Transferring SDGs into National Policies in Montenegro: towards an integrated monitoring framework for the National Strategy for Sustainable Development

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1. Background

After the Rio+20 Conference, the Government of Montenegro has initiated the revision of its National Strategy for Sustainable Development (NSSD), which was originally adopted in 2007 as a way to materialize the declarative commitment of Montenegro to be an ecological state¹. This revised strategy, named *NSSD until 2030* and scheduled to be adopted by the Government by June 2016, has been coordinated by the Ministry of Sustainable Development and Tourism and supervised by the National Council for Sustainable Development, Climate Change and Integrated Coastal Zone Management. Montenegro is in the group of 22 UN member countries that volunteered to conduct a national review

¹ See <u>https://sustainabledevelopment.un.org/content/documents/10182montenegro%20national%20review.pdf</u> for additional details on the process that led to the NSSD revision.

of its planning process to enable implementation of the 2030 Agenda at the High-Level Political Forum (HLPF) 2016 meeting².

Since the adoption of the existing NSSD in April 2007, many changes have taken place in Montenegro, particularly in terms of reforms related to accession to EU as well as harmonization of national legislation with the EU Acquis. Moreover, new sustainable development programs and initiatives have been launched regionally (e.g., the revision of the Mediterranean Strategy for Sustainable Development) and globally, thus determining the need for a thorough revision of the NSSD.

More precisely, at the United Nations' Sustainable Development Summit held in September 2015, world leaders have adopted the 2030 Agenda for Sustainable Development - which includes 17 Sustainable Development Goals (SDGs) and 169 targets - to end poverty, fight inequality and injustice, and tackle climate change. Shortly after, in March 2016, a global indicator framework for the Sustainable Development Goals (SDGs) – identified and proposed by the Inter-Agency Expert Group on SDGs Indicators (IEAG-SDGs) – was agreed by the 47th Session of the United Nations Statistical Commission. This framework³ constitutes a key element of the architecture for implementing the 2030 Agenda for Sustainable Development and is composed of 241 indicators for monitoring global progresses towards the SDGs.

Intended for global follow-up and review of the 2030 Agenda, the adopted indicator framework is not directly applicable to all national contexts. As such, transferring the global SDGs into national policy contexts is fundamental to ensure national level monitoring of countries' progresses towards sustainable development. National implementation of the SDGs needs taking into account different national realities, capacities and levels of development⁴.

Through the MAPS approach, UNDP supports countries in three different ways: 1) Mainstreaming – providing support to governments to reflect the new global agenda in national development plans and policies; 2) Acceleration – supporting countries to accelerate progress on SDGs targets; and 3) Policy Support – making the UN's policy expertise on sustainable development and governance available to governments at all stages of implementation. The work described in this document – that is the transposition of the global SDGs within the national NSSD – fits within the MAPS approach and was funded by UNDP.

The process of reviewing Montenegro's NSSD has involved several steps, including expert baseline assessments and public consultations, and built on the *"Platform for Development of the NSSD 2015-2020"* prepared in 2015. Among the various steps⁵ is the creation of the NSSD monitoring and reporting architecture; this latter is the core focus of the remainder of this document.

² See <u>https://sustainabledevelopment.un.org/hlpf/2016/montenegro</u> for a detailed description of the NSSD revision process and the steps that led to it.

³ The 241 indicators constitute the first SDGs indicator framework, which will need updating by the IAEG-SDGs in the coming years as new indicators will likely become available and existing one be improved.

⁴ See <u>http://www.un.org/sustainabledevelopment/blog/2016/03/un-statistical-commission-endorses-global-indicator-</u> <u>framework/</u>

⁵ See <u>https://sustainabledevelopment.un.org/content/documents/10182montenegro%20national%20review.pdf</u>

2. Aim & Scope

This document describes the work performed for the development of the NSSD monitoring and reporting framework – one of the constituting elements of the *NSSD until 2030* alongside with strategic goals and measures – and it builds on the six thematic areas identified by the Ministry of Sustainable Development and Tourism and the expert team while revising the NSSD. The six thematic areas identified, which represent key priorities for the Government of Montenegro, are: 1) Human Resources; 2) Social Resources; 3) Natural Resources; 4) Economic Resources; 5) Governance for Sustainable Development; and 6) Financing for Sustainable Development.

