

Secretary-General's Report to Ministers

2011



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2011**

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Table of Contents

OVERVIEW

| | | | |
|---|-----------|---|----|
| The OECD at a glance | 4 | and Industry | 66 |
| Executive summary | 6 | Statistics Directorate | 68 |
| The OECD@50: Better policies for better lives | 8 | Centre for Tax Policy and Administration | 70 |
| Increasing impact, inclusiveness and relevance | 27 | Trade and Agriculture Directorate | 72 |
| Secretary-General's Cabinet | 32 | Centre for Co-operation with Non-Members | 74 |
| OECD's 50th Anniversary | 34 | G20/G8 Co-ordination Unit | 76 |
| Ministerial Council Meeting 2010 | 38 | Public Affairs and Communications | 78 |
| Budget and finance | 45 | Executive Directorate | 80 |
| Organisation chart | 46 | Internal Audit | 81 |
| | | Directorate for Legal Affairs | 82 |
| | | Council and Executive Committee Secretariat | 83 |

KEY ACTIVITIES

| | |
|---|----|
| Development Co-operation Directorate | 50 |
| Economics Department | 52 |
| Directorate for Education | 54 |
| Directorate for Employment, Labour and Social Affairs | 56 |
| Centre for Entrepreneurship, SMEs and Local Development | 58 |
| Environment Directorate | 60 |
| Directorate for Financial and Enterprise Affairs | 62 |
| Directorate for Public Governance and Territorial Development | 64 |
| Directorate for Science, Technology | |

OECD AGENCIES AND OTHER SPECIAL ENTITIES

| | |
|--|----|
| Development Centre | 86 |
| International Energy Agency | 86 |
| Nuclear Energy Agency | 87 |
| Africa Partnership Forum | 88 |
| Financial Action Task Force | 88 |
| International Transport Forum | 89 |
| Partnership for Democratic Governance | 89 |
| Sahel and West Africa Club | 90 |
| Business and Industry Advisory Committee | 91 |
| Trade Union Advisory Committee | 91 |

The OECD at a glance

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As it celebrates its 50th anniversary, the OECD now includes 34 member countries. It welcomed four new members in 2010 (Chile, Slovenia, Israel and Estonia) and is in accession talks with the Russian Federation. Brazil, the People's Republic of China, India, Indonesia and South Africa participate in OECD work through an Enhanced Engagement programme based on mutual interest. The Organisation also collaborates with more than 100 other economies.

The OECD provides a forum in which governments and stakeholders can examine the facts, compare and exchange policy experiences, identify good practices, and promote expert advice and guidance. Co-operation, dialogue, consensus and peer pressure drive the OECD as it seeks to fulfill its vision of a stronger, cleaner, fairer world economy and society. The OECD supports policy makers, by providing insights on both short and long-term challenges, while identifying emerging issues and the policies needed to address them.

The OECD is an intergovernmental organisation that has forged global standards, international conventions, agreements and recommendations, to promote rules of the game in such areas as governance and the fight against bribery and corruption, corporate responsibility, development assistance, global investment, international taxation and the environment. Many partner countries adhere to these agreements. It is also a source of advice on almost all areas of policy making and implementation, and one of the world's largest and most trusted sources of comparable statistical data on economics, trade, employment, education, migration, health, the environment, and many other areas.



The Organisation works closely with key non-governmental shapers of public policy, including parliamentarians, the business community, trade unions and civil society groups, through institutionalised relationships and global public forums. These stakeholders benefit from and make valuable contributions to the work of the OECD.

The OECD plays a key support role in the G20 process, on issues including anti-corruption, investment, taxes, business ethics, the environment, trade finance, development, poverty alleviation and employment. ■

