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Coherence index

Executive summary

***The devilish correlation
in the European Union.***

Analysis of policy
coherence in Member
States for sustainable
development.

La Coordinadora de Organizaciones para el Desarrollo

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Founded in 1986, it is a national network of organisations and platforms working in the field of development, international solidarity, humanitarian action, education for global citizenship and the defence of human rights anywhere in the world.

Comprised of 75 member organisations, 6 associates and 17 regional coordinators, it represents over 600 organisations that work in more than 100 countries for the defence of human rights, gender equality and the planet itself.

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1. Which development model for the European Union?

There is growing evidence that **the European development model is depleted**. Such is the case that in the latest European political cycle (that began with Ursula von der Leyen's term of office), attempts have been made to drive its structural change based on **the triple transition: green, digital and social**.

The first is the green transition, whose main goal is to reach climate neutrality by 2050. To achieve this, the European Commission put forth a legislative package called *Fit for 55*, aimed at reducing greenhouse gas emissions by 55% by the end of this decade.

The second is the **digital transition, which works towards the digitalisation of the economy and society**. This takes shape, on the one hand, as the leading region for the innovation and production of high-value-added products; and on the other, by providing access to services and fostering competitiveness between businesses and European economic actors.

The last one, and with the least weight, is **the social transition**, which includes all the **initiatives aimed at protecting the population from the impacts of the other two transitions** on our welfare models.

Despite the Commission's political drive (stronger at the start of the term of office), these three major processes are immersed in an intense political dispute that will be defined in one way or another in the upcoming years. **Now is the time to create and showcase alternative views of the type of society we want to transition to.**

And now is also the time to address development metrics through new perspectives. With this in mind, this report is based on the **Coherence Index**¹: an innovative proposal with which to analyse sustainable development from the perspective of Policy Coherence for Sustainable Development, **a holistic view of the sustainable development results and processes in countries.**

Applying the Coherence Index gives us an idea of the level of coherence in each country, which can then be used to propose pathways for transformation and change in public policies and make them more coherent with sustainable development.

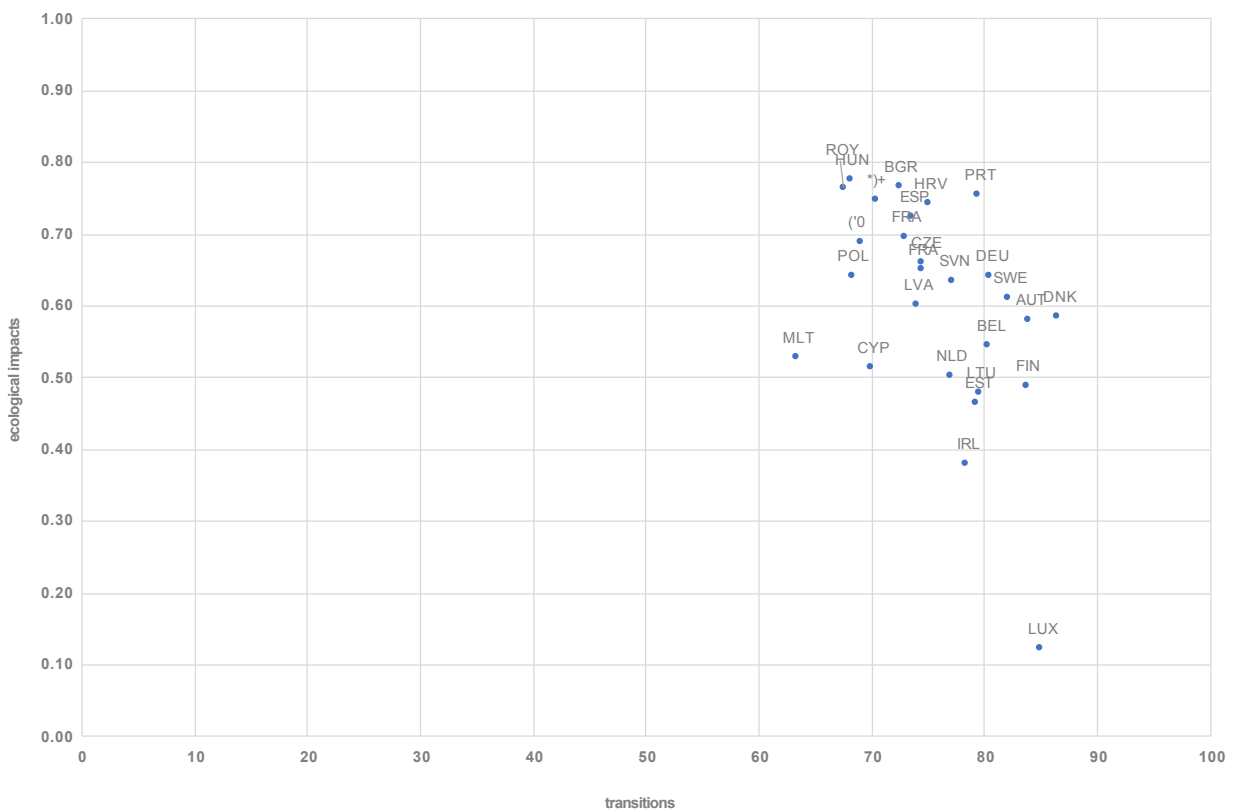
¹ [The Coherence Index suggests five approaches and four transitions to evaluate the coherence of countries in terms of sustainable development. Read about the methodology and results here.](#)