The main aims of this work were to 1) assess the country's capacity to measure the 241 global SDGs indicators, now and in the near future; 2) transfer the global SDGs into Montenegro's *NSSD until 2030*; and 3) arrive at the definition of an *Integrated NSSD Monitoring and reporting framework*.

This integrated framework is intended to fulfill the following goals:

- Ensure SDGs are transferred into the national policy context of the NSSD, thus allowing reflection of the global 2030 Agenda for Sustainable Development in national development plans, strategies and policies;
- Ensure issues of priority relevance for Montenegro that are not tracked by the SDGs are included and monitored in the NSSD through National Indicators;
- Ensure easy tracking of the overall progresses of Montenegro in each thematic area of the *NSSD until 2030* via Cumulative Indicators, thus guaranteeing that development in Montenegro is on a sustainable trajectory.

While a systemic view is essential in dealing with sustainability, decisions and policies are implemented at national and local level. As such, by jointly using SDGs indicators – punctual indicators able to identify individual issues and support the implementation of specific policies – and cumulative indicators – complex indicators able to verify the cumulative effects of the various policies and monitor wider sustainability's trajectories – the scope of this *Integrated Monitoring Framework* is also to bridge the gap between the "scientific needs" for systemic thinking and cross-cutting approaches to sustainability assessment, and the "governance needs" for local action and implementation of target-specific policies⁶.

3. Methodology

Setting up an *Integrated Monitoring Framework* for the *NSSD until 2030* required a multi-step approach, which consisted of both desk work and consultations with Government officials in Montenegro and international stakeholders. This monitoring framework is defined as *integrated* as it envisions the joint use of three classes of indicators: SDGs Indicators (nationally or internationally monitored), National Indicators, and Cumulative Indicators. Details on the procedure followed to map each of these three classes are provided in the three following sub-sections.

⁶ For additional details on the science-policy gap see Pulselli, F.M., Moreno Pires, S., Galli, A., *in press*. The Need for an Integrated Assessment Framework to Account for Humanity's Pressure on the Earth System. In **The Safe Operating Space Treaty**: A New Approach to Managing Our Use of the Earth System. Magalhães, P., Steffen, W., Bosselmann, K., Aragão, A., Soromenho-Marques, V. (eds). Cambridge Scholars Publishing, Cambridge, UK.

3.1 SDGs Indicators

The capacity of Montenegrin government organizations to track the recently approved SDGs indicators was assessed through a consultative process. Several consultations were held, during the period March-April 2016, with Montenegrin data-reporting institutions, potentially having SDGs-relevant data.

Prior to these consultations, each institution was provided with a full list of the SDGs indicators and a pre-screening of the SDGs goals and targets potentially relevant to them. During the in-person meetings, for each SDGs indicator, attendees were asked to provide information on whether their organization is currently tracking that indicator – fully (as defined by the IEAG-SDGs) or partially (through an indicator similar in content, which can be used as proxy for the SDGs indicator) – or planning to start computing it before or after 2018. Desk work was also performed at this stage, to allocate the 241 SDGs indicators to the 6 thematic areas of the *NSSD until 2030*.

In a second step, a comprehensive list of international indicators that could be used to track SDGs indicators for Montenegro – and their pertinent details (e.g., description, geographical and temporal coverage, agency in charge of the indicator, and an indicator synopsis) – was compiled. This list was put together by reviewing indicators provided by international organizations (e.g., Eurostat, European Environment Agency, World Bank, OECD, FAO, and World Economic Forum), NGOs and research centers, as well as the reporting mechanisms and associated indicators of other key MEAs (Multilateral Environmental Agreements) such as the CBD, the UNFCCC and the MDGs.

Findings from the above two steps allowed compiling a final list of indicators available both nationally and internationally to monitor the 17 SDGs in Montenegro. This final list was then used as the benchmark for coaching national experts on SDGs integration into NSSD, and for conducting a second round of consultations with the various ministries and institutions of the Government of Montenegro. These consultations allowed proofing the assessment of Montenegro's capability of monitoring SDGs indicators with national data-stakeholders.