OECD member countries: Ambassadors* and year of accession

www.oecd.org/membercountries

www.oecd.org/infobycountry

| | | | | | |
|-----------------------|---|------|------------------------|--|------|
| Australia | His Excellency Mr. Christopher Langman | 1971 | Korea | His Excellency Mr. Hur Kyung Wook | 1996 |
| Austria | His Excellency Mr. Wolfgang Petritsch | 1961 | Luxembourg | His Excellency Mr. Georges Santer | 1961 |
| Belgium | His Excellency Mr. Chris Hoornaert | 1961 | Mexico | His Excellency Mr. Agustín García-López Loaeza | 1994 |
| Canada | Her Excellency Ms. Judith LaRocque | 1961 | Netherlands | His Excellency Mr. Edmond H. Wellenstein | 1961 |
| Chile | His Excellency Mr. Raúl Sáez | 2010 | New Zealand | Her Excellency Ms. Rosemary Banks | 1973 |
| Czech Republic | His Excellency Mr. Karel Dyba | 1995 | Norway | His Excellency Mr. Harald Neple | 1961 |
| Denmark | His Excellency Mr. Poul Erik Dam Kristensen | 1961 | Poland | His Excellency Mr. Pawel Wojciechowski | 1996 |
| Estonia | His Excellency Mr. Marten Kokk | 2010 | Portugal | His Excellency Mr. Eduardo Ferro Rodrigues | 1961 |
| Finland | His Excellency Mr. Antti Kuosmanen | 1969 | Slovak Republic | Her Excellency Ms. Iveta Hricová (<i>ad interim</i>) | 2000 |
| France | His Excellency Mr. Roger Karoutchi | 1961 | Slovenia | His Excellency Mr. Andrej Rant | 2010 |
| Germany | His Excellency Mr. Johannes Westerhoff | 1961 | Spain | Her Excellency Ms. Cristina Narbona Ruiz | 1961 |
| Greece | His Excellency Mr. Nikolaos Tatsos | 1961 | Sweden | His Excellency Mr. Mats Ringborg | 1961 |
| Hungary | His Excellency Mr. István Mikola | 1996 | Switzerland | His Excellency Mr. Stefan Flückiger | 1961 |
| Iceland | Her Excellency Ms. Berglind Ásgeirsdóttir | 1961 | Turkey | His Excellency Mr. Ahmet Erozan | 1961 |
| Ireland | His Excellency Mr. Paul Murray | 1961 | United Kingdom | His Excellency Mr. Dominic Martin | 1961 |
| Israel | His Excellency Mr. Nimrod Barkan | 2010 | United States | Her Excellency Ms. Karen Kornbluh | 1961 |
| Italy | His Excellency Mr. Carlo Maria Oliva | 1962 | | | |
| Japan | His Excellency Mr. Motohide Yoshikawa | 1964 | European Union | Her Excellency Ms. Laurence Argimon-Pistre | 1961 |

* As of 1 April 2011

Candidate for accession

www.oecd.org/accession

Russian Federation

Enhanced Engagement countries

www.oecd.org/enhancedengagement

Brazil
China
India
Indonesia
South Africa



OECD Secretary-General, Angel Gurría

Executive summary

Strategic Orientations 2011 and beyond – framing priorities for the next 50 years

We are celebrating the OECD's 50th Anniversary in the aftermath of the worst financial and economic crisis in our lifetime. This is an opportunity to take stock and to question ourselves: Why couldn't we avoid the crisis? What needs to be done to prevent another crisis? Are our economic theories, our economic models, and our assumptions still appropriate? What adjustments do we need in our mandate in order to fulfil our mission of "better policies for better lives"?

Simply returning to growth will not be sufficient. We must draw all possible lessons from the crisis. We need to do so against a background of climate change, high unemployment levels, particularly among the youth, increasing inequalities, large fiscal deficits and very high debt accumulation. The economic growth model we should champion must take into account the impact on the environment, its redistributive capacity and the international linkages, via trade, investment and migration. We need to challenge conventional wisdom, including our own, and advance new ways of addressing these issues. We are, after all, the institution that brought the increase in inequality to the attention of policy makers. We are the institution that has designed economic tools to better manage the environment. And we are also the institution that assesses, measures and analyses demographic and migratory changes and policies. So we need to build on our strengths to advance powerful solutions to the challenges we are confronting.