1.1. The unavoidable question: the devilish correlation

The fundamental result of this analysis is the *devilish correlation*. According to this concept, **progress in the four transitions has historically led to increased planetary pressures**. Although these are greater in certain countries, and therefore their model is more unsustainable, there are no countries where progress in the transitions is compatible with relatively low pressures and impacts.

The results of the Coherence Index show that if we want to move towards a truly sustainable development model, the two aspects must go hand in hand: development cannot be sustainable or represent a transition towards sustainability unless the impact and planetary pressures are neutralised.

Figura 1.- The devilish correlation in European Union countries



The *devilish correlation* appears clearly in the graph. **The countries with the best transition scores (more to the right) tend to have worse planetary impact scores.** In turn, countries with a lower impact tend to have worse transition scores. This leads us to ask: Do better transitions automatically result in a greater impact? Is it possible to improve all transitions coherently, in other words, without increasing the planetary pressures?

It is not easy to answer these questions, but this is an urgent matter for the European Union. To reshape our development model, it is necessary to drastically reduce the planetary pressures and impacts of all European Union countries, to a greater or lesser degree. Doing so also entails decreasing our impacts as we continue improving each transition. **This is the *unavoidable question* for the European Union: showing that it is possible to live better, with prosperity and rights, without condemning the entire planet to unsustainability and injustice.**

2. European Union countries analysed by the Coherence Index

2 It is explained in detail in chapter 3 of the report.

In light of the disparity of a vast and complex continent, we can make **certain conclusions from the transition analysis**² that are explained in detail in chapter 3 of the report.

Ecological transition

High scores for international environmental agreements (all of the countries were above 80) and acceptable scores for the water stress variable. In turn, we found lower scores for the percentage of protected areas and particularly for electricity generation using renewables: 24 of the 27 countries had a score below 50 out of 100. Phasing out fossil fuels continues to be one of the central elements of political dispute in the EU.

Socio-economic transition

Although certain general intuitions were confirmed (acceptable scores, with particularly high scores for Norway), it is interesting to delve into the internal differences between countries. Some post-Soviet states have worse results in the social dimension but more egalitarian dynamics (according to the Palma Index). Other countries, such as Germany, Luxembourg and the Netherlands, have major incoherences in terms of fiscal matters because their limited financial transparency makes it easier for there to be practices that subvert public resources within and beyond their borders.

Democratic transition

This reveals major incoherences, such as countries with a strong commitment to international human rights agreements but that, in many instances, due to the importance of their industry and arms trade or high military spending, are not contributing to a safer world. Another example is a significant disparity between countries and their levels of democratic strength (transparency, social participation). This shows that merely belonging to the European Union does not necessarily translate into an effective democracy.

Feminist transition

There is a significant disparity, particularly for two dimensions: the legal and regulatory framework, and the political participation of women. In general, the biggest challenges lie in strengthening legislation on the recognition of LGBTBI families, sexual orientation and gender-based violence, and ratifying the ILO Convention 189 on domestic work (ratified by only 9 of the 27 countries).

3. Critical elements of the transitions in the European Union

The evolution and interaction of these transitions should be read within the context of the policy dynamics that occur in the European Union throughout the various levels of development and influence. The report covers the main critical elements affecting European transition policies.

3.1. The risks of the Green Deal

As we turn back to the *unavoidable question: Can we guarantee sustainable development with the same consumption levels in the European Union?*

Despite the symbolic boost, the ecological transition has been unable to structurally transform the development model as it remains secondary, to a large extent, to the geopolitical interests of EU nations. The strategy to phase out fossil fuels, illustrated by the *REPowerEU* legislative package in response to the instability created by the war in Ukraine, has sought to guarantee new energy sources to replace Russian gas, without properly considering the human rights, democracy and environmental sustainability of new partners. On a national level, certain Member States' resistance to phasing out fossil fuels has slowed down the drive towards a transition, aside from the recent security shift.

As we turn back to the *unavoidable question: Can we guarantee sustainable development with the same consumption levels in the European Union?*

3.2. Can neoliberalism in the EU be overcome?

The commitment to neoliberal economic policies is part of the European Union's backbone. This is reflected in fundamental treaties like the Stability and Growth Pact, which limits State intervention through public spending. In the EU, social protection matters have played a smaller role than neoliberal economic integration policies (it has only been a decade since the common objectives were outlined in the European Pillar of Social Rights). However, it is worth asking whether **prioritising the State's debt limits over its duty to guarantee social rights is coherent with sustainable development.**

From a cosmopolitan perspective, in which policies are interdependent, there is a link between the national tax systems and the development models. For example, we cannot believe that the favourable terms many companies find in low-tax countries in the European Union, like Luxembourg, are independent of other countries' ability to guarantee social rights.

Sustainable development is not possible with tax legislation like that of Luxembourg or the Netherlands (the country ranked fourth in the world in terms of allowing corporate tax fraud).

3.3. The digital transition and the cosmopolitan perspective

The European Union has defined the digital transition as one of the central ways to transform the development model. However, from the perspective of policy coherence for sustainable development, certain aspects reveal that the ecological, employment and global impacts have not been properly considered. First, economic power is concentrated in a few companies from the United States (Google, Apple, Facebook, Amazon and Microsoft) that control nearly the entire global technology market and dictate how people access and interact with this social reality.

Second, the emergence of platform capitalism in the digital transition is negatively affecting labour relations, thereby weakening the bargaining power and working conditions of employees.

Digitalisation also has a significant environmental impact by producing greenhouse gases and consuming vast amounts of energy. Regulating *critical raw materials* also raises concerns about coherence because it does not properly address the impacts in the Global South and the risks to the human rights associated with extracting these materials. A project that prioritises the needs of growth and consumption over the needs of the ecological transition and human rights.

3.4. Security against democracy

The rhetoric of solidarity and global citizenship is being omitted, even in official statements, without understanding that international human mobility is linked to the current interdependence of sustainable development.

The main objective of European foreign policy is to achieve strategic autonomy. This concept can be traced back to defence and has progressively expanded to fields such as energy, industrial and economic policy, earning a central role in European external action. According to Indico, coherent foreign policy should promote cooperation and multilateralism, and foster constructive views. However, current EU trends show an inclination towards competitive narratives and more belligerent stances, particularly with Russia and its sphere of influence, and an overall rise in military spending.

This approach is also reflected in migratory matters, in which the EU has shown its darkest facet, such as the recent approval of the European Pact on Migration and Asylum, a sign of more restrictions and less solidarity. The European Union faces the challenge of reconciling security, democratic values and international cooperation for a more sustainable and just future.

The rhetoric of solidarity and global citizenship is being omitted, even in official statements, without understanding that international human mobility is linked to the current interdependence of sustainable development.

3.5. Does cooperation policy for development make the European Union more coherent?

Cooperation policy for development has historically been based on donor country (of Official Development Assistance) and recipient country logic. However, a coherent cooperation policy would help create a new global development paradigm that makes it possible to reach sustainability goals in the Global North (in donor countries) and in the South (recipients). In the European Union, this consists of placing climate justice at the heart of cooperation policies and recognising that donor countries are the ones that endanger the planet's eco-social balance. The European Union should also promote international economic democracy and support economic sovereignty and the possibilities for transition in southern countries. Additionally, at a historic moment in which multilateralism and international law are immersed in a deep crisis, the EU should step away from the militarisation approach.

3.6. Feminism and equality policies in the European Union

Feminist policies are a key part of the European Union's current policy dispute. The rise of the far right is taking shape, in part, as anti-feminism and anti-LGTBI rights. Certain governments' opposition to the policies that make up the feminist transition is one of its biggest threats.

Although the European Commission lacks direct regulatory authority, the lack of gender equality policies in its priorities shows challenges. Examples like the *Directive of the European Parliament and of the Council on combating violence against women and domestic violence* highlight certain countries' resistance to implementing feminist policies. Although the original proposal included the Istanbul Convention's definition of rape, it was ultimately left out due to opposition from countries like France and Germany (stating technical reasons) and Hungary (stating ideological reasons). Another example is the EU Gender Action Plan (also known as GAP III) regarding foreign action because it lacks holistic approaches and feminist analyses in crucial areas (care, trade, migration, etc.), revealing significant limitations when implementing feminist policies in the EU.

4. Where is the transition in the European Union headed?

As can be seen in chapter 5, the analysis of policy coherence for sustainable development in the European Union reveals that the region and its Member States cannot evade the *devilish correlation*. This observation can translate into a guiding principle that should direct European transition policies: **transition pathways in Member States should work towards greater rights and quality of life in the region, without endangering the possibility of sustainable development in the rest of the planet**

However, not all European Union countries have the same starting point. As shown in the table below, different pathways can be established to guide European countries in the coming years.

Table 1.- Where is the transition in the European Union headed?

Countries	Democratic transition	Feminist transition	Socio-economic transition	Ecological transition	Planetary pressures
Finland	●	●	●	●	●
Denmark	●	●	●	●	●
Sweden	●	●	●	●	●
Slovenia	●	●	●	●	●
Greece	●	●	●	●	●
EU	●	●	●	●	●
Czechia	●	●	●	●	●
Croatia	●	●	●	●	●
Austria	●	●	●	●	●
Slovakia	●	●	●	●	●
Poland	●	●	●	●	●
France	●	●	●	●	●
Hungary	●	●	●	●	●
Belgium	●	●	●	●	●
Portugal	●	●	●	●	●
Estonia	●	●	●	●	●
Lithuania	●	●	●	●	●
Latvia	●	●	●	●	●
Italy	●	●	●	●	●
Bulgaria	●	●	●	●	●
Spain	●	●	●	●	●
Malta	●	●	●	●	●
Netherlands	●	●	●	●	●
Cyprus	●	●	●	●	●
Romania	●	●	●	●	●
Germany	●	●	●	●	●
Ireland	●	●	●	●	●
Luxembourg	●	●	●	●	●

Source: own research.

- All countries must make a central effort to reduce their planetary impacts, leading us to the *unavoidable question*.
- All European Union countries must make a significant effort in the ecological transition.
- Finland, Sweden, Austria, Belgium and Portugal hold the best positions for the democratic, feminist and socio-economic transitions (although this does not mean that there is no room for improvement) and therefore the emphasis should be on their policies for the ecological transition and the reduction of planetary pressures.
- The remaining countries (22 out of 27) should focus on more than one transition to make progress in sustainable development.
- Of this group, two countries—Greece and Hungary—stand out negatively because they have very low indicators for at least two transitions. These countries must make the most effort to achieve sustainable development, as suggested by the Coherence Index.

4.1. The European Union's search for a *good society*

The European Commission's drive for transition in the last five years is undeniable. Within this framework, consensus on the need to transition our development model has hardly been questioned. However, the **European Commission has failed to define what it considers to be a *good society***, that is, a model of decent life for everyone, within the planet's limitations. In general, the transition in the European Union is viewed as a process with two main pillars: an ecological transition that allows us to achieve climate neutrality by 2050 and a digital transition that allows the European Union to compete in new technological markets. Beyond these two questions, a comprehensive view of our development model does not exist.

The hegemony of this view in European policy can be seen through the pre-eminence of the digital transition understood as the guarantee to achieve economic competitiveness that

The pursuit of the good society brings us back to the question: Is it possible to make progress in transitions, and therefore achieve more rights and a free and full life, without correlatively increasing the planetary impacts?

will allow the region to maintain growth. It is not a question of making the European development model sustainable but rather of sustaining European capitalism.

Furthermore, the European Commission's geopolitical shift has not contributed to making progress towards a more structural model for change, but quite the contrary, it has connected the energy transition and other policies linked to additional security and defence rather than changing the model. This has affected the 'urgency' with which it has been attempted to guarantee alternatives for energy imports.

The pursuit of the *good society* brings us back to the question: **Is it possible to make progress in transitions, and therefore achieve more rights and a free and full life, without correlatively increasing the planetary impacts?**

The Coherence Index shows that we can imagine other pathways. Most of the variables taken into consideration to create the Index measure aspects of society that directly help increase rights and improve the living conditions of most of the population. Questions such as democratisation, building rights-based multilateral global governance, expanding women's rights and improving social protection systems do not translate into greater planetary pressures per se. However, these are the matters that guarantee a *good society* and people who have freer and fuller lives. This is the path that the European Union should follow.

5. Recommendations for the European Union's development model

- 1.** We must continue to push ahead. In the coming years, we must delve into transition policies that are truly transformative.
- 2.** The European Union must find a new social model that combines welfare and citizen rights with awareness of the planet's biophysical limitations. Defining this *good society* model and establishing the political will to achieve this is the most urgent task for the next few years.
- 3.** Ecological transition cannot occur with austerity. Climate neutrality cannot occur with austerity. We must restore the central role of the State and public authorities in the economy, introducing the discussion of economic planning, public property of strategic sectors and food sovereignty.
- 4.** A new societal model requires a new way of creating policies. The European Union must work from a perspective of policy coherence for sustainable development that can integrate all the internal and external impacts of its policy decisions.
- 5.** Each Member State has a specific list of challenges and assignments that require it to identify and focus on different tasks within the transformation to reach a common horizon.
- 6.** The ecological transition in the EU should include the other sustainability dimensions to truly transform the model. Some of the key policies and measures for achieving this are:
 - a. Revising the *RePowerEU* plan so it is not based on substituting Russian imports with alternatives from other countries involved in conflicts and human rights violations, but rather on eliminating energy reliance.
 - b. The European Union should be a central actor in achieving a global ecological transition. This is done by thoroughly revising the free trade agreements it has historically promoted, such as the current EU-Mercosur Trade Agreement.

- c. The European Union cannot sacrifice ecological policies (such as pesticide regulations) to meet the demands of agricultural associations without questioning the model of importing foreign products that do not comply with European regulations. A just ecological transition requires questioning the free market.
- 7.** The socio-economic transition in the EU includes building a just, sustainable and environmentally responsible model. Some of the keys:
- a. Economic policies should primarily aim to improve the population's welfare and guarantee their social rights, and a fundamental part of this is the intervention of public authorities.
 - b. Speeding up the standardisation of fiscal rules for corporate taxation and income obtained from capital.
 - c. The European Union is made up of countries whose legal systems significantly favour fiscal opacity and therefore tax evasion in other countries. The EU must make urgent progress in the fiscal transparency and standardisation of all Member States.
 - d. Similar to the directive on minimum wages in the Union, a firm commitment to a single European social model against inequality should establish minimum social protections for the entire Union.
 - e. The socio-economic transition has a key dimension in guaranteeing decent work. The European Union should take action to improve overall working conditions, increase salaries and boost employee participation in companies.
- 8.** The EU's global role should be based on staunchly defending democracy and human rights, within and beyond its borders. Some of the keys to this are:
- a. Expanding spaces for participating in civil society and protecting the right to demonstrate and protest, which have shrunk in recent years throughout most of the Union.

- b. Democracy in Europe must extend beyond its borders. The European Union should rethink its migratory policies, rewording the most negative aspects of the New Pact on Migration and Asylum and ensuring its interpretation to dissuade and minimise the worst effects of its implementation.
 - c. Strengthening its role as a regulatory power to counterbalance the multilateralism crisis in conflicts like the one in Ukraine or the genocide in Gaza.
 - d. Working on a demilitarisation policy that reduces the growing levels of military investments, redirecting those efforts to cooperation and multilateral policies.
 - e. Safeguarding the application of the ambitious Due Diligence Directive.
- 9.** It is fundamental to strengthen the European international cooperation system (financing and development) to transform it into a strategic policy that supports at-risk groups, protects and promotes global public assets, and builds more resilient societies that are aligned with development.
- 10.** The policies for the feminist transition should play a central role in transforming the European development model. Some of the fundamental policies and actions to be promoted are:
- a. Guaranteeing that feminist organisations participate in the political dialogue about the Union's policies on a community level and nationally. It should also urge national governments to promote the participation of feminist and LGBTBIQ+ organisations.
 - b. Regarding violence against women, the EU should encourage all Member States to ratify the Istanbul Convention and establish a directive to combat violence against women and domestic violence, covering a broader concept of violence.
 - c. Bolstering the III EU Action Plan on Gender Equality and Women's Empowerment in External Action (GAP III) and pushing for an EU Intersectional Feminist Foreign Policy with the European Commission, the European External Action Service and Member States.

The *devilish correlation* in the European Union.

Analysis of policy coherence in Member States for sustainable development.