3.2 National Indicators

As stated above, the NSSD includes a list of national indicators, which do not necessarily match with SDGs indicators, but that are significant in terms of specific national needs and priorities. These indicators were selected by the expert team and the Ministry for Sustainable Development and Tourism, and they refer to the six thematic areas of the NSSD. In compiling this national list, indicators that are already monitored or may be introduced into the monitoring system in a relatively short period of time were preferred. Attention was also paid to ensure the highest possible degree of compatibility with indicators already used by national data-stakeholders in reporting to other international organizations and MEAs.

3.3 Cumulative Indicators

Composite indicators, here referred to as cumulative indicators, can help checking the overall sustainability requirements of the Montenegrin society, monitoring cumulative trends over time as well as communicating the country's progresses towards sustainability – to decision makers as well as the general public – in an easy to understand fashion.

A comprehensive mapping of existing composite sustainability indicators available in the literature^{7,8} was thus performed. The set of composite indicators put together as result of this mapping exercise was then reviewed to identify the most adequate indicators for use in mapping Montenegro's *NSSD until 2030*. In line with the current indicator literature^{9,10,11,12}, this review has been performed by taking into account the following criteria:

- Scientific or institutional credibility;
- Sound and clear research question;
- Global relevance of the indicator's research question;
- High relevance to the thematic areas of the NSSD until 2030;
- Availability of results over time as well as for the most recent years;
- Availability of regular updates;
- Comparability of indicators among countries;
- Ease in communication.

To ensure adequate coverage of all six thematic areas of the NSSD while also avoiding overloading the monitoring framework, efforts were made to identify 1 to 2 indicators per thematic area.

3.4 NSSD Monitoring and Reporting

The establishment of a functional database and information reporting system is essential for the implementation of the *NSSD until 2030*. As such, to monitor Montenegro's progresses towards its revised NSSD, the integrated monitoring framework shall be associated with a reporting system to ensure indicators' collection and storing into a single platform as well as national and international reporting. This system shall be user-friendly and facilitate data input, review and analyses, avoiding becoming a burden and the bottleneck of the strategy implementation. To ensure the above characteristics are met, consultations were conducted with both national and international organizations that have competence in implementing and monitoring strategies and MEAs (e.g., competent ministries, institutions and MONSTAT in the first place) and a few options were explored.

⁷ Böhringer, C., and Jochem, P.E.P., 2007. Measuring the immeasurable — A survey of sustainability indices. Ecological Economics, 63, 1-8.

⁸ Singh, R.K., et al., 2012. An overview of sustainability assessment methodologies. *Ecological Indicators* 15, 281–299.

⁹ OECD and JRC, 2008. Handbook on Constructing Composite Indicators: Methodology and user guide. ISBN 978-92-64-04345-9 - © OECD 2008.

¹⁰ Tittensor, D.P., et al. 2014. A mid-term analysis of progress toward international biodiversity targets. *Science*, 346, 241-244. DOI: 10.1126/science.1257484

¹¹ Hak, T., et al., 2015. Indicator Policy Factsheets: A Knowledge Brokerage Tool. Sustainability 2015, 7, 3414-3429

¹² Moldan, B., et al., 2012. How to understand and measure environmental sustainability: Indicators and targets. *Ecological Indicators* 17, 4–13.

4. Results

4.1 Indicators coverage and relevant national stakeholders

In mapping Montenegro's capacity to track the global indicators released by the UN IAEG-SDGs, it was found that currently - and pending global revisions by the IAEG-SDGs - 27 SDGs indicators (11.2% of the global SDGs indicators) are fully tracked by National Statistics and 34 additional SDGs indicators (14.1% of the total) can be partially tracked by similar national indicators used as temporary proxies. Moreover, 38 SDGs indicators (15.8%) will be tracked by data-stakeholders in Montenegro by the end of 2018.

As such, in its first reporting against the *NSSD until 2030* – scheduled for 2019 – Montenegro would be able to track 99 SDGs indicators (41.1% of the total number of indicators, including alternatives). For the remaining 142 SDGs indicators currently not tracked by national government bodies (58.9% of the total), introduction in Montenegro is not yet planned and a suggestion has been made in the *NSSD until 2030* to gradually introduce them during the course of implementing the NSSD: 22 additional indicators to be introduced by 2020 (reaching 50% coverage of the SDGs), 36 additional indicators by 2022 (reaching 65% coverage), and 23 additional indicators by 2024 (reaching 75% coverage).

It should nonetheless be noted that taking into account SDGs-related indicators provided by international organizations, 33 additional SDGs indicators (an extra 13.7%) could be tracked in Montenegro by 2018. Adding these indicators to the total number of indicators nationally tracked, would bring the tracking capacity of SDGs indicators in Montenegro up to 132 indicators (54.7%) by 2018. This value is in line with the results of a recent study by DANE (Colombia's National Administrative Department of Statistics), which found that 54% of the SDGs indicators can currently by tracked in Colombia¹³. Further details on the capacity of Montenegro to track SDGs indicator by individual thematic area are provided in section 4.2.

When looking at the data stakeholder landscape in Montenegro, consultations were held with 36 government bodies: 26 of them were found to be responsible for at least one SDGs indicator as summarized in Table 1. However, only 8 of these bodies are legally recognized as Official Producers¹⁴ of statistics, with MONSTAT (the Statistical Office of Montenegro) leading the way with 51 SDGs indicators, followed by the Institute for Public Health (in charge of 20 SDGs indicators) and the Ministry of Finance (in charge of 19 indicators). The remaining 18 organizations are recognized as Administrative Producers¹⁴ and, as discussed in section 4.3, a revision of the statistical legislation system is likely to be necessary to legally enable Administrative Producers to report on indicators.

¹³ Additional details can be found at: <u>http://sd.iisd.org/news/colombia-discusses-indicators-data-for-national-sdgs-roadmap/</u>.

¹⁴ According to Article 4, 7 and 9 of the law of statistics, Official producers are entitled to independently analyze and elaborate data as well as monitor the statistical quality of data, and calculate indicators. Official producers are obliged – in the process of collecting data – to produce, elaborate and disseminate statistical data by following methodologies and procedures consistent with official statistical systems, provided in such a manner to also ensure international comparability. Administrative producers are not defined this way by law; yet they have been defined this way in the NSSD as they are responsible to elaborate administrative data as well as to collect, monitor and supervise data production. However, they have to undergo a process of control and confirmation of their data and indicators by MONSTAT or apply to obtain the status of official statistical producers.

Table 1: SDGs indicators coverage by data stakeholder in Montenegro, by 2018. A detailed mapping of the specific SDGs associated with each Montenegrin organization is not reported in here but can be found in Annex 4 of the revised NSSD.

Name of the Institution	Official (O) or Administrative (A) Producer	Number of Indicators the Institution is in charge
MONSTAT	0	51 SDGs indicators
Hydro-meteorological Institute	А	1 SDGs indicator
Central Bank	0	7 SDGs indicators
Public Procurement Administration	А	1 SDGs indicator
Agency for Environmental Protection	А	11 SDGs indicators
Ministry of Economy	А	5 SDGs indicators
National Health Insurance Fund	0	1 SDGs indicator
Institute of Marine Biology	А	4 SDGs indicators
Institute for Public Health	0	20 SDGs indicators
Agency for Electronic Communication and postal service	А	1 SDGs indicator
Ministry of Finance	0	19 SDGs indicators
Ministry of Science	0	3 SDGs indicators
Ministry of Agriculture and Rural Development	А	8 SDGs indicators
Ministry of Justice	А	1 SDGs indicator
Ministry of Education	А	7 SDGs indicators
Ministry of Labor and Social Welfare	А	2 SDGs indicators
Ministry of Transport and Maritime Affairs	А	1 SDGs indicator
Ministry for Human and Minority Rights	А	5 SDGs indicators
Ministry of Health	А	3 SDGs indicators
Ministry of Foreign Affairs and European Integration	А	1 SDGs indicator
Ministry for Sustainable Development and Tourism	А	16 SDGs indicators
Ministry of Interior Affairs	А	6 SDGs indicators
Protector of Human Rights and Freedoms of Montenegro Ombudsman	А	1 SDGs indicator
Institute of Biotechnology	А	2 SDGs indicators
Taxes Administration of Montenegro	0	1 SDGs indicator
Customs Administration	0	1 SDGs indicator

Looking at National Indicators, 273 indicators were identified and selected, spanning across 5 of the 6 NSSD thematic areas: "Economic" and "Social" resources are the areas with the highest coverage, with 97 and 66 national indicators, respectively; "Human" and "Natural" resources are tracked by about 50 national indicators each; only 8 indicators were selected for "Governance for Sustainable Development" and no indicator was identified for "Financing for Sustainable Development" (see section 4.2). It should be noted that not all of these indicators are currently monitored in Montenegro and that a proper assessment of the capability of Montenegrin data-relevant institutions to track these national indicators will have to be performed in the coming months. Additional details on national indicators are included in Chapter 7 as well as Annex 5 of the *NSSD until 2030*.

Finally, looking at Cumulative Indicators, a set of 10 indicators was selected for the *NSSD until 2030* (see Table 2). Of these 10 indicators, 6 have already undergone national scrutiny – as national pilot projects have been performed by national or international experts under the remit of the Ministry of Sustainable Development and Tourism – and were thus suggested for immediate inclusion in the NSSD monitoring and reporting system¹⁵.

Table 2: Selected cumulative indicators for use in Montenegro, short description and their current status in the NSSD until 2030.

 Detailed Indicator-factsheets for each selected cumulative indicator can be found in Annex 8.6 of the NSSD until 2030.

NSSD Theme	Complex Indicator(s)	Description	Status in NSSD
Human Resources	Human Development Index (HDI)	Provides an alternative to national income as a standard metrics of development as it measures well-being as function of three different components: longevity, education, and income.	Included
Social Resources	Social Progress Index (SPI)	Assesses the three major dimensions of social progress (Basic Human Needs, Foundations of Wellbeing, and Opportunity) by including parameters highly aligned with several SDGs	
	Gender Inequality Index (GII)	Monitors the gender equality aspect of social development thus complementing the SPI	Included
Natural Resources	Ecological Footprint	Measures human demand for renewable sources and ecosystem services against the supply of such resources and services from natural ecosystems at the global, national and individual level	Included
	Domestic Material Consumption (DMC)	Measures the consumption (total mass) of physical goods (Biomass, Metals and ores, Non-metals and Fossil fuels) by an individual, a country or the world.	Included
	Land Consumption	A GIS-based approach to monitor the spatial status of land and land use changes.	Included
Economic Resources	Resource Productivity	Calculated as GDP divided by DMC, it measures the efficiency of countries in generating economic value added per unit of material used (decoupling).	Included
	Genuine Progress Indicator (GPI)/ISEW	Measures the net income of a country, including non-market benefits, and takes into account the negative effects that current income and production generation has on the assets underpinning income generation	Pilot suggested
Governance for SD	Environmental Democracy Index (EDI)	Measures environmental governance effectiveness, especially regarding legally binding rules that provide for environmental information collection and disclosure, public participation, and access to justice	Pilot suggested
	Environmental Performance Index (EPI)	Measures countries' performance in implementing environmental policies in nine issue categories by looking at how close each country is to absolute policy targets established by international agreements, national standards, or scientific consensus.	Pilot suggested

The remaining 4 cumulative indicators suggested in Table 2 have not yet undergone national scrutiny and shall thus be tested – to ensure their applicability to the Montenegrin context and policy relevance

¹⁵ Findings of such pilot projects are discussed in details in Chapter 7 of the *NSSD until 2030*.

- before official inclusion within the NSSD monitoring and reporting systems. To this end, a national pilot project should be conducted for each of these four indicators, and capacity built in Montenegrin institutions, during the period following the adoption of the *NSSD until 2030* and prior to the first reporting in 2019.

For all cumulative indicators, additional research will be needed during the NSSD implementation to determine the possibility to introduce them into the official statistics system of Montenegro; this latter is a key prerequisite for their institutionalization and to enable their continuous monitoring and updating every 2-3 years.

4.2 Integrated NSSD Monitoring Framework

The work performed in mapping SDGs-, national- and cumulative-indicators allowed creating the final *Integrated NSSD Monitoring Framework*, which is reported in Table 3 below. This framework represents the transposition of the recently approved SDGs indicators within the National Policy context of Montenegro and complements them with indicators for monitoring issues of national priority as well as cumulative indicators for easy tracking of Montenegro's overall sustainability trajectory and for communicating to the wider public.

Table 3: Proposed Integrated NSSD Monitoring Framework for Montenegro. This framework is defined as integrated as it envisions the joint use of three classes of indicators: SDGs-Indicators, National Indicators and Cumulative Indicators. Cumulative indicators in red are those for which a national piloting has yet to be conducted.

	Human Resources	Social Resources	Natural Resources	Economic Resources	Governance for SD	Financing for SD
	Resources	Resources	Resources	Resources		
SDGs	- 42 SDGs Indicator	- 61 SDGs Indicator	- 28 SDGs Indicator	- 35 SDGs Indicator	48 SDGs Indicator	27 SDGs Indicator
Indicators	related to this	related to this	related to this	related to this	related to this	related to this
	thematic area overall	thematic area overall	thematic area overall	thematic area overall	thematic area overall	thematic area overall
	- 10 SDGs Indicators	- 7 SDGs Indicators	- 0 SDGs Indicators	- 9 SDGs Indicators	- 0 SDGs Indicators	- 1 SDGs Indicators
	(24%) fully tracked in	(11%) fully tracked in	(0%) fully tracked in	(26%) fully tracked in	(0%) fully tracked in	(4%) fully tracked in
	MNE	MNE	MNE	MNE	MNE	MNE
	- 7 SDGs Indicators	- 7 SDGs Indicators	- 5 SDGs Indicators	- 9 SDGs Indicators	- 1 SDGs Indicators	- 6 SDGs Indicators
	(17%) partially	(11%) partially	(18%) partially	(26%) partially tracked	(2%) partially tracked	(22%) partially
	tracked in MNE	tracked in MNE	tracked in MNE	in MNE	in MNE	tracked in MNE
	-13 SDGs Indicators	-8 SDGs Indicators	-6 SDGs Indicators	-3 SDGs Indicators	-8 SDGs Indicators	-0 SDGs Indicators
	(31%) to be	(13%) to be	(21%) to be	(9%) to be introduced	(17%) to be	(0%) to be introduced
	introduced in MNE by	introduced in MNE by	introduced in MNE by	in MNE by	introduced in MNE by	in MNE by
	2018	2018	2018	2018	2018	2018
	- TOT: 72%	- TOT: 35%	- TOT: 39%	- TOT: 61%	- TOT: 19%	- TOT: 26%
Intern.	4 Indicators	7 Indicators	8 Indicators	3 Indicators	7 Indicators	4 Indicators
Indicators						
National	50 Indicators	66 Indicators	52 Indicators	97 Indicators	8 Indicators	No Indicator
Indicators						allocated
Cumulative	- Human	- Gender Inequality	- Ecological Footprint	- Resource	- Environmental	- None
Indicators	Development Index	Index	-DMC	Productivity	Democracy Index	
		- Social Progress Index	-Land Consumption	- Genuine Progress Indicator	- Environmental Performance Index	

Statistically, the highest indicator monitoring capability was found for the thematic areas "Human" and "Economic" resources while the lowest was found for "Governance" and "Financing for sustainable

development". This result was expected as these latter two areas started to receive global attention only recently.

Analyzing each thematic area in details, 42 of the 241 global SDGs indicators were found to fit within "Human resources": by 2018, Montenegro will be able to track about 72% of these 42 SDGs and couple them with 50 national indicators and 1 – already piloted – cumulative indicator. Similarly, Montenegro will be in a position to monitor 61% of the 35 SDGs indicators allocated to "Economic resources" by 2018 and to complement such monitoring with results from 97 national indicators and 1 piloted cumulative indicator. Regarding "Natural resources", 28 SDGs indicators were allocated to this thematic area and, by 2018, Montenegro will be able to monitor about 39% of them, alongside with 52 national indicator and 3 – already piloted – cumulative indicators. However, it should be noted that most of the SDGs indicators in this thematic area will be introduced in the next 2-3 years or be partially tracked and, as of 2016, no SDGs indicator for this thematic area is fully tracked. Regarding "Social resources", Montenegro will be capable of monitoring only 35% of the 61 SDGs indicators allocated to this thematic area by 2018, although it will also rely on 66 national indicators and 1 piloted cumulative indicator. Given the low coverage of this thematic area and the fact that the Gender Inequality Index has a very narrow focus – despite being a composite index – it could be highly cost-effective for Montenegro to run a piloting of the Social Progress Index (SPI) as this index deals with about 25 of the 169 SDGs targets¹⁶. Finally, regarding the monitoring of "Governance" and "Financing" for Sustainable Development, by 2018 Montenegro will be able to monitor only about 19% and 26% respectively of the SDGs allocated to these thematic areas, with most of the SDGs indicators only partially tracked, in the case of Financing for Sustainable Development. As such, piloting cumulative indicators such as the Environmental Democracy Index and the Environmental Performance Index could be important to noticeably increase Montenegro's capacity to track progresses in these two thematic areas of the NSSD until 2030, which otherwise would not be adequately monitored.

4.3 NSSD Reporting and Information System

After consultation with both national and international stakeholders, it was found that the online national reporting system named IRIS – Indicator Reporting Information System – co-developed by UNEP and AGEDI (Abu Dhabi Global Environmental Data Initiative) could serve this function and be used to facilitate reporting at all levels (nationally, regionally and internationally). The key features that led to the identification of IRIS were:

- The software is already available through UNEP;
- IRIS can be customized according to the country needs consistently with the *Integrated NSSD Monitoring Framework* structure – and the process of customization is supported by UNEP;
- Once customized and tested, ownership of the IRIS software can be permanently transferred to Montenegro so that it can function as the national reporting and information system.
- The IRIS system will allow Official and Administrative data producers in Montenegro to share data and indicators among themselves, to collect, analyze and publish quality-proofed data in a centralized platform, and to report against national, regional and global obligations.

¹⁶ For additional details please refer to the SPI Indicator-factsheet in Annex 8.6 of the *NSSD until 2030*.

Given the above, it is recommended – after approval of the *NSSD until 2030* and during the first phase of its implementation – that Montenegro run a pilot testing of the IRIS tool in collaboration with UNEP, while also leaving open the possibility to identify and test alternative systems. Moreover, once successfully tested and transferred to the country, the IRIS software can be connected to the recently developed UNEP Live Platform; this should ease dynamic, interactive assessments and reporting through a range of analytical, mapping, and visualization tools¹⁷. For each MEA and each national obligation, only one government institution shall be in charge of the reporting, to avoid multiple information sharing channels. Details of the reporting process will have to be identified during the NSSD implementation phase.

While the full details of the functioning of the IRIS system are described in Chapter 7 of the *NSSD until* 2030, it is worth highlighting here that a revision of the statistical legislation system might be needed to allow the 26 identified Official and Administrative data producer in Montenegro to upload SDGs-relevant indicators on the IRIS system and report on them. Official data producers will review indicators, compile interpretation narratives and report on indicators by themselves. Conversely, Administrative producers will need to either have their indicator validated¹⁸ by MONSTAT or follow due procedure to become official producers. On the basis of the results reported in section 4.1, it is suggested that this latter option is pursued by just two government organizations – the Ministry of Sustainable Development and Tourism, and the Agency for Environmental Protection – while other organizations should apply for data validation by MONSTAT.

5. Conclusions

A few key reflections and recommendations shall be highlighted at the end of this project, on the basis of what was learned during the process of transferring SDGs into National Policies in Montenegro.

First of all, it is worth noticing that the global 2030 Agenda for Sustainable Development – and thus the associated SDGs indicators – is a living document, for which revisions are already planned in 2020 and 2025 by the United Nations Statistical Commission. Therefore, the process of transferring the global agenda into national processes, such as the one in Montenegro, and that of implementing SDGs indicators at the national level, is not a definitive but rather an ongoing one. For instance, of the 241 global SDGs indicators, not all of them are already available (some are controversial and some lack definition and metadata) or fully endorsed by all parties. In the case of Montenegro, only 187 indicators (out of 241) are applicable to the country as their methodology has been either internationally agreed upon or an ad-hoc method conceived by data producers in Montenegro.

¹⁷ Each of the 26 organization owning SDGs-related data can decide what to share and what not to share from the platform.

¹⁸ Data validation through MONSTAT is understood to last about 3 years; however, it should be noted that the current legislation only envision a validation from MONSTAT for those data points that are produced by both MONSTAT and the organization applying for the validation. Current legislation does not cover cases in which data sent through the validation process is not tracked by MONSTAT and thus no procedure is defined by law on how institutions producing this novel data (this is the case for the majority of the indicators included in the NSSD Monitoring framework) should have their statistics validated. In order to legally enable and allow MONSTAT to conduct data validation for these latter organizations, a reform of the national statistical system will be required, the details of which will have to be defined during the NSSD implementation process.

This leads to the realization of a double dynamic being at play: on one side, the global SDGs process led by the UNSC and the IEAG-SDGs is supposed to inform countries and guide their activities (top-down dynamic); meanwhile, experience and learning from individual national case studies on SDGs implementation is supposed to provide inputs to the global process (bottom-up dynamic). A risk thus exists of a potential inconsistency between the work of UN agencies – which are responsible for the global SDGs monitoring – and that of individual countries – which are responsible for implementing SDGs within their national policy context. Coordination among National Statistical Institutes and between them and the UN agencies thus need to be enhanced and ensured.

Finally, from the national point of view, two main needs were identified. Although these needs are specific for Montenegro, they are likely to be relevant for other countries as well: 1) budget reallocation might be needed to ensure the effective implementation of the *NSSD until 2030* and the country-level implementation of the global SDGs; and 2) coordination among national organizations needs to be facilitated and enhanced to ensure SDGs-relevant data are collected and shared nationally and internationally. This might require a few systemic changes in the governance settings of countries as well as in their legislation systems (e.g., reforms of national statistical systems).

Given the above, a few conclusive recommendations can be put forward to Montenegro:

- By the end of 2016, Montenegro's pioneering approach in transposing SDGs into the national policy context should be showcased locally, nationally and internationally. The *NSSD until 2030* document should be made accessible to all and communicated to the civil society. A process should be initiated for transferring the NSSD to the local level by engaging with local authorities;
- The NSSD until 2030 and its Integrated Monitoring Framework need to be revised and kept updated in the coming years – according to the milestones and timeline described in Chapter 7 of the NSSD – to ensure alignment with the global 2030 Agenda for Sustainable Development process (expected to be revised in 2020 and 2025) and to benefit from the outcomes of methodological advancements on SDGs indicators and on cumulative indicators' piloting;
- After approval of the *NSSD until 2030* and during the first phase of its implementation, the IRIS system need to be tested in collaboration with UNEP, while also leaving open the possibility to identify and test alternative systems;
- Financing for sustainable development needs to be increased and the governance system updated. For instance, administrative data producers responsible for SDGs-related data will have to follow-up on the recommendations put forward on the *NSSD until 2030* document of either applying to become official producers or to get validation of their data from MONSTAT. This might require a revision of the statistical legislation system, the details of which will have to be clarified during the *NSSD until 2030* implementation process.

Starting in July this year, the UN High-Level Political Forum on Sustainable Development will oversee national and thematic reviews of the implementation of the global 2030 Agenda for Sustainable Development. Montenegro, together with 21 other countries, will take part in these national reviews to provide political leadership, guidance and recommendations on the 2030 Agenda's implementation. Learning from this Montenegro project will hopefully contribute to this end.