Indeed, growth remains the key driver for employment and wealth creation. Fair and open markets, competition and innovation are all critical to growth. But we also need a more inclusive and greener model of growth based on sound institutions. Searching for new sources of growth that are also "green", more equitable and more "gender friendly" has become our common objective to overcome the effects of the crisis. All these policies have to be linked to employment and job creation. The OECD's work on employment, education, skills and social policies has made the Organisation a strong ally of workers and businesses and of all stakeholders interested in job creation, equal opportunities and inclusive participation. This must continue to be the case. Targeted support for the most vulnerable, employment, skills and education to ensure lifelong employability must remain a central focus of our work. We need to address the "E" policy priorities: Employment, Entrepreneurship, Education,

Environment and Equality. In order to make this work effective and helpful to our citizens, our call of “going structural” has to be accompanied by a “going social.” As outlined in our recent Social Policy Ministerial, overcoming inequalities by targeted social policies, by family and gender policies, by fostering intergenerational solidarity and by investing in the future of our children, will be crucial ingredients for future growth and development. We must focus even more on our relations with the social partners to reach such joint goals. We will continue to explore ways and develop techniques to monitor the quality of life of our citizens and their level of satisfaction, as well as to assess the performance of our governments in the delivery of public services and public goods. The benefits of an eventual convergence of both strands of work for the quality of public policies are quite obvious.

The “D” in OECD is about development and it is therefore a strategic priority. The OECD story is about promoting coherent policies for development. In the fight against poverty, in our efforts to meet the MDG’s and to improve the lives of people we must take a broad view and leverage our expertise in several policy areas. We therefore propose to the 50th Anniversary Ministerial meeting to work on a broader OECD strategy for development.

It is also essential that we exchange knowledge, analysis and advice with our partners in emerging and developing countries. Emerging economies are now the main drivers of global growth, and enhancing our collaboration with them will be mutually-beneficial. Our standards and our experiences, good and bad, can contribute to their thinking and development process. They in turn, can bring us fresh perspectives and help us address joint global challenges more effectively. Our Enhanced Engagement process has been extremely fruitful. However, to seize the full benefits of this co-operation going forward, we should jointly design better structured, more advanced modalities of work with these economies, within the context of a medium and long-term vision.

The regional dimension of our work must also be strengthened, including our work with Africa, Latin America, Southeast Asia, Central Asia, Eurasia and Southeast Europe. In the case of our work with MENA, we should now focus on a broader number of policy areas to support the transition.

Finally, we need to improve our co-operation and coherence with other international organisations and strengthen our support for international fora like the G8 and G20. We could have done better before the crisis if there had been more connectivity, cross-fertilisation and co-operation both among countries and international organisations. Thus, we need to strengthen multilateralism, and create an expanded network of countries and partners to improve policy making and implementation worldwide. This new multilateralism must have an overarching goal – “Better Policies for Better Lives” – and its ultimate target must be the welfare of all citizens. ■

Angel Gurría



The OECD@50: Better policies for better lives

When the OECD was created 50 years ago, the concept of multilateral economic co-operation was still relatively new. Today, the OECD's 50th anniversary presents us with a milestone to take stock of our achievements and look ahead to identify how we can best respond to global challenges in a rapidly changing world. As set out in the convention of 1960, this Organisation was created “to promote policies designed to achieve the highest sustainable economic growth and employment and a rising standard of living in member countries, while maintaining financial stability, and thus to contribute to the development of the world economy; and to contribute to sound economic expansion in member as well as non-member countries in the process of economic development [...]”. We have translated this mandate into an actionable directive fit for the 21st century: “Better policies for better lives”. By engaging with governments, parliamentarians, civil society, academics, business, financial circles, social partners, and with our citizens, the OECD is at the forefront of developing public policies designed to improve the lives of citizens all over the world. We stay true to our guiding values: openness, objectivity, boldness, a pioneering spirit and sound ethics.

Looking back, we can identify a host of accomplishments. From promoting European recovery and integration, to developing comparative statistics and indicators to measure economic



France's Economy Minister Christine Lagarde and Bank of France Governor Christian Noyer greet OECD Secretary-General Angel Gurría, before a meeting of G20 finance ministers at Bercy, Paris, February 2011



OECD Secretary-General Angel Gurría, Finnish Prime Minister Mari Kiviniemi and EU Commissioner for Economic and Monetary Affairs Olli Rehn at a meeting of the Economic Council of Finland, Helsinki, February 2011

and policy performance; from forging international consensus through peer review in a wide range of policies to strengthening macroeconomic policy co-ordination; from fostering tax information sharing to improving aid effectiveness. Evidence-based policy guidance such as our Jobs Strategy, our Programme for International Student Assessment (PISA), our pioneering work on climate change, and our Anti-Bribery Convention are just a few examples of the ways in which the OECD helps to develop higher international standards and rules. In terms of impact, there are plenty of examples where the Organisation has been a source of inspiration and a trigger of reforms. To start with, the accession process to the OECD has a transformational nature that has been recognised by candidate countries. On a day-to-day basis, the OECD supports member and partner countries with analysis and debates to advance reform agendas.

Many international standards, agreements and public policy ideas originated at the OECD. The OECD has always worked on cutting-edge issues and shall continue to do so. For instance, the global food and agriculture industry has relied on OECD standards for half a century, standards that are proving as relevant today as ever. Our legally binding Investment Codes have underpinned the expansion of wealth creation globally. The “polluter pays” principle was developed by the OECD in the early 1970s, as well as the carbon trading frameworks currently used to combat climate change. The OECD began examining the harmful effects of tax havens in the 1980s, well before the G20 launched a crackdown on them in the midst of the financial crisis, resulting in the creation of the Global Forum on Transparency and Exchange of Information for Tax Purposes, which includes more than 100 members at its home in the OECD. The OECD also secured the international policy consensus on how governments should treat e-commerce at the end of the 1990s, which helped unleash growth in the new economy. The 1996 report by the Development Assistance Committee (DAC), “Shaping the 21st Century:



Global handshake: (left/right) Andrus Ansip, Prime Minister of Estonia; Felipe Larraín, Finance Minister of Chile; Benjamin Netanyahu, Prime Minister of Israel; Silvio Berlusconi, Prime Minister of Italy; Borut Pahor, Prime Minister of Slovenia and Angel Gurría, OECD Secretary-General, May 2010

The Contribution of Development Co-operation”, was later endorsed by G8 leaders in 1998 and constituted the basis for the UN Millennium Development Goals (MDGs). Sister organisations and related bodies, such as the IEA, NEA, ITF and the Development Centre, have gone from strength to strength, and the OECD has become the natural home for important international initiatives such as the FATF, the APF and the successfully concluded Heiligendamm L'Aquila Process.

Looking ahead, we need to focus on the recovery from one of the worst financial and economic crises ever. In doing so, we must identify new opportunities, new ideas and new partners. The centre of economic gravity is gradually spreading from industrialised countries to the large developing and emerging economies. Fifty years ago, OECD countries accounted for some 70% of global GDP. Today their share has fallen to about 60% and is set to fall further. Against the background of the recent crisis, the emergence of the G20 as a major forum for economic discussions illustrates this trend. Emerging economies have achieved growth and development perspectives by harnessing market forces to lift their populations out of poverty, just as advanced economies did in their history during the process of industrialisation. Together we can press forward with this process so that markets continue to expand the well-being of people in all our countries. Sharing our experiences can guide and unite us in achieving our economic and social goals.

This has implications for policy making, for the global governance architecture, and indeed for the OECD itself. The OECD has proven that it is a relevant arena to discuss global challenges and to find common solutions. We need to do more, however, to involve our partners in all aspects of our policy dialogue, the developments of our analytical frameworks, our policy making and our standard setting. Our aim is to build on the collective expertise and our tried and tested working methods to become an open and inclusive policy sharing organisation. We have made headway towards this objective already, through our inter-disciplinary policy work, our contributions to the G20 and our growing partnerships with developing and emerging countries. We will continue to do more as we move forward.

The OECD's 50th anniversary coincides with the renewal of my mandate as Secretary-General of the Organisation. Thank you for this vote of confidence in the strategy we have

set together. It is an opportunity to reflect on the Organisation's past achievements, present role and future mission. It is also an opportunity to think about how we can build the foundations for the OECD to continue to promote better policies for better lives over the next 50 years.

The world in 2011 and beyond – challenges and policy priorities for achieving inclusive and green growth

The world economy is still going through difficult times. The global crisis has left several countries with a legacy of low growth, high unemployment, unsound public finances and lower potential output. Although recovery is underway, it is unbalanced across countries and regions. In most of the emerging economies, high inflation driven by commodity and oil prices is a major concern. The food crisis affects all, particularly the poor. Recent natural catastrophes have drawn even more attention to questions about climate change and energy for the future. We are in the midst of a governance upheaval in the MENA region, the full implications of which are still unknown. We do know, however, that poverty, income gaps, high unemployment, food insecurity, lack of education and gender inequality all matter for governance outcomes. These challenges call for strong and collective action. The OECD will contribute with well developed forms of co-operation and engagement.

A key challenge of the past year has been finding the right balance between revitalising economic growth and consolidating public finances. The crisis facing many countries has led



Chinese Vice Premier Li Keqiang chats with Secretary-General Angel Gurría at the China Development Forum in Beijing, March 2011



Finance ministers, central bank governors and heads of institutions at the G20 summit in Busan, Korea, June 2010



Petr Nečas, Prime Minister of the Czech Republic, welcomed by Angel Gurría, Secretary-General of the OECD, February 2011

to tough decisions, such as cutting spending and raising taxes to bring public budgets under control. We have worked with a number of countries and regions to support their efforts in this difficult period and will continue to do so, ensuring that social and employment aspects are adequately taken into account. We have also supported those paths for fiscal consolidation that are less harmful to, and more supportive of, growth, and we just released a report on *Restoring Public Finances*, which illustrates the enormous efforts many countries have yet to make to get their fiscal accounts under control.

The other and even bigger challenges we face at the moment are creating jobs, providing equal opportunities and restoring the trust of our citizens. The OECD is maybe the only international organisation that offers evidence-based analysis and advice on a broad range of interlinked policies, helping people to be better prepared and better qualified so they may live together in more balanced and equal societies. Hence, these strategic orientations reach beyond the need to find new sources of growth and explore policies to address the employment, social, environmental, and development aspects. The OECD @ 50 is an organisation that strives to improve the prospects of growth and welfare in member and partner countries, that encourages civic participation and equality of opportunities, and that seeks to realign the economy with the environment.

In the aftermath of the crisis, policy makers have been asking what kinds of reforms will be needed going forward. They have come to the OECD for policy advice based on what works and what does not. They have come for targeted policy support. They have asked the OECD to support change itself, and to advise on its implementation. This is not technical assistance but rather policy assistance to make reform happen.

On the basis of our flagship country surveys we have prepared short policy brochures for the United States, Spain, China, France, Greece, Mexico, United Kingdom, Hungary, Japan and Korea, and the *Maintaining Momentum* publication on policy challenges in Chile. They are examples of how concise, well-targeted products can reach policy makers with concrete policy recommendations that lead to change. Our PISA report provides a powerful tool to trigger reform, and during the last decade, it has been referred to as a major support for policy makers that want to improve education performance. Our *Going for Growth* exercise, which this



Angel Gurría, OECD Secretary-General, and Andrus Ansip, Prime Minister of Estonia, at OECD headquarters, Paris, May 2010



OECD Secretary-General Angel Gurría, Canada's Finance Minister James Flaherty and Spain's Economy Minister Elena Salgado speak at the G20 Finance Ministers and Central Bank Governors Meeting in Gyeongju, Korea, October 2010

year has been expanded to cover the major emerging economies (Russian Federation, Brazil, China, India, Indonesia and South Africa), provides many examples of how well designed and well implemented reforms in the areas of taxation, education, employment, trade and investment, can yield generous dividends. Our recent publications on *The Political Economy of Reform* and *Making Reform Happen* accumulate many years of learning from successes and failures in structural reform efforts. Yet, there is still ample room to improve the impact of our analysis. We should pay close attention not just to defining the policy choices, but also to their implementation plans, and to the support the countries concerned may require.

With about 3% of OECD countries' potential output lost as a result of the crisis, the time has come for the OECD to develop bold new thinking to address changing economic realities. New sources of balanced, sustainable and equitable growth are necessary. Identifying these new sources of growth and tapping into their full potential is one of our key priorities. Structural reforms will be critical to help enhance the productive capacity of our economies, foster employment, unleash investment and address issues of inclusiveness and social cohesion, so that the benefits of sustained growth are shared equitably. But we also need to revise our analytical frameworks and update them based on the evidence and lