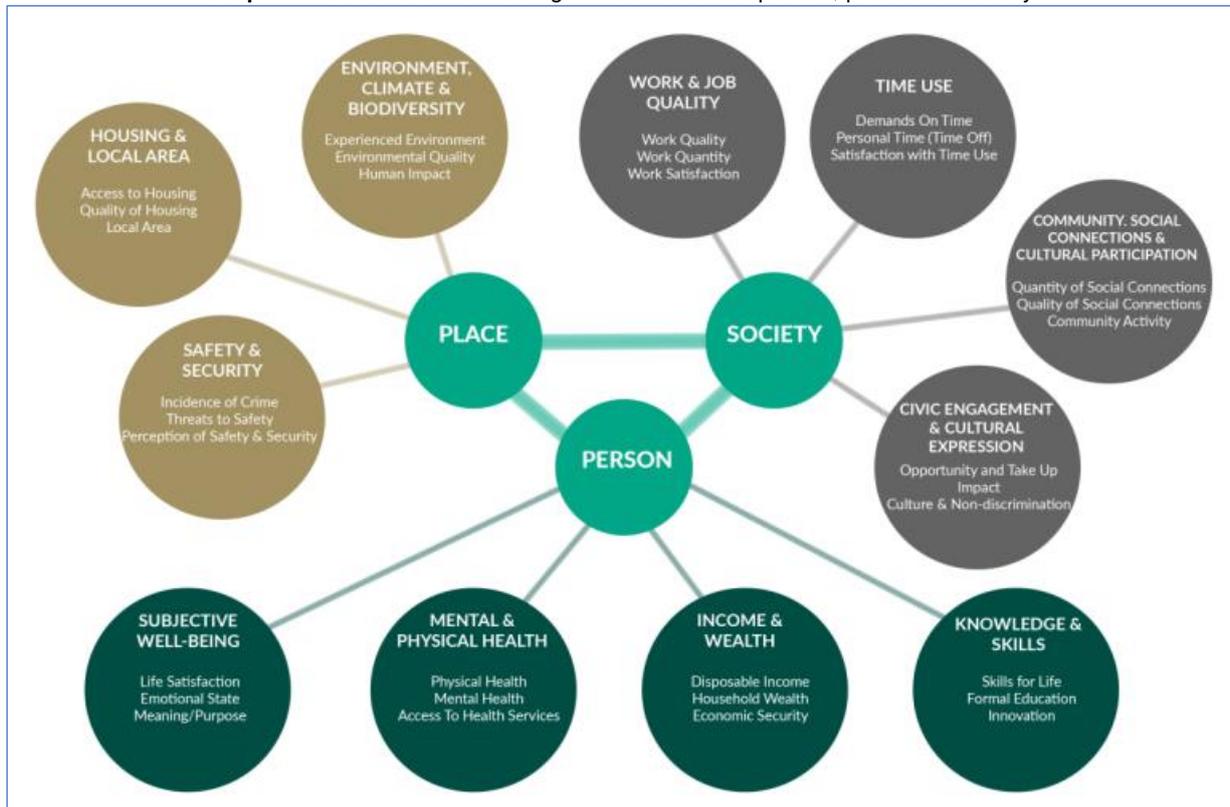
⁶² National Economic and Social Council (NESC) (2021) Ireland's Well-Being Framework: Consultation Report, <https://www.nesc.ie/publications/irelands-well-being-framework-consultation-report/>

⁶³ Department of the Taoiseach (2021) First Report on a Well-being Framework for Ireland, <https://www.gov.ie/en/press-release/fb19a-first-report-on-well-being-framework-for-ireland-july-2021/>

⁶⁴ Ibid, p. 2

⁶⁵ Ibid.

Graph: Dimensions of well-being in Ireland across person, place and society



Source: Department of the Taoiseach (2021), [First Report on a Well-Being Framework for Ireland](#)

The **Well-being Dashboard** measures life and progress in Ireland through a **set of indicators**, based on the 11 well-being dimensions. High-level **criteria for indicator selection** were developed and center around: (i) a balanced and holistic view; (ii) added value and policy relevance; (iii) aggregation and disaggregation (e.g. inequalities); (iv) availability and quality of data; and (v) international comparability.⁶⁶

In the table below, please find the initial Well-being Dashboard indicator set which comprises a total of 34 indicators for the 11 well-being dimensions.

⁶⁶ Department of the Taoiseach (2021) First Report on a Well-being Framework for Ireland, <https://www.gov.ie/en/press-release/fb19a-first-report-on-well-being-framework-for-ireland-july-2021/>

Table: Well-being indicators in Ireland

Subjective Well-being	Mental & Physical Health	Income & Wealth	Knowledge & Skills
Population rating their overall life satisfaction as high	Healthy life years	Households making ends meet with great difficulty	Performance in reading/math of 15year olds
Children aged 10-17 who report being happy with their lives at present	People with mild moderate, moderately severe or severe levels of depression in previous two weeks	Median real household disposable income	Lifelong learning rate
Population who did not feel depressed or downhearted in the last 4 weeks	Unmet need for medical attention due to financial, geographic or waiting time reasons	Median household net wealth	Headcount of R&D personnel in business sector, higher education sector and public service
Housing & Local Area	Environment, Climate & Biodiversity	Safety & Security	
Population spending 40% of disposable income on housing	Pollution, grime or other environmental problems	Number of homicide victims	
New dwelling completions	Proportion of water bodies assessed as 'high' or 'good'	Number of persons injured on roads	
A or B domestic building energy rating	Greenhouse gas emissions	Population who worry they could be a victim of a crime causing physical injury	
Average distance to everyday services	Waste to landfill (% of managed waste)		
Work & Job Quality	Time Use	Community, Social Connections & Cultural Participation	Civic Engagement & Cultural Expression
Employment rate (20-64 years)	People working long hours in main job	Population who feel lonely at least some of the time	Population satisfied with the way democracy works in Ireland
Labour market underutilisation rate	Carers providing at least 20 hours of care per week	Population with more than two people they are close enough to count on if they had a serious problem	Perceived social inclusion
Mean weekly earnings	Population satisfied with time use (amount of leisure time)		Population who experienced discrimination in the past two years

Source: Department of the Taoiseach (2021), [First Report on a Well-Being Framework for Ireland](#)

Overall, the development of the Irish Well-being Framework was undertaken as a **consultative approach** which was supported through several groups, data reviews and surveys to provide a basis of what well-being for Ireland comprised. For instance, a **survey** undertaken by the National Economic and Social Council (NESC) focused on defining well-being and well-being priorities. It was sent to 539 organizations: 414 organizations from across the social, economic, environment and democratic (SEED) pillars of sustainable development, and 125 organizations engaging with or representing population groups. The organizations were identified based on their engagement with population groups based on age (youth and older people), disability, gender, ethnic group, faith, rural/regional and socio-economic group.⁶⁷ The survey was completed by 450 organizations and individuals and provided with other sources, like the Inter-departmental Working Group or a [report by the Department of Finance](#) which examined the development of wellbeing measures

⁶⁷ National Economic and Social Council (NESC) (2021) Ireland's Well-Being Framework: Consultation Report, <https://www.nesc.ie/publications/irelands-well-being-framework-consultation-report/>

internationally and investigates the options for introducing a national wellbeing measurement in Ireland, important inputs for the Framework development.⁶⁸

Implementation experiences with the SDGs and well-being

National SDG implementation Plans and policy coordination efforts

Ireland's first [National Implementation Plan for the Sustainable Development Goals](#) (2018-2020) was published in 2018 and prepared by Department of Communications, Climate Action & Environment. The government is currently in the process of developing the **second National Implementation Plan** (2022-2024) which was published in a [draft version for public consultation](#) on 13 May 2022. The consultation was open until 14 June 2022.

A commitment, set out in the first SDG National Implementation Plan, was to **mainstream the SDGs across Government Departments and into existing and new policies** which means that "new policies will reflect Ireland's commitments under the SDGs, and that when policies are reviewed the SDGs will be taken into consideration"⁶⁹. An [SDG policy map](#) was developed to provide a detailed picture of what Ireland is doing to implement each of the Goals, and how national policies and targets correspond to the SDGs.

A **key objective of the new National Implementation Plan (2022-2024)** will be to embed the framework provided by 2030 Agenda into the work of Government Departments to **achieve greater policy coherency for Sustainable Development**. As outlined in the draft version of the Implementation Plan 2022-2024, "in order to ensure Government Departments and civil servants consistently consider and make the links between their work and Agenda 2030, it is important that the **SDGs are integrated into the principal administrative, planning and accountability structures used across the Civil Service**, including: Statements of Strategy; Departmental Annual Reports; Regulatory Impact Analysis ; Memoranda to Government; the Budgetary process; and Consultation processes"⁷⁰.

The draft Implementation Plan 2022-2024 lays out some important plans for **Regulatory Impact Analysis (RIA)** which is an assessment of the likely effects of a proposed new regulation or regulatory change. As the draft mentions, while many of the impacts that are currently considered as part of an RIA are important components of Agenda 2030, no specific consideration of how the regulatory change or new proposals impacts Ireland's implementation of the SDGs is currently required. The new Implementation Plan argues, incorporating the SDGs into the RIA would ensure consistent consideration of sustainable development as part of the regulatory and policy/strategy development process. Government officials should be able to identify to what extent the proposals align to particular SDGs and/or targets and how the proposals interact, positively or negatively, with the other SDGs and/or targets.⁷¹

⁶⁸ Department of the Taoiseach (2021) First Report on a Well-being Framework for Ireland, <https://www.gov.ie/en/press-release/fb19a-first-report-on-well-being-framework-for-ireland-july-2021/>

⁶⁹ Department of Communications, Climate Action & Environment (2018) The Sustainable Development Goals National Implementation Plan 2018-2020, <https://assets.gov.ie/19344/32f9bdd2aae2464caae37760edd1da04.pdf>

⁷⁰ Government of Ireland (2022) Ireland's Second National Implementation Plan for the Sustainable Development Goals 2022 - 2024: Draft for Public Consultation, <https://www.gov.ie/en/consultation/b1f2b-final-consultation-on-the-draft-of-the-second-sdg-national-implementation-plan-2022-2024/>

⁷¹ Ibid.

The new Implementation Plan also points out that it is important to identify the **budgetary resources** that are allocated to the policies and programs and to use this information to outline how resource allocation decisions are supporting the achievement of the SDGs. The draft Plan stipulates that research and evaluation will be undertaken to inform the decision about how and whether to incorporate the framework provided by Agenda 2030 and the SDGs within the budgetary process.⁷²

In Ireland, a **whole-of-government approach** has been taken to the implementation of the 2030 Agenda at the national level. **Each ministry is having specific responsibility** for implementing individual SDG targets related to the respective ministerial functions. The **Department of Environment, Climate and Communications** has **overall responsibility for promoting the SDGs and overseeing their coherent implementation across Government**, including the development of the National Implementation Plans and reporting frameworks.⁷³

Several coordination mechanisms are in place: The **SDG Senior Officials Group (SOG)** provides strategic overview of SDG implementation, monitoring performance and reporting on progress at political level. The group is **chaired by the Department of the Taoiseach** (the Prime Minister's department) is supported by **high-level representatives from each Government Department**.⁷⁴

The **SDG Inter-Departmental Working Group (IDWG)** was established to complement the work of the SDG SOG and **facilitate effective Cross-Government SDG engagement and implementation**. It is comprised of **representatives from each Government Department** and members play a key role in respect of considering detailed proposals for meeting the strategic goals of the National Implementation Plan; coordinating strategic communication on the SDGs and Ireland's implementation; preparing national SDG progress reports; and developing the National Implementation Plans.⁷⁵

Second Report on the Well-being Framework and achievements

On 2 June 2022, the Irish Government published a **second report on Ireland's Well-being Framework**, entitled "**Understanding Life in Ireland: A Well-being Framework**". It details progress since the first report was published in July 2021, in particular the outcomes of a comprehensive Public Conversation and research program, a refined conceptual framework based on these inputs, and reflects on plans to embed the Framework into the policymaking system over time.⁷⁶

As outlined in the second report, progress has been achieved in various aspects, including the development of a **Well-being Portal**, which provided information on the well-being approach and initiatives. In addition, an interactive **Well-being Information Hub**, produced by the Central Statistics Office (CSO), which reports on the well-being of Ireland and attempts to answer how the country is doing, both as communities and as individuals.

⁷² Government of Ireland (2022) Ireland's Second National Implementation Plan for the Sustainable Development Goals 2022 – 2024: Draft for Public Consultation, <https://www.gov.ie/en/consultation/b1f2b-final-consultation-on-the-draft-of-the-second-sdg-national-implementation-plan-2022-2024/>

⁷³ Ibid.

⁷⁴ Ibid.

⁷⁵ Ibid.

⁷⁶ Department of the Taoiseach (2022) Understanding Life in Ireland: The Well-being Framework - Second Report, <https://www.gov.ie/pdf/?file=https://assets.gov.ie/226076/efefee27-fb35-4473-ae68-2184fecfd63e.pdf#page=null>

The launch of these two tools in October 2021 coincided with the launch of a [Public Conversation](#) on Ireland's Well-being Framework, building on the initial survey conducted by the National Economic and Social Council (NESC). This second consultation phase ran until January 2022 and focused on **testing and building buy-in for the Framework**. As a part of this Public Conversation, an [online stakeholder event](#) was held in November 2021, with approximately 100 attendees to gather a broad spectrum of voices and provide wide-ranging inputs on the Framework and its potential uses. In addition, **thematic workshops and engagements with experts and specific groups** were organized throughout the consultation period:

- **Three workshops** were held to focus on areas committed to in the First Report, especially: an examination of the linkages between national and local approaches with the Public Participation Networks (PPN); and a focused consultation with two different age cohorts of young people (12-18 years, and 18-24 years).
- **Work on the initiative was presented at different events:** a Parliamentary Budgetary Office seminar; the EU/OECD conference on "Building on the Economy of Wellbeing: How to promote a resilient and sustainable recovery in Europe?"; and to the Irish Government Economic and Evaluation Service (IGEES) network as part of a Strategic Policy Discussion.
- **Information gathering meetings** were held including with the UK Carnegie Trust and the OECD.

In addition, an **online survey**, designed primarily with the aim of gathering the feedback and opinions of the **general public** on what is important for a good quality of life, received 734 submissions.

Research has also been undertaken to support the development and implementation of the Framework. A [review of the integration of sustainability](#) and how it can be further emphasized in the Framework and dashboard has been completed⁷⁷. The NESC Secretariat has completed a forthcoming [research report](#) on the implementation of well-being frameworks in selected countries, including how they are incorporated into the policy-making process and budgeting⁷⁸.

The results of the Public Conversation and relevant research has fed into a **refinement of the initial vision and conceptual framework of well-being**, with a **greater emphasis on sustainability and equality**. This includes an increased focus on environmental, economic and social sustainability via a tagging system across the Well-being Framework that highlights the areas most important for **sustainable well-being**. This approach aims to provide insights into inter-generational trade-offs for decision-makers. The second report of the Well-being Framework also includes adjustments to some of the dimensions and aspects that make up the Framework, and has raised the profile of certain issues such as public transport, trust in government, and creativity.⁷⁹

With the second report, the Well-being Framework has been further refined and adjusted, in particular, the topics of **equality and sustainability** were raised in the public consultation as the most important purposes for a Well-being Framework for Ireland. To acknowledge the centrality of these two issues, equality and sustainability are **now more explicitly included in the Conceptual Framework**.

⁷⁷ Department of Finance (2022) Sustainability in the Irish Well-being Framework: A Review, <https://www.gov.ie/en/publication/3da98-sustainability-in-the-irish-well-being-framework-a-review/>

⁷⁸ National Economic and Social Council (2022) Towards Transformative Outcomes, <https://www.nesc.ie/publications/towards-transformative-outcomes/>

⁷⁹ Department of the Taoiseach (2022) Understanding Life in Ireland: The Well-being Framework - Second Report, <https://www.gov.ie/pdf/?file=https://assets.gov.ie/226076/efefee27-fb35-4473-ae68-2184fecfd63e.pdf#page=null>

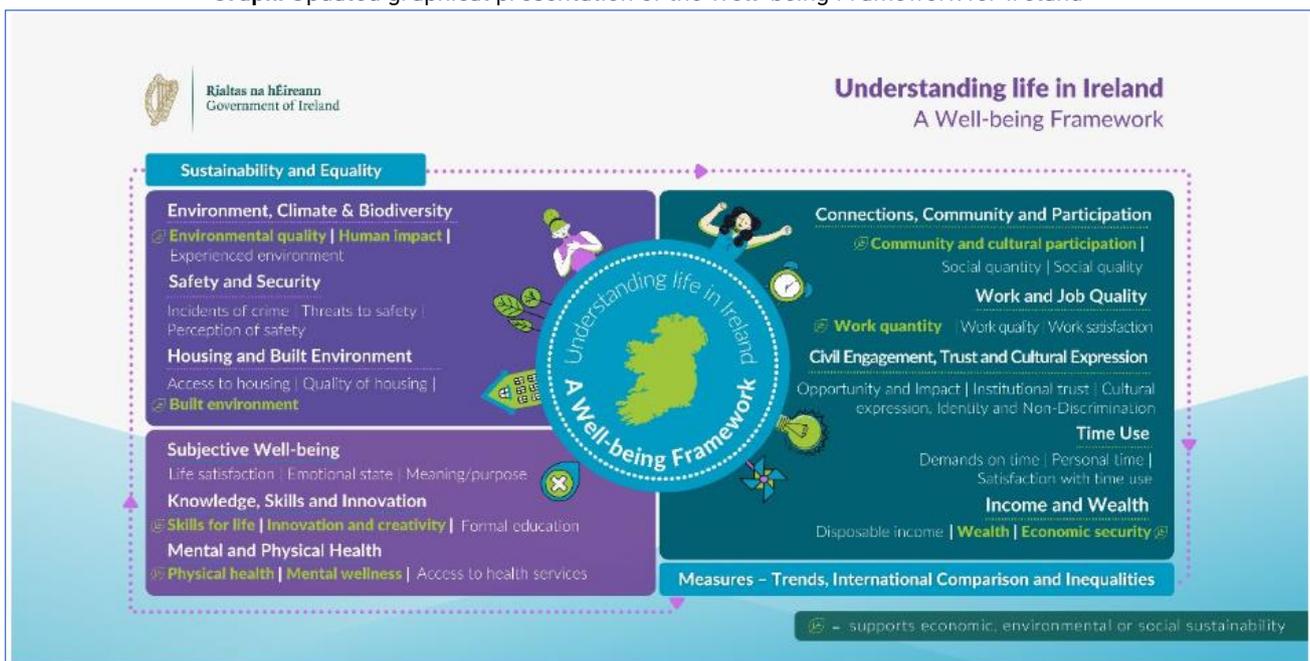
Table: Equality and Sustainability as major cross-cutting issues

Cross-cutting issues	
Equality	Sustainability
<p>Equality is a central pillar of the Well-being Framework. The Framework enables and encourages systematic examination of equality issues across all of the dimensions. The Well-being Information Hub disaggregates each indicator – based on the most relevant breakdown and data availability – to highlight where areas of inequality might exist.</p>	<p>Sustainability is at the heart of the Well-being Framework for Ireland. For this purpose, to be fully visible, dimensions, aspects and issues that are particularly important for sustainability have been colour-coded with green, as suggested by recent research. This will allow any analysis using the Framework to identify where dimensions are important for future well-being, as well as current well-being.</p>

Source: Department of the Taoiseach (2022) [Understanding Life in Ireland: The Well-being Framework – Second Report](#)

In addition, various **adjustments have been made in the 11 dimensions of well-being**, including the indicators for each dimension. All of these adjustments are specified in detail in the second report.⁸⁰ The new graphical presentation of the well-being framework is shown below:

Graph: Updated graphical presentation of the Well-being Framework for Ireland



Source: Department of the Taoiseach (2022) [Understanding Life in Ireland: The Well-being Framework – Second Report](#)

In parallel to the second report on Well-being, an [analysis report on the Well-being Dashboard](#) was published in June 2022. The analysis of the Dashboard is intended to provide an overall picture of the country's progress, using data that facilitates a longer-term view of quality of life. It is intended to form an important input to the budget process. The analysis reviews trends over

⁸⁰ Ibid, pp. 16–27

approximately 5-year periods and international comparisons. The dashboard includes **35 indicators divided across the 11 dimensions** of the Well-being Framework⁸¹.

The second report of the Well-being Framework for Ireland also includes the **next steps foreseen for further embed and implement the whole well-being approach** with the aim that sustainable well-being becomes an important part of the policy-making process over time⁸²:

a) **Feeding into high-level Budget Priorities:**⁸³

- An annual high-level analysis of the Well-being Dashboard will be conducted and published at an early stage of the budget process. This will provide high-level evidence and context for the identification of potential priorities, highlighting progress across a wide range of policy issues that are important for longer-term quality of life and sustainability over the medium-term. It should serve as a complement to standard economic and fiscal reporting. This approach will commence for the 2023 budget.
- The analysis will explicitly feed into the Annual National Economic Dialogue, which will include a focus on Well-being issues, to help inform budgetary discussions across longer-term economic, social, and environmental factors.
- Budget Day documentation will include the most up-to-date version of the Well-being dashboard.

b) **Developing Evidence Base and Research tools:**⁸⁴

Ireland's Well-being Framework should be used as a tool for understanding the impact of policies, high-level challenges or systems. The continued development and promotion of such research tools using a well-being lens will be supported by individual government departments, IGEES, and the Inter-Departmental Working Group on the Well-being Framework.

c) **Empowering Departments to Develop Well-being Approaches:**⁸⁵

The Well-being Framework has linkages with existing and emerging policies, strategies, and initiatives across Government. Governmental departments will be encouraged to consider a Well-being approach in their future work. Such an approach includes initiatives that acknowledge sustainable well-being as a policy goal, are focused on evidence and outcomes, and promote cross-government work beyond traditional departmental silos or policy areas.

d) **Oversight:**⁸⁶

The Cabinet Committee on Economic Recovery and Investment, and supporting substructures, will provide an overarching clearing house for the Well-being initiative. This cross-government initiative will continue to be led by the Department of the Taoiseach, jointly sponsored by the Departments of Finance and Public Expenditure & Reform. In line with

⁸¹ Department of the Taoiseach (2022) Understanding Life in Ireland: The Well-being Dashboard 2022, <https://www.gov.ie/en/press-release/6db7f-publication-of-the-second-report-on-irelands-well-being-framework-and-analysis-of-the-well-being-dashboard/>

⁸² Department of the Taoiseach (2022) Understanding Life in Ireland: The Well-being Framework - Second Report, <https://www.gov.ie/pdf/?file=https://assets.gov.ie/226076/efefee27-fb35-4473-ae68-2184fecfd63e.pdf#page=null>

⁸³ Ibid.

⁸⁴ Ibid.

⁸⁵ Ibid.

⁸⁶ Department of the Taoiseach (2022) Understanding Life in Ireland: The Well-being Framework - Second Report, <https://www.gov.ie/pdf/?file=https://assets.gov.ie/226076/efefee27-fb35-4473-ae68-2184fecfd63e.pdf#page=null>

international practice, the Framework should be reviewed, with supporting consultation, every 4-5 years.

Lessons learned on SDG implementation and well-being activities

As no interview could be held with a representative of the Irish Government, the reflection on success factors, remaining challenges, and recommendations are based on the various reports used for this chapter.

Main success factors

- The **development of a holistic and systematic well-being framework** for the whole country which is intended to be **used across government policymaking**. This is supported by the **inclusion of the well-being approach in the current Government Program** and the **coordination by the Prime Minister's department** (Department of the Taoiseach).
- The **cross-governmental nature of well-being and SDG implementation** is also a significant element in Ireland. Various inter-departmental working groups have been set up to accompany the implementation process. This cross-governmental and inclusive work results in a **whole-of-government approach** that promotes working beyond traditional departmental silos and policy areas.
- Having adopted **national policy and implementation reports on both, well-being and the SDGs**, points towards a structured and comprehensive approach to steer policymaking, to develop national guidelines and indicators, and to establish regular update and evaluation reports.
- The **consultation of various stakeholder groups**, the conducting of **research reports** related to policy initiatives, and the development of **public conversations** has achieved open dialogue and involvement process, including citizens.

Remaining challenges

- The Well-being Framework is **still in its early stages of implementation**. Finetuning and **further elaboration on practical implementation experiences** in practice will be necessary.
- Officials responsible for SDG implementation are also represented in the Inter-Departmental Group on Well-being. The Well-being Framework has also been presented at the separate senior officials' group responsible for SDG implementation. However, **further coherence and coordination mechanisms may be explored in future**. As the Well-being Framework is still in early phases of implementation this will be done over time and on a phased basis.
- A major challenge of future policymaking will be to **the inclusion of the SDGs and well-being into the budget planning and priority setting processes**. There are clear indications in the current policy reports that this is envisioned, commencing with the 2023 budget.

Recommendations based on lessons learned

Based on the success factors and challenges, various recommendations can be drawn for countries or other political entities which want to develop a similar process, especially the high-level government commitment, the holistic and systematic approach of a national well-being framework, the cross-department coordination and work beyond departmental silos, the consultation and stakeholder conversation approach, and the intention and preparation to include the SDGs and well-being in the budget planning processes.

Italy



Well-being concept and activities in use

Well-being concept and well-being indicators

The main focus of well-being in Italy is strongly related to **social fairness** and **social equity issues**. Due to the various regional inequalities in Italy, looking at the differences and disaggregated data on regional, gender and age aspects in the context of well-being has been an important concern and driver.

In 2012, **ISTAT, the Italian National Institute of Statistics**, first developed the **equitable and sustainable well-being indicators (ESW or BES *Benessere Equo e Sosenibile, in Italian*)** through an inclusive process of extensive consultations. Convened by the then Prime Minister of Italy and led by ISTAT, a steering group on the “Measurement of Progress in Italian Society” was established. It comprised 33 members from different stakeholder groups, including entrepreneurs, business associations, trade unions, environmental NGOs, consumer protection groups and other civil society groups, cultural heritage groups, women groups, etc. A Scientific Commission with 80 researchers and ISTAT experts, universities and other expert institutions was also established to consult and advise this process. In addition, a survey in the Italian population with about 45,000 interviews was conducted that inquired which aspects are considered as important in the context of well-being. This resulted in an initial set of 130 indicators across 12 well-being dimensions. Since 2012, ISTAT has been publishing annual reports on the EWS/BES indicators, including composite measures for the different thematic domains.⁸⁷

In 2020, the EWS/BES indicator framework was updated and now includes **153 equitable and well-being indicators**⁸⁸ mainly to better align with the transformations of the past decade, **including the topics covered by the SDGs** (which were adopted in 2015, so after the original development of the well-being indicators in Italy) **and to be responsive to the changes that occurred during the COVID-19 pandemic**. As argued in the 2020 ISTAT report on the EWS/BES indicators, “this Report adds a new element to this process, updating the system of indicators developed to follow the evolution of the concept of well-being, in order to grasp the deep transformations underway, including those brought about by the COVID-19 pandemic”⁸⁹.

The 12 domains of the equitable and well-being indicators can be found on the [ISTAT website](#), including the respective indicator definition and source of data. Here is the list of the 12 domains with the number of indicators in each domain in parenthesis:

- 1) Health (15 indicators)
- 2) Education and Training (15)
- 3) Work and life balance (15)
- 4) Economic well-being (11)

⁸⁷ OECD (2021) “Italy: Governance Scan for Policy Coherence for Compendium of Sustainable Development”, <https://www.oecd.org/gov/pcsd/italy-governance-scan-pcsd.pdf>

⁸⁸ ISTAT website, <https://www.istat.it/en/well-being-and-sustainability/the-measurement-of-well-being/indicators>

⁸⁹ ISTAT (2020) “BES 2020: Equitable and Sustainable Well-being in Italy”, <https://www.istat.it/it/files//2021/10/BES-Report-2020.pdf>

- 5) Social relationships (9)
- 6) Politics and institution (12)
- 7) Safety (12)
- 8) Subjective well-being (4)
- 9) Landscape and cultural heritage (11)
- 10) Environment (21)
- 11) Innovation, research, and creativity (12)
- 12) Quality of services (16)

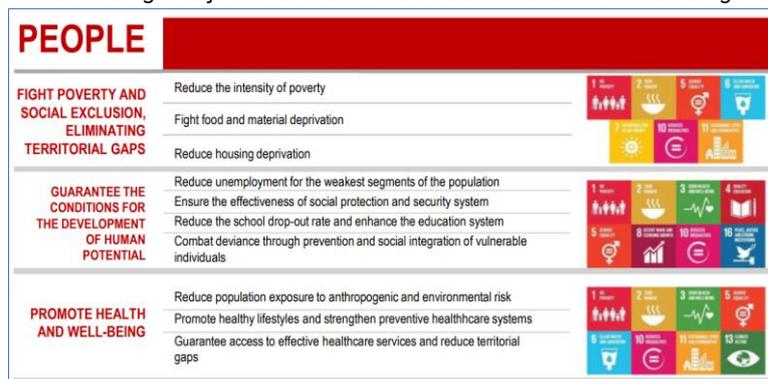
Implementation experiences with the SDGs and well-being

National SDG implementation

In Italy, the **National Sustainable Development Strategy (NSDS)** was approved in 2017 and provides the overarching strategic framework to guide the implementation of the 2030 Agenda at the national level. Currently, the NSDS of 2017 is under revision (the NSDS is due to be reviewed every three years by law) and its **new version is aimed to be approved later in 2022**. The **revised NSDS** should provide the overall framework under which all sectoral policies as well as financing packages (e.g. National Recovery and Resilience Plans, European Structural and Investment Funds, Just Transition, etc.) are linked.

The NSDS sets out the Government’s commitment to define coherent, global and efficient policy actions that **consider the whole spectrum of the dimensions of well-being** with a particular attention to the principle of leaving no one behind. It is structured in six areas covering the five dimensions of the 2030 Agenda: “People, Planet, Prosperity, Peace and Partnership”, and an additional area that defines a set of sustainability “vectors”. Under each strategic area (in the graph below is the example of the area People), **the NSDS identifies several National Strategic Objectives (NSOs) and the SDGs related to them**. The NSDS prioritizes **connecting the goals and targets across the 2030 Agenda rather than picking a sample of targets for each goal**.⁹⁰

Graph: National strategic objectives of the NSDS identified under the strategic area People



Source: OECD (2021) [“Italy: Governance Scan for Policy Coherence for Sustainable Development”](https://www.oecd.org/gov/pcsd/italy-governance-scan-pcsd.pdf)

⁹⁰ OECD (2021), “Italy: Governance Scan for Policy Coherence for Sustainable Development”, <https://www.oecd.org/gov/pcsd/italy-governance-scan-pcsd.pdf>

Overall, the **Presidency of the Council of Ministries (PCM)** oversees and **co-ordinates the implementation of the NSDS**. The PCM is supported by the **Ministry of Ecological Transition** and by the **Ministry of Foreign Affairs and International Cooperation**.

More recently, a new inter-ministerial organism, the **Inter-ministerial Committee for Ecological Transition (CITE)**, has been established in 2021. CITE is **responsible for the NSDS implementation** and for the **approval of the revisions and updates of the NSDS** document provided by the Ministry of Ecological Transition. CITE is **chaired by the Prime Minister or by the Minister of Ecological Transition** as an alternate. It is composed of representatives of 6 ministries: Ministry of Ecological Transition; Ministry of Economy and Finance; Ministry of Economic Development; Ministry of Infrastructure and Sustainable Mobility; Ministry of Labour; and Ministry of Agriculture and Forestry. Other line ministries will also be invited to participate according to relevance, and specific mechanisms are provided for involving the sub-national level.⁹¹ The interview partner from the Ministry of Economy and Finance pointed out that sectoral ministries have been increasingly involved in the revision of the NSDS. Each ministry is supposed to have a **Sustainable Development Focal Point**, and every ministry will be responsible for a certain number of strategies related to sustainable development. As the interviewee argued, “the coordination [on the revised NSDS] is not about re-inventing the wheel, but how to put all the pieces together”⁹², including important content on sectoral policy issues by individual line ministries.

Currently, the Ministry of Ecological Transition is developing, in cooperation with the OECD, the project “Policy coherence for sustainable development: mainstreaming the SDGs in Italian decision-making process to enforce the paradigm shift” (PCSD project) for the development of a **National Action Plan for Policy Coherence for Development Sustainable (PAN PCSD)**. The project is funded by the European Commission, under the Structural Reform Support Program 2017-2020, and will be an annex and integrated part of the revised NSDS 2022 strategy document. The project aims to provide currently missing elements to **better steer policy coherence**, i.e. aligning regulative tools and legislative processes across central and territorial administrations, or filling the gap of an inter-ministerial coordination group/committee/mechanism on NSDS and PCSD.⁹³

Equitable and sustainable well-being indicators used in the budget planning process

Italy was the **first country** that linked a set of **well-being indicators to economic policy programming and the budget planning process**.⁹⁴ Based on the work of ISTAT on the equitable and sustainable well-being indicators (ESW/BSW) that is outlined above, the legislator in Italy made a change to the overall budget law in 2016 (reform law no. 163/2016). The reform now requires the **inclusion of set of ESW indicators in the budgetary process**. As pointed out in an OECD report, “the aim of the reform law provisions was to emphasize the relationship between public policies and the different dimensions of well-being, going beyond merely economic aspects and factoring in distributional aspects and sustainability considerations”⁹⁵.

⁹¹ OECD (2021), “Italy: Governance Scan for Policy Coherence for Sustainable Development”, <https://www.oecd.org/gov/pcsd/italy-governance-scan-pcsd.pdf>

⁹² Interview with a representative of the Italian Ministry of Economy and Finance, 8 June 2022

⁹³ Information provided by a representative of the Ministry of Ecological Transition via email on 28 April 2022

⁹⁴ OECD (2021), “Italy: Governance Scan for Policy Coherence for Sustainable Development”, <https://www.oecd.org/gov/pcsd/italy-governance-scan-pcsd.pdf>

⁹⁵ Ibid, p. 87-88

As part of this reform law of 2016, the then President of the Council of Ministries of Italy established a **Committee**, composed of representatives of the Ministry of Economy and Finance (which also led the Committee), ISTAT, the Bank of Italy, and two academic experts to select indicators that incorporate well-being into the policy-making process. The Committee came up with the selection of **12 indicators that cover various well-being domains**. These 12 indicators are, therefore, only a small sub-set of the broader 153 ESW indicators and are regarded as representative for the well-being dimension to be included in the annual economic programming and budgeting process. They should complement the more traditional measures of economic prosperity, especially GDP per capita. As was pointed out by the interviewee, the selected indicators needed to be **sensitive to policy measures** within a relatively short time period and they needed to be **forecastable**. ‘Forecasting’ refers to forecasting for the budgetary planning period which is in Italy usually T+3 or T+4.⁹⁶

The table below shows the 12 ESW indicators and corresponding well-being domains that are reported annually by the Ministry of Economy and Finance. **Eight out of the twelve indicators included in this indicator set aim to monitor the NSDS** (highlighted in bold in the table below) to see how policy measures adopted in the economic policy and budget cycle contribute to some of the relevant strategic objectives of the NSDS.

Table: 12 ESW indicators included in the reports of the Ministry of Economy and Finance

Economic well-being domain		Source
1.	Average disposable income adjusted per capita	ISTAT, National Accounts
2.	Index of inequality of disposable income	ISTAT, EU-SILC survey
3.	Index of absolute poverty	ISTAT, Household budget survey
Health domain		
4.	Life expectancy in good health at birth	ISTAT, Mortality tables and Italian survey Aspects of Daily Life
5.	Excess weight	ISTAT, Italian survey Aspects of Daily Life
Education and training domain		
6.	Early exit from the education and training system	ISTAT, Labour force survey
Work-life balance domain		
7.	Rate of non-participation in work (by gender)	ISTAT, Labour force survey
8.	Employment rate ratio of women aged 25-49 with at least one pre-schooler and childless women.	ISTAT, Labour force survey
Security domain		
9.	Predatory crime rate index	Police and ISTAT survey on personal security
Politics and institutions domain		
10.	Efficiency index of civil justice	Ministry of Justice
Environmental domain		
11.	CO2 emissions and other climate-altering gasses	ISTAT, Emissions accounts "NAMEA"
Landscape and cultural heritage domain		
12.	Building illegal index	CRESME

Note: the indicators in bold are also part of the NSDS indicator set.

Source: OECD (2021) ["Italy: Governance Scan for Policy Coherence for Sustainable Development"](#)

Since 2017, the Treasury department of the Ministry of Economy and Finance in February of each year prepares and sends the **ESW Report** to the **Italian Parliament** in which they analyze the evolution of the **12 ESW indicators** (see table above) in relation to the policy measures that were adopted with the budget law that has been approved in December of the previous year. The Ministry, therefore, **analyzes the impact of the budget law and related measures on the 12 indicators**. This includes the impact of the budget law on macro and micro projections, and how

⁹⁶ Interview with a representative of the Italian Ministry of Economy and Finance, 8 June 2022

particular policies show effects that are measured by the indicators. In this sense, this is an **ex-post exercise** as they are looking at a budget law that has already been passed in the parliament.⁹⁷

In April of each year, the Ministry of Economy and Finance presents an **ESW Annex** to the Economic and Financial Planning Document which shows the **evolution of the ESW indicators over the past 3 years** and a **forecast for the current year and over the budgetary period**.⁹⁸ This is the **ex-ante part** of the exercise. In so doing, the ministry looks at **two scenarios**: one is an unchanged policy scenario, and the other is a policy scenario that is based on what is in the Economic and Financial Planning Document.⁹⁹

In general, Italy has been among the pioneers to link the ESW indicators to budgetary planning and the reform of the budget law in 2016 has been an important effort to integrate well-being in the economic and financial policy cycle.¹⁰⁰ Nevertheless, there are some **challenges that exist in practice** as the representative from the Ministry of Economy and Finance pointed out. One challenge is that the work on the ESW Annex is not fully integrated into the budget planning process as what is produced in the Annex every April is not closely enough related to the budget law that is discussed in the parliament in the fall of each year. Therefore, the ESW indicators are not yet comprehensively integrated into the process of the annual draft budget law as this law is analyzed in an ex-post exercise.¹⁰¹

In addition, there is a **difference in the concepts and tools used**. Typically, the interviewee pointed out, the **well-being framework does not use targets**. ESW indicators are in that sense like GDP measurement, i.e. policy improvements are envisioned, but there are no specific targets related to each ESW indicator. In contrast, the SDGs and other performance budgeting tools involve targets which also make it easier to assign responsibilities to ministries or other institutions for these targets. Therefore, for comprehensively including the well-being framework into policy and budget planning, different types of indicators would be needed, especially indicators that are more manageable in the sense that specific ministries or other state institutions are responsible for them and can be held accountable.¹⁰²

Coordination between SDG and well-being indicators

As pointed out by the interviewee, the **revised NSDS** which will be adopted later in 2022 should achieve an **overall strategic coordination between the different government ministries on the SDGs and well-being**. The Ministry of Economy and Finance is involved in the ongoing revision process of the NSDS, including the Accounting Office of the ministry as they are responsible for the **National Recovery and Resilience Plan (NRRP)** which is crucial in Italy in terms of financing and the reforms the government is supposed to undertake. This process needs to be connected to the SDGs.

The interviewee also mentioned that the work on the NRRP is an ongoing exercise which involves milestones and outcome indicators as well as **the coordination of this process with the SDGs, including the use of ESW indicators**. And, as mentioned above, there is now an interest to move

⁹⁷ Interview with a representative of the Italian Ministry of Economy and Finance, 8 June 2022

⁹⁸ OECD (2021), "Italy: Governance Scan for Policy Coherence for Sustainable Development", <https://www.oecd.org/gov/pcsd/italy-governance-scan-pcsd.pdf>

⁹⁹ Interview with a representative of the Italian Ministry of Economy and Finance, 8 June 2022

¹⁰⁰ OECD (2021), "Italy: Governance Scan for Policy Coherence for Sustainable Development", <https://www.oecd.org/gov/pcsd/italy-governance-scan-pcsd.pdf>

¹⁰¹ Interview with a representative of the Italian Ministry of Economy and Finance, 8 June 2022

¹⁰² Ibid.

towards **performance budgeting** which requires a different type of approach and this, in turn, needs indicators for which a specific government ministry is responsible.¹⁰³

As regards the **integration of SDGs and well-being**, the interviewee mentioned that she is not sure to what extent they actually should be integrated and, for her, it is more a question of finding synergies between both. The interviewee argued that the SDGs and well-being have developed in different ways and serve slightly different purposes: The **well-being framework** is essentially about looking beyond GDP and into the overall outcomes of government action that is not only measured in economic terms, but is more deeply concerned with social and other aspects of well-being. The **2030 Agenda and the SDGs** are about how a country integrates these objectives and goals into its own national policies, and the SDG indicators measure progress in this respect.¹⁰⁴

Lessons learned on SDG implementation and well-being activities

Main success factors

The interviewee pointed out that the ESW indicators brought **greater public awareness** on well-being. In the Italian civil society, there are a number of very vocal stakeholders that are looking very carefully on what the government, in general, and the Ministry of Economy and finance, in particular, are achieving in terms of the well-being of society. Through this increased public awareness and respective demands by the civil society, the government is held **accountable on progress towards societal well-being**.¹⁰⁵

Remaining challenges

The interviewee mentioned that undertaking **more ex-ante exercises and activities on well-being** in the context of policy and budget planning would require **more resources** due to the complexity of the budget drafting process. In addition, the **quality and timeliness of data** remains a challenge. In order to use the ESW indicators most effectively, the specific data and how it is collected require very clear structures and efficient organization, e.g. when are surveys for certain indicators undertaken, which questions in surveys deliver the right information on certain developments, etc.¹⁰⁶

Recommendations based on lessons learned

One of the most important aspects in relation to ESW indicators in Italy is the **reformed law** which outlines the necessity to link well-being to the budget planning process. Therefore, so the interview, a **legal framework** is crucial to being provided with the necessary personnel and financial resources, and to be able to continue the process despite the changes in government.

¹⁰³ Interview with a representative of the Italian Ministry of Economy and Finance, 8 June 2022

¹⁰⁴ Ibid.

¹⁰⁵ Ibid.

¹⁰⁶ Ibid.

Scotland



Well-being concept and activities in use

National Performance Framework (NPF) and the well-being approach

First introduced in 2007, put into law in 2015, and lastly refreshed in 2018, the [National Performance Framework \(NPF\)](#) is Scotland's **well-being framework** and sets out an overall purpose and vision for Scotland.¹⁰⁷ The purpose of the NPF is to create a **framework for all of Scotland** with the aim to

- create a more **successful country**;
- give **opportunities to all people** living in Scotland;
- **increase the well-being of people** living in Scotland;
- create **sustainable and inclusive growth**;
- **reduce inequalities**; and
- give **equal importance to economic, environmental and social progress**.

Therefore, “it explicitly includes **‘increased wellbeing’** as part of its purpose, and combines measurement of how well Scotland is doing in economic terms with a **broader range of wellbeing measures**”¹⁰⁸.

The NPF is intended to **inform discussions, collaboration, and planning of policy and services across Scotland**, encompassing the public sector, businesses, civil society and communities. The NPF is also Scotland’s framework to localize the UN’s 2030 Agenda and its related Sustainable Development Goals (SDGs).¹⁰⁹

Scotland, similar to Wales, uses **legislation as the main vehicle to embed the well-being approach**. Under the [Community Empowerment \(Scotland\) Act 2015](#), there are legal requirements for well-being to be taken into account in the work of public bodies: “In reaching its decision (...), the authority must take into consideration the following matters (...): (i) economic development, (ii) regeneration, (iii) public health, (iv) social wellbeing, or (v) environmental wellbeing (...) to **reduce inequalities** of outcome which result from socio-economic disadvantage”¹¹⁰. Provisions under the Act require public authorities to take the NPF framework into account when carrying out its functions.¹¹¹

The **current Scottish Government Program for the period 2021–2022**, entitled [“A fairer, greener Scotland”](#), puts **sustainable development and well-being at the center of policymaking**, including specific goals to put sustainability, well-being and fair work at the heart of the economic transformation by, amongst others, “ending Scotland’s contribution to climate change; and building

¹⁰⁷ Scottish Government (2019) Scotland’s Wellbeing – Delivering the National Outcomes, https://nationalperformance.gov.scot/sites/default/files/documents/NPF_Scotland%27s_Wellbeing_May2019.pdf

¹⁰⁸ Ibid, p. 4

¹⁰⁹ Ibid.

¹¹⁰ Community Empowerment (Scotland) Act 2015, para. 24, <https://www.legislation.gov.uk/asp/2015/6/enacted/data.pdf>

¹¹¹ National Economic and Social Council (2022) Towards Transformative Outcomes, <https://www.nesc.ie/publications/towards-transformative-outcomes/>

a wellbeing economy which secures sustainable, inclusive growth for everyone, in all parts of Scotland”.¹¹² The Government Program further details the approach taken by pointing out that the Scottish Government “will align our recovery [from the COVID-19 pandemic] with our **ambitions for a wellbeing economy**, based on the **principles of equality, sustainability, prosperity and resilience** – focused on **securing good and fair work** for those most impacted by the pandemic and existing inequalities”¹¹³. The Government Program also makes reference to the NFP for setting out a vision for the country that is characterized by **fairness and equality**.

National Outcomes

To help achieve its main purpose, the NFP sets out **“National Outcomes”**. The National Outcomes reflect the **values and aspirations of the people of Scotland; are aligned with the United Nations’ SDG; and help to track progress in reducing inequality**.

The total of **11 National Outcomes** cover the following topics:

- children and young people;
- communities;
- culture;
- economy;
- education;
- environment;
- fair work and business;
- health;
- human rights;
- international issues; and
- poverty.

The graph below shows the 11 National Outcomes and what they aim to achieve:

¹¹² Scottish Government (2021), “A fairer, greener Scotland Programme for Government 2021-22”, p. 8, <https://www.gov.scot/publications/fairer-greener-scotland-programme-government-2021-22/>

¹¹³ Ibid, p. 12

Graph: 11 National Outcomes of Scotland



Sources: [Scotland’s Wellbeing – Delivering the National Outcomes \(2019\)](#)

For each of the 11 National Outcomes, a vision is formulated and the relation to the respective SDGs that are connected to each individual National Outcome are listed.¹¹⁴ In addition, there is a total of **81 indicators** for the 11 National Outcomes which allows to see how Scotland is performing in achieving the outcomes and its vision. These indicators incorporate a wide range of **different types of data**, from **social attitudes and perceptions** to **economic and environmental statistics**, in order to track Scotland’s performance.¹¹⁵

Implementation experiences with the SDGs and well-being

National SDG implementation and its links to well-being

Scotland’s **National Performance Framework (NPF)**, which **integrates the 17 SDGs** alongside 11 National Outcomes, is the main mechanism for the **localisation of the SDG agenda in Scotland**. Scotland also contributes to the SDGs internationally via their **international development work**.

Deputy First Minister, John Swinney, has ministerial responsibility for the National Performance Framework. Additionally, the current Government Program of 2021-22 includes the commitment to “reconstitute a **Ministerial working group on Policy Coherence for Sustainable Development** to

¹¹⁴ National Outcomes website, <https://nationalperformance.gov.scot/national-outcomes>

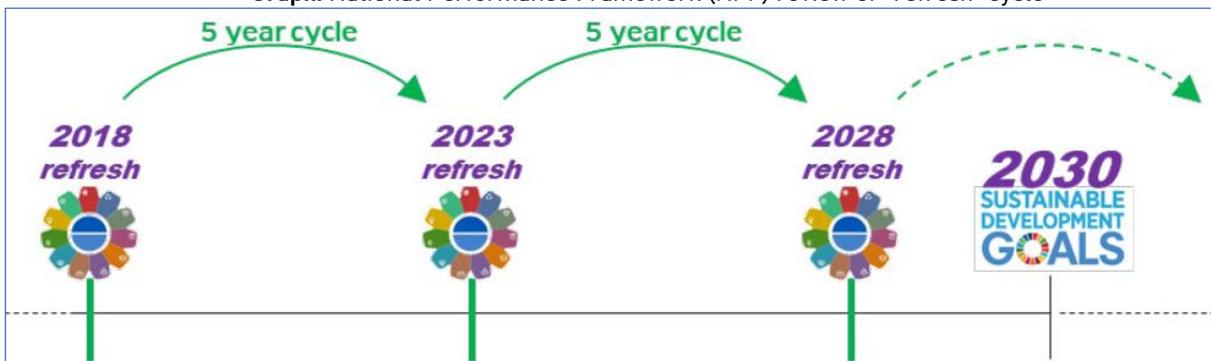
¹¹⁵ Scottish Government (2019) Scotland’s Wellbeing – Delivering the National Outcomes, https://nationalperformance.gov.scot/sites/default/files/documents/NPF_Scotland%27s_Wellbeing_May2019.pdf

lead on our ambition to align domestic policy objectives and activity with our international development objectives”.¹¹⁶

As regards the Voluntary National Review (VNR), the [UK's VNR](#) from 2019 was produced through collaboration with and input from the devolved administrations of Scotland, Wales, and Northern Ireland. However, the Scottish Government worked with stakeholders to collaboratively develop content for its own specific Scottish review, published in 2020 and entitled, [“Scotland and the Sustainable Development Goals: A national review to drive action”](#). For this review, the Scottish Government and the Convention of Scottish Local Authorities (COSLA), worked with [SDG Scotland Network](#) (an open coalition of over 500 people and organisations formed by the Scottish Council for Voluntary Organisations) to collectively **assess performance and highlight challenges and opportunities in realising the SDGs**.¹¹⁷

As outlined above, the Community Empowerment (Scotland) Act 2015 places a duty on Scottish Ministers to consult on, develop and publish National Outcomes for Scotland and to **review them every five years**. This means that **every future NPF cycle will help Scotland play its part in achieving the SDGs**. The graph below shows the NPF review cycle and its relation to the SDGs implementation process:

Graph: National Performance Framework (NPF) review or “refresh” cycle



Source: Scottish Government (2020), [Scotland and the Sustainable Development Goals A national review to drive action](#)

Responsibilities for implementing the NPF

Overall, the Community Empowerment (Scotland) Act 2015 places **responsibility on public authorities** to take the NPF into regard when carrying out functions, which means that services and expenditure need to reflect the priorities set out in the framework. **All government ministers** are expected to work towards the shared objectives of the Government and in partnership with the whole of the public sector to contribute to the delivery of national objectives as set out in the NPF¹¹⁸. In order to **support policymakers to move towards outcomes-focused policymaking**, the Scottish Government, in cooperation with other institutions, has developed a toolkit, [“Outcomes-focused Policy Making in Scotland”](#), which “is designed to support Scottish policy making to be more joined up and coherent, across policy areas both within Scotland and internationally (...) It will help you and your team to think through a policy area and how it is informed by, and

¹¹⁶ Scottish Government (2019) Scotland’s Wellbeing – Delivering the National Outcomes, p. 15, https://nationalperformance.gov.scot/sites/default/files/documents/NPF_Scotland%27s_Wellbeing_May2019.pdf

¹¹⁷ Scottish Government (2020) Scotland and the Sustainable Development Goals A national review to drive action, <https://www.gov.scot/publications/scotland-sustainable-development-goals-national-review-drive-action/documents/>

¹¹⁸ Scottish Parliament, Finance and Constitution Committee, Budget process– Subject Committee Guidance, https://archive2021.parliament.scot/S5_Finance/General%20Documents/Budget_guidance_final.pdf

contributes to, Scotland's National Performance Framework (NPF) and the United Nations' Sustainable Development Goals (SDGs)"¹¹⁹.

To achieve the national outcomes, the NPF aims to get **everyone in Scotland to work together**. This includes national and local government, businesses, voluntary organizations, and people living in Scotland. As pointed out above, the Community Empowerment Act requires that the **NPF and its National Outcomes are reviewed every five years**, with **consultation with the public**. Parliament must receive a report outlining the consultation, proposals for revision of the NPF, and details on how the consultation links to these revisions.

The **Scottish Government** focuses activities and spending to help meet National Outcomes. It works with the wider public sector and others to help them work in a way that meets these outcomes. **Local governments** collaborate with the Scottish Government and other organizations in their respective communities. The Convention of Scottish Local Authorities (COSLA) is the national association of councils in Scotland and is also helping to work towards the National Outcomes. COSLA aims to reform local public services and by so doing works with local communities, the Scottish and UK governments, staff and trade unions, and the Scottish and UK parliaments.¹²⁰

The **Scottish Parliament's Finance and Public Administration Committee** is looking at how the National Outcomes shape Scottish Government policy aims and spending decisions and how this drives delivery, nationally and locally. The remit for this inquiry is to look at the current structures, processes and cultures that are in place to help deliver the National Outcomes. Considering how appropriate and effective the National Outcomes are, is not part of this inquiry. These will be reviewed separately by the Scottish Government later in 2022-23, but the Finance and Public Administration Committee will have a role in that **review**. To inform this inquiry, the Committee has been looking for written views from organizations with experiences of using the National Outcomes in the NPF to shape their policy making and decision taking as well as delivery at national and local level with a submission deadline for stakeholder views until April 2022. The Committee's views will be reported later in 2022, and will inform the Committee's later work on **the Scottish Government's review of the National Outcomes in 2022/23**.

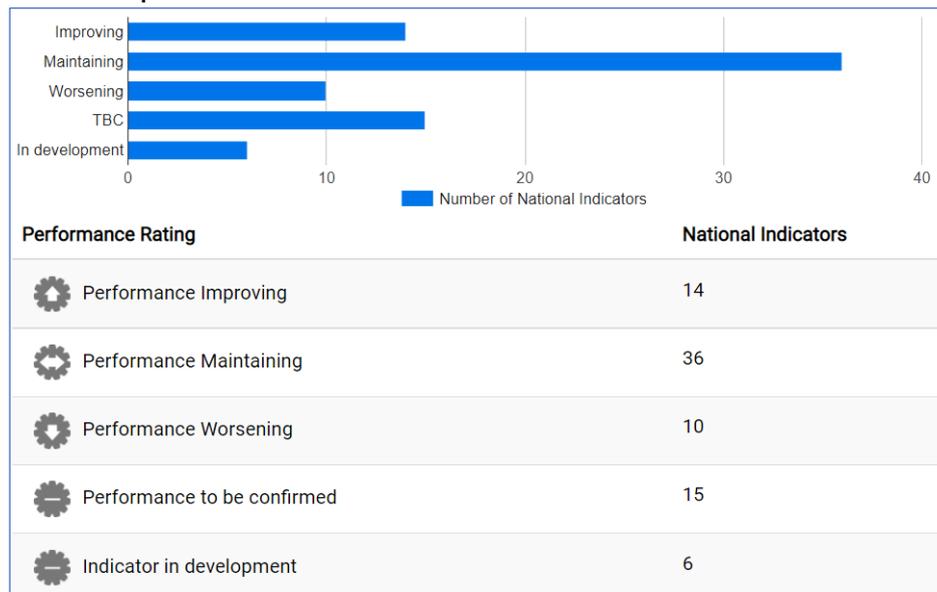
National Outcome indicators: measuring performance

The **performance overview** tracks progress towards the 11 National Outcomes and its related 81 indicators. It shows how well Scotland is performing overall on the 81 indicators. Performance for each National Outcome and its respective indicators is assessed as improving, maintaining or worsening, based on the change between the last two data points of an indicator. At the time of writing (end of June 2022), the overall performance rating is shown in the table below.

¹¹⁹ Scottish Government (2021) Outcomes-focused Policy Making in Scotland, https://nationalperformance.gov.scot/sites/default/files/documents/Outcomes-focused_Policymaking_SDG_NPF_FINAL.pdf

¹²⁰ National Performance Framework website, <https://nationalperformance.gov.scot/index.php/how-it-works>

Graph: Performance overview of the 81 national indicators of the NPF



Source: [NPF website](#)

The **statistical data** underlying the NPF can be downloaded from the [Scottish Government's Open Data platform](#). In addition, there is a **data dashboard** available to explore and download data on national indicators for different groups of people within Scotland which is available on the Scottish Government [Equality Evidence Finder website](#).

The assessment of performance is made objectively and impartially by senior analysts in the Scottish Government. Decisions on performance are made independently of Scottish Government Ministers.¹²¹

Considering well-being in budgetary decisions

The [Budget Process Review Group](#), set up by the Scottish Government and Parliament in 2016, **recommended that the National Performance Framework (NPF) should be used more widely by the Parliament to evaluate the impact of Scottish Government budgets**. The Group's report and recommendations were [agreed by Parliament in May 2018](#), with the Finance and Constitution Committee subsequently sending [budget guidance](#) to each of the Parliament's subject committees, stressing the importance of performance information to effective budget scrutiny. However, as argued in a 2019 briefing document by the Scottish Parliament Information Centre (SPICe), during the budget scrutiny process for the 2018 budget, of the Parliament's eleven subject committees, only four actually mentioned the NPF in their budget reports or in correspondence with ministers.¹²²

The Scottish Government in 2019 issued a **booklet specifically for policymakers**, entitled ["Improving People's Wellbeing: 6 key questions to ask when making budget decisions"](#). It aims to help policymakers "to systematically think through 6 key questions to identify ways in which budget decisions could be improved to advance human rights and address inequalities"¹²³, and it

¹²¹ National Performance Framework website, <https://nationalperformance.gov.scot/index.php/how-it-works>

¹²² Scottish Parliament Information Centre (2019) The National Performance Framework and budget scrutiny, SPICe Briefing, <https://sp-bpr-en-prod-cdnep.azureedge.net/published/2019/6/21/The-National-Performance-Framework-and-budget-scrutiny-2/SB%2019-43.pdf>

¹²³ Scottish Government (2019) Improving People's Wellbeing: 6 key questions to ask when making budget decisions, Introduction, <https://www.gov.scot/publications/improving-peoples-wellbeing-6-key-questions-ask-making-budget-decisions/documents/>

can be use optionally¹²⁴. In this booklet, the Scottish Government argues that to fully understand the potential impacts of policies and budgets on the citizens, it would not be enough to consider the ‘average person’ or the ‘average place’. Rather, it is “critical to understand the starting position for different individuals or places, the barriers they might face and how these barriers relate to services and public budget decisions. This approach is central to the purpose and outcomes of the NPF and to the ‘leave no one behind’ agenda of the UN’s international Sustainable Development Goals”¹²⁵.

The brochure includes **6 key questions** to ask **when making revenue raising and spending decisions**. The Government believes that answering these questions will help articulate and evidence budget impacts in terms of equality, child poverty and socio-economic disadvantage, or human rights. The 6 questions need to be asked not only when setting overall budgets or making revenue raising decisions, but also when making any decisions to maintain, reform or introduce new policy¹²⁶. The 6 key questions for budgetary decisions are shown in the table below.

Graph: 6 key questions to ask when making budget decisions

- 1 What outcome is the policy and associated budget decision aiming to achieve?
- 2 What do you know about existing inequalities of outcome in relation to the budget area?
- 3 How will your budget decisions impact upon different people and places?
- 4 How will your budget decisions contribute to the realisation of human rights?
- 5 Could the budget be used differently to better address existing inequalities of outcome and advance human rights?
- 6 How will the impact of the budget decisions be evaluated?

Source: Scottish Government (2019) [Improving People's Wellbeing: 6 key questions to ask when making budget decisions, Introduction](https://www.scot.nhs.uk/health/wellbeing/6-key-questions-to-ask-when-making-budget-decisions-introduction)

Examples of how the Scottish Government is using the NPF

The NPF website of the Scottish Governments¹²⁷ lists **various examples of programs, visions, frameworks, action plans and other initiatives which use the NPF (and, in some cases the SDGs) or show their links to the NPF:**

- Climate Ready Scotland’s [climate change adaptation programme 2019-2024](https://www.scot.nhs.uk/health/wellbeing/6-key-questions-to-ask-when-making-budget-decisions-introduction) takes an outcomes-based approach which is derived from both, the SDGs and the NPF;

¹²⁴ National Economic and Social Council (2022) Towards Transformative Outcomes, <https://www.nesc.ie/publications/towards-transformative-outcomes/>

¹²⁵ Scottish Government (2019) Improving People's Wellbeing: 6 key questions to ask when making budget decisions, Introduction, p. 2, <https://www.gov.scot/publications/improving-peoples-wellbeing-6-key-questions-ask-making-budget-decisions/documents/>

¹²⁶ Ibid.

¹²⁷ NPF website, <https://nationalperformance.gov.scot/resources>

- the [Out of school care in Scotland draft framework](#) maps its vision to the NPF;
- the [Ending Homelessness Together: High Level Action Plan](#) includes a section with explicitly outlines how the plan will support the NPF, with a particular focus on the values;
- the [National Outcomes Framework for Volunteering](#) illustrates the contribution that volunteering makes to the NPF;
- [Scotland's Forestry Strategy 2019–2029](#) - the long-term framework for the sustainable management of Scotland's woodland - outlines its links to the National Outcomes and the SDGs;
- [Forestry and Land Scotland](#) has developed five corporate outcomes that support the National Outcomes and NPF purpose; and
- the [Environment Strategy for Scotland](#) creates an overarching framework for Scotland's strategies and plans on the environment and climate change and, in so doing, sets out a long-term vision for Scotland's environment and how to tackle the global climate and nature crises.

Lessons learned on SDG implementation and well-being activities

As no interview could be held with a representative of the Scottish Government, the reflections on success factors, remaining challenges, and recommendations are based on the various reports used for this chapter.

Main success factors

- Scotland has developed with the **National Performance Framework (NPF)** a **national policy framework that provides a comprehensive approach to well-being and, at the same time, localizes the SDGs** for the national context. The first NPF was introduced in 2007 and updated, or refreshed, several times. Therefore, a long-time experience with this policy framework has been established which is flexible enough to include the SDGs and thus aims for an integration of economic, environmental, and social objectives.
- Led by the Deputy First Minister of Scotland, the implementation of the NPF is the **responsibility of all government ministries**. This comprehensive approach for a joint responsibility includes the partnership with the entire public sector to collaborate in the delivery of the national objectives outlined in the NPF.
- Although the NPF was not mentioned in budget reports of several ministries for previous budgets, there are efforts of the Scottish Government to **guide policymakers in identifying ways in which budget decisions could be improved to advance well-being**. These guidelines, summarized in a brochure, are optional but deliver practical support for policymakers by using clear explanations and examples.
- Another important guideline for policymakers has been developed by the Scottish Government, namely a **toolkit for outcome-focused policymaking** that aims to show how to design policies in the context of the NPF and SDG implementation.
- Due to its **existence since 2007**, the NPF has already been used for informing programs, visions, actions plans and other initiatives by different stakeholders. Therefore, there is an **array of practical knowledge and implementation experiences** on how to address well-being in society.

Remaining challenges

- The **comprehensive inclusion of National Outcomes and the SDGs in the budgetary planning process** seems an important next step, also given the guidelines which have been developed for policymakers.
- A survey among many stakeholders undertaken in September–October 2021 about how the NPF is being used showed that not all stakeholders were clear about what the NPF means for them, and **how the NPF fits with other roadmaps or government targets. Greater visibility of stakeholders using the NPF, tools and guidance** as well as **learning and development opportunities** were popular responses for what could help to incorporate the NPF into the work of stakeholders.¹²⁸
- As the current results of the performance measurements of the 81 indicators of the National Outcomes show, in only 14 of them is performance improving (17 %). The performance is maintaining for 36 indicators (44 %), and worsening for 10 indicators (12 %). This suggest that there is **still some important work to do to improve more National Outcome indicators**.

Recommendations based on lessons learned

When looking at the success factors and remaining challenges identified above, there are some important recommendations to be drawn from the well-being approach and practical experiences in Scotland, including a comprehensive and long-term strategic policy framework approach for well-being and SDGs alike; the joint responsibility of all government ministries for implementing well-being and the SDGs; the various practical guideline toolkits, specifically designed for policymakers; the efforts to include well-being and SDGs in the budgetary planning process; and the continuous and transparent review process to improve the NPF.

¹²⁸ Scottish Government website on the results of the NPF survey, <https://blogs.gov.scot/national-performance-framework/2022/03/08/five-things-youve-told-us-about-the-national-performance-framework/>

Wales



Well-being concept and activities in use

Duty to carry out sustainable development and the well-being approach

The Welsh legislation is unique as it created with the [Well-being of Future Generations \(Wales\) Act 2015](#) the **duty for all public bodies in Wales** to carry out their work “in pursuit of the economic, social, environmental and cultural well-being of Wales in a way that accords with the sustainable development principle”¹²⁹. “Public bodies” refers to a comprehensive number of public institutions that are listed in the Act of 2015, ranging from Welsh ministers to local authorities, the Local Health Board, Natural Resources Body for Wales, Higher Education Funding Council for Wales, etc.¹³⁰ There is thus a **legally binding duty to improve on the four dimensions of well-being (economic, social, environmental, and cultural well-being)** which refers to the **holistic perspective of well-being in Wales** as all the four dimensions need to be achieved in parallel and in an integrative manner.¹³¹

A first important element of the Act is that it refers to the **well-being of the Welsh population** and not individual well-being. In addition, it is a key feature of the well-being understanding in Wales that it not only comprises the economic, social and environmental aspects, **but adds the fourth dimension of cultural well-being**.

The Act also defines **seven well-being goals** that should be achieved in Wales:

Graph: The seven well-being goals in Wales



Source: [Welsh Government \(2021\) Well-being of Future Generations \(Wales\) Act 2015 - Essentials Guide](#)

¹²⁹ Well-being of Future Generations (Wales) Act 2015, p. 1, <https://www.legislation.gov.uk/anaw/2015/2/data.pdf>

¹³⁰ Ibid.

¹³¹ Interview with a representative of the Office of the Future Generations Commissioner for Wales, 10 June 2022

The exact definition of each of the seven well-being goals shows the holistic and comprehensive nature of the well-being approach in Wales¹³²:

- 1) A prosperous Wales: An **innovative, productive, and low carbon society** which recognizes the limits of the global environment and, therefore, uses resources efficiently and proportionately (including acting on climate change); and which develops a **skilled and well-educated population** in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.
- 2) A resilient Wales: A nation which maintains and enhances a **biodiverse natural environment** with healthy **functioning ecosystems** that support **social, economic and ecological resilience** and the capacity to adapt to change (e.g. climate change).
- 3) A healthier Wales: A society in which **people's physical and mental well-being** is maximized and in which choices and behaviors that benefit future health are understood.
- 4) A more equal Wales: A society that enables **people to fulfil their potential no matter what their background or circumstances** (including their socio-economic background and circumstances).
- 5) A Wales of cohesive communities: Attractive, viable, safe and well-connected **communities**.
- 6) A Wales of vibrant culture and thriving Welsh language: A society that **promotes and protects culture, heritage and the Welsh language**, and which encourages people to participate in the **arts, and sports and recreation**.
- 7) A globally responsible Wales: A nation which, when doing anything to improve the economic, social, environmental, and cultural well-being of Wales, takes account of whether doing such a thing may make a **positive contribution to global well-being**.

These seven well-being goals were **designed after a 2-year conversation with the people in Wales** which was considered as important to get the buy-in from the population. This happened at the same time as the SDGs were developed at the UN level. In the end, the well-being goals in Wales were published two months before the SDGs were adopted, but they were **practically developed in parallel with the SDGs**. Overall, as the representative from the Office of the Future Generations Commissioner of Wales pointed out in the interview, "the well-being goals mirror and have the same spirit as the SDGs, so they are actually a translation of the SDGs to the Welsh context"¹³³.

Well-being statement of the Welsh Government (2021-26)

Every 5 years, after each national election, the Welsh Government must publish their well-being objectives, which are their commitment to achieve the well-being goals. This is a legal requirement, and the Government must then take all reasonable steps to meet these objectives. The latest set was published in June 2021 in the [Well-being Statement](#) of the Welsh Government. It sets out the **ten well-being objectives** the government will use to maximize its contribution to Wales' seven long-term well-being goals and the steps we will take to deliver them. The well-being objectives focus on the areas where action is needed to respond and recover from the impact of the COVID-pandemic, whilst also laying out a stable foundation for the future. The table below shows the 10 well-being objectives set in 2021:

¹³² Well-being of Future Generations (Wales) Act 2015, p. 3-4, <https://www.legislation.gov.uk/anaw/2015/2/data.pdf>

¹³³ Interview with a representative of the Office of the Future Generations Commissioner for Wales, 10 June 2022

Table: 10 well-being objectives in the Welsh Government's Well-being Statement

The ten well-being objectives are:

Provide effective, high quality and sustainable healthcare.	Continue our long-term programme of education reform, and ensure educational inequalities narrow and standards rise.
Protect, re-build and develop our services for vulnerable people.	Celebrate diversity and move to eliminate inequality in all of its forms.
Build an economy based on the principles of fair work, sustainability and the industries and services of the future.	Push towards a million Welsh speakers, and enable our tourism, sports and arts industries to thrive.
Build a stronger, greener economy as we make maximum progress towards decarbonisation.	Make our cities, towns and villages even better places in which to live and work.
Embed our response to the climate and nature emergency in everything we do.	Lead Wales in a national civic conversation about our constitutional future, and give our country the strongest possible presence on the world stage.

Source: [Welsh Government \(2021\) Well-being Statement](#)

Well-being indicators and milestones

The Well-being of Future Generations (Wales) Act 2015 also requires the Welsh Government to **develop national indicators and milestones** to measure national progress towards the seven well-being goals. The national indicators are used to measure progress not only towards the well-being goals, but also towards the SDGs (i.e. progress towards achieving the well-being indicators in relation to the SDGs was included in the [‘Wales Supplementary Report’ to the UK’s VNR](#) in 2019). Since December 2021, there are **50 national indicators used** (with additions to the previous 46 indicators originally developed in 2016).¹³⁴ As outlined by the Welsh Government, a single national indicator must be expressed as a value or characteristic that can be measured quantitatively or qualitatively against a particular outcome. It may be measured over such period as the Welsh Ministers consider appropriate and may be measurable in relation to Wales as a whole, or any part of it.¹³⁵

Also outlined in the Act of 2015 is the duty for Welsh Ministers to set **milestones in relation to various national indicators** which are aimed to assist in measuring whether progress is being made towards the achievement of the well-being goals and to provide a sense of pace. The milestones, as can be seen in the table below, refer in some cases to specific quantitative goals and are set for 2050 as time horizon.

¹³⁴ Welsh Government (2021) National indicators and national milestones for Wales, <https://gov.wales/sites/default/files/pdf-versions/2022/1/3/1642004186/well-being-future-generations-national-indicators-2021.pdf>

¹³⁵ Ibid. p. 3

Table: Milestone for the national well-being indicators

National indicator	National milestone
5. Percentage of children with 2 or more healthy lifestyle behaviours	To increase the percentage of children with 2 or more healthy behaviours to 94% by 2035 and more than 99% by 2050
8. Percentage of adults with qualifications at the different levels of the National Qualifications Framework	75% of working age adults in Wales will be qualified to level 3 or higher by 2050
	The percentage of working age adults with no qualifications will be 5% or below in every local authority in Wales by 2050
14. The global footprint of Wales	Wales will use only its fair share of the world's resources by 2050
17. Pay difference for gender, disability and ethnicity	An elimination of the pay gap for gender, disability and ethnicity by 2050
21. Percentage of people in employment	Eradicate the gap between the employment rate in Wales and the UK by 2050, with a focus on fair work and raising labour market participation of under-represented groups
22. Percentage of people in education, employment or training, measured for different age groups	At least 90% of 16-24 year olds will be in education, employment, or training by 2050
37. Number of people who can speak Welsh	A million Welsh speakers by 2050
41. Emissions of greenhouse gases within Wales	Wales will achieve net-zero greenhouse gas emissions by 2050

Source: [Welsh Government website](#)

The Act of 2015 requires the Welsh Government to report every year on the progress made on the indicator set. At the start of each financial year, Welsh Ministers must publish an annual progress report setting out the progress made over the last year.¹³⁶ The latest **“Wellbeing of Wales” report** was published in September 2021 and provides an update on progress being made in Wales towards the achievement of the 7 well-being goals. In addition, the **“National wellbeing indicators 2020-21: quality report”** provides links to where further information can be found in relation to the quality of the data used.

Responsibilities for the Well-being Act and ‘5 Ways of Working’

The political responsibility for well-being in Wales lies with the **Deputy First Minister who is also the Minister for Social Justice**. Therefore, well-being is located at a high political level, very close to the Welsh First Minister to enable **cross-governmental cooperation**.¹³⁷ The cross- or inter-ministerial cooperation refers to the **“5 Ways of Working”** which are specified in the Act of 2015 and follow the **sustainable development principle**¹³⁸:

- 1) **Collaboration:** Acting in collaboration with any other person (or different parts of the body itself) that could help the body to meet its well-being objectives.

¹³⁶ Welsh Government (2021), “Well-being of Future Generations (Wales) Act 2015 - Essentials Guide”, <https://gov.wales/sites/default/files/publications/2021-10/well-being-future-generations-wales-act-2015-the-essentials-2021.pdf>

¹³⁷ Interview with a representative of the Office of the Future Generations Commissioner for Wales, 10 June 2022

¹³⁸ Welsh Government (2021), “Well-being of Future Generations (Wales) Act 2015 - Essentials Guide”, <https://gov.wales/sites/default/files/publications/2021-10/well-being-future-generations-wales-act-2015-the-essentials-2021.pdf>

- 2) **Integration:** Considering how the public body's well-being objectives may impact upon each of the well-being goals, on their other objectives, or on the objectives of other public bodies.
- 3) **Involvement:** The importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area which the body serves.
- 4) **Long-term:** The importance of balancing short-term needs with the need to safeguard the long-term needs.
- 5) **Prevention:** How acting to prevent problems occurring or getting worse may help public bodies meet their objectives.

Future Generations Commissioner for Wales

The Act of 2015 requires the appointment of the **Future Commissioner for Wales**. This needs to be an individual appointed by the Welsh Government for a term of 7 years (whereas the government term for the Welsh Government is 5 years). The persons to be considered for the position of Future Commissioner are interviewed by a cross-party group of the Parliament of Wales and they suggest a name which is then appointed by the First Minister of Wales. The **current Future Commissioner for Wales was appointed in 2016**. The funding for the Office of the Future Commissioner for Wales comes from the Welsh Government.¹³⁹

The **general duties of the Commissioner** are (a) to promote the sustainable development principle, in particular to act as a guardian of the ability of future generations to meet their needs, and encourage public bodies to take greater account of the long-term impact of their responsibilities, and (b) for that purpose to monitor and assess the extent to which well-being objectives set by public bodies are being met.¹⁴⁰

The Future Generations Commissioner for Wales in 2020 published the **"Future Generations Report"** which is published every five years and provides an **assessment of the improvements public bodies should make in relation to their well-being objectives**, including **recommendations for the Welsh Government Ministers** in their endeavor to achieve well-being. This report also looks at the different elements of the Well-being of Future Generations Act, such as the ways of working, the well-being goals but also at real life examples and topics. It is meant to explain **how the Act should work in practice and seeks to illustrate the vision, ambition, and tools to achieve this**.

Overall, as the representative of the Office of the Future Generations Commissioner for Wales pointed out during the interview, their annual reports are tabled to the parliament by the Welsh ministers. The Office would prefer to report directly to the parliament and also be funded by the parliament in order to be directly accountable to the official representative body of the Welsh population. However, she also highlighted that the Office in practice works fully independently.¹⁴¹

Implementation experiences with the SDGs and well-being

Sustainable development in Wales

The **policy and institutional framework for sustainable development in Wales** was firstly framed by the founding legislation of devolution in the **Government of Wales Act 1998** which included the duty to promote sustainable development through a scheme. This was realized in 2000 with the

¹³⁹ Interview with a representative of the Office of the Future Generations Commissioner for Wales, 10 June 2022

¹⁴⁰ Well-being of Future Generations (Wales) Act 2015, p. 13, <https://www.legislation.gov.uk/anaw/2015/2/data.pdf>

¹⁴¹ Interview with a representative of the Office of the Future Generations Commissioner for Wales, 10 June 2022

[first Sustainable Development Scheme – Learning to live differently](#). What followed was the creation of a Non-Statutory Commissioner for Sustainable Development whose role was to promote a voluntary charter that everyone could sign to work towards sustainability. However, as was pointed out by the interviewee, a problem was the non-statutory basis of the Commissioner and the voluntary approach. Therefore, the aim was formulated to **give sustainable development a statutory footing and a compulsory legal basis**.¹⁴² This was achieved with the **Well-being of Future Generations Act of 2015** which strengthened sustainable development considerably through a comprehensive and legally binding approach and in line with the development of the work at the United Nations level.¹⁴³

Interestingly, the interviewee mentioned that, in practice, it showed that it is **more fruitful to talk about well-being and future generations** than it is to talk about sustainable development. The interviewee said that **stakeholders and citizens in Wales seem to embrace well-being and future generations more** and this helps policymakers to collaborate with stakeholders and overcome the opposition on 'economy vs. environment' that is sometimes associated with sustainable development. The interviewee argued that "using the well-being concept has helped to diminish barriers and opposition. It also helped to achieve another level of collaboration. And it helped to balance the different dimensions of sustainable development"¹⁴⁴.

Fostering coordination between government ministries and other stakeholders

The Well-being of Future Generations Act of 2015 **requires all public bodies to set-up well-being objectives for their commitment to achieve the national well-being goals**. They need to do this in practice by applying the "5 Ways of Working" (see details above). What is particularly critical is that public bodies need to contribute to all well-being goals and cannot decide on favoring individual ones. There is, as pointed out by the interviewee, a **holistic perspective and approach** to well-being in Wales. As all public bodies must contribute to this, "it forces them out of their comfort zones and avoids a narrow silo view. It helps looking across sectoral interests"¹⁴⁵.

Even though Wales does not have a specific inter-ministerial coordination body, the **"5 Ways of Working" are intended to achieve inter-ministerial coordination**. The Office of the Future Generations Commissioner for Wales is currently evaluating how government ministries are changing their processes and working practices, and what they are seeing is that at the policy level a lot is changing for which the Act of 2015 has provided an important basis.¹⁴⁶ One significant example is a memorandum of road building in Wales from 2021 which includes the freeze on new road building projects, whilst a review of highway schemes across Wales is carried out.¹⁴⁷

In addition, in order to **foster geographical coordination**, the Act of 2015 requires the establishment of a **Public Services Board (PSB) for each local authority** area in Wales to **improve joint working across all public services in each local authority**. Each PBS needs to improve the well-being of their area by contributing to the well-being goals, which they are to do by assessing well-being in their area, setting local objectives designed to maximize the board's contribution (within its area) to the achievement of the well-being goals and taking steps to meet those objectives. This is

¹⁴² Interview with a representative of the Office of the Future Generations Commissioner for Wales, 10 June 2022

¹⁴³ Well-being of Future Generations (Wales) Act 2015, <https://www.legislation.gov.uk/anaw/2015/2/data.pdf>

¹⁴⁴ Interview with a representative of the Office of the Future Generations Commissioner for Wales, 10 June 2022

¹⁴⁵ Ibid.

¹⁴⁶ Ibid.

¹⁴⁷ Welsh Government website, <https://gov.wales/freeze-new-roads-projects-be-announced>

referred to as “**forced collaboration**” as the Act of 2015 demands it, and it would not happen consistently by itself.¹⁴⁸

Due to the devolution law of 1998 (Government of Wales Act), the Well-being of Future Generations Act can only be applied to the public sector. Therefore, it is more challenging, compared to other political entities, to get the private sector to embrace well-being issues. The Welsh Government is, however, encouraging businesses to use the Act of 2015 and many businesses voluntarily apply major well-being aspects and objectives outlined in the Act.¹⁴⁹

Well-being as part of budget and policy planning process

There is no clear guidance on how strong the well-being concept needs to be part of the budget planning process. However, the Welsh Government needs to **map and cross-reference the overall financial budget with the carbon budget**. The Office of the Future Generations Commissioner for Wales asked the government to shift from acute spending to preventative spending. The current evaluation process by the Office of the Future Generations Commissioner on changing processes and working practices in the government will be important to see **how much the Act of 2015 influences actual budget planning by the Welsh Government**.¹⁵⁰

Another important aspect is that the Welsh Government has pointed out that it will **not devote any additional budget for the implementation of the Act of 2015**. The argument is that it is not so much about a new budget, but about using the existing budget and working differently. The representative of the Office of the Future Generations Commissioner for Wales said in the interview that this may not be sufficient as additional funds would help to invest in training as well as in communicating and fostering the understanding of the well-being concept, as much in this context is about “new thinking”.¹⁵¹

Lessons learned on SDG implementation and well-being activities

Main success factors

The representative of the Office of the Future Generations Commissioner for Wales mentioned in the interview several success factors and positive developments in the context of the well-being approach and practical implementation in Wales¹⁵²:

- The Well-being of Future Generations Act of 2015 fosters much **more long-term thinking** in policymaking and policy planning with a time horizon of at least 10 years.
- Having a **national conversation with stakeholders and citizens** was very important when the well-being approach was envisioned.
- The beauty, but also challenge, of the Act of 2015 is that it **allows public bodies to decide for themselves what their objectives are**. Everyone is doing things differently: this can be a very beautiful part of the legislation, but also a problem as there may not be enough consistency among public bodies and the sub-national level.

¹⁴⁸ Interview with a representative of the Office of the Future Generations Commissioner for Wales, 10 June 2022

¹⁴⁹ Ibid.

¹⁵⁰ Ibid.

¹⁵¹ Ibid.

¹⁵² Ibid.

- **Sustainable and holistic policies** are being developed in transport, planning and education, to name just a few policy areas.

Remaining challenges

There are also some challenges that need to be addressed when fully realizing the well-being concept in practice, as has been pointed out by the interviewee¹⁵³:

- **Implementation gaps** for the objectives of the Well-being of Future Generations Act of 2015 still exist. The comprehensive and far-reaching statements and policy strategies have not yet always been achieved in practice. Some public bodies are better on defining different ways of working together, others are better in delivering on the well-being goals. Both is, however, needed for successful implementation of well-being.
- There is a **tendency to create new bodies** that sometimes complicate the landscape rather than make things more effective. In addition, the Public Services Boards on the local level do not have a separate budget. The PSBs budgets should come from its members, but financial support would help in practice.
- The Act of 2015 spurs great innovations, but it would need to be increasingly shared with the different stakeholders. In addition, innovations should be supported by a **renewed and modernized finance and performance management**.
- The current system of **annual budget cycles** for devolved governments in the UK hinders long-term policy planning. Recently, the UK government has given a 3-year budget framework for the devolved administrations, so a new process to develop 3-year budget cycles has started.

Recommendations based on lessons learned

Based on the lessons learned with well-being in Wales, the interviewee shared the following recommendations:

- The formulation of a **duty for well-being or sustainable development in a legislation**: “Duty in law means business, otherwise policymakers and stakeholders do not take it seriously. A voluntary approach is not sufficient.”¹⁵⁴
- **A broad national conversation on the meaning and approach of well-being**, incl. vision and scenario-building for well-being, **with the different stakeholders** is very beneficial, in particular, to convince politicians.
- **Political courage and buy-in** is critical to move ahead and achieve practical outcomes in policymaking, especially at the implementation stage.

¹⁵³ Interview with a representative of the Office of the Future Generations Commissioner for Wales, 10 June 2022

¹⁵⁴ Ibid.

Annex 1 – Semi-structured interview guide

- 1) General description of the *well-being concept/activities in use*:
 - a) Which specific well-being concept is applied in your country?
 - b) Who initiated the development of the well-being concept and how was it developed?
 - c) In what context was the concept developed? How does it relate to specific international/European/national/sub-national debates or *Zeitgeist*?
 - d) What were the main drivers for the development of the well-being concept and the well-being activities?
 - e) What do you consider as special or striking about your well-being concept / well-being activities?
 - f) How are the well-being activities institutionalized (e.g. through regulation, commission, ministerial focal points, working groups, etc.)?
 - g) How are the well-being concept/activities linked to the SDGs/SDG implementation process?

- 2) **Practical application experience in SDG implementation and with well-being activities**:
 - a) Which government ministries and other governmental institutions are involved in the SDG implementation / the well-being activities? Which specific responsibilities do they have?
 - b) How do the SDGs/well-being activities foster coordination between government ministries? Which notable experiences did you make in the coordination process and how did this change over time?
 - c) How are non-governmental actors involved in the SDG implementation process / well-being activities?
 - d) Which tools and instruments are used to integrate SDGs/well-being into the policy-making process?
 - e) Which approach is used to develop SDGs/well-being indicators?
 - f) Are the SDGs / well-being concept and/or indicators included in the budget planning process? If so, could you explain the process?

- 3) **Success factors, challenges, and lessons learned** in SDG implementation and the well-being activities
 - a) What would you consider as the main success factors in SDG implementation and the application of the well-being concept/activities in your country?
 - b) What are the main obstacles and barriers in the day-to-day SDG implementation and application of the well-being concept/activities?
 - c) Which lessons did you learn over the years in the practical SDG implementation process and your well-being activities?
 - d) Which recommendations would you give to other countries for their SDG implementation process, well-being concepts and well-being activities?

Annex 2 – Interview partners

Videos interviews with representatives of the European Commission, Finland, Italy, and Wales were undertaken, based on the semi-structured interview guide in Annex 1, during June 2022. The interview with a representative of the European Commission’s Secretariat-General for the first report in April 2022 was also considered for this second report.

Country	Institutional affiliation of interview partner	Position of interview partner	Interview per video chat
European Union	Unit B1 – Finance and Economy, Directorate B – Growth and Innovation, European Commission Joint Research Centre	Policy Officer	16 June 2022
	Unit on the European Green Deal (SG.D.2), Twin Transition, Economic and Social Affairs, Secretariat-General of the European Commission	Policy Officer	20 April 2022
Finland	Prime Minister’s Office	Chief Specialist on Sustainable Development	7 June 2022
Italy	Directorate I – Economic and Financial Analysis, Department of the Treasury, Ministry of Economy and Finance	Head of Office	8 June 2022
Wales	Office of the Future Generations Commissioner of Wales	Chief Operating Officer and Deputy Commissioner	10 June 2022

It was not possible to hold interviews for the case studies of Ireland and Scotland with representatives of neither the Irish nor the Scottish Government. However, information from representatives of the Irish and Scottish Governments were gathered during the first part of the study, the first report, in the form of a filled-in questionnaire, and in email exchanges during the writing of this second part of the study (in the case of Scotland). Additional information was gathered in desk and document research.

Country	Institution affiliation of interview partner	Position of interview partner	Submission of questionnaire & email exchange
Ireland	Department of Communications, Climate Action & Environment	Team Lead for SDG	3 May 2022
Scotland	National Performance Framework Unit	Engagement Lead	21 April 2022 & 17 June 2022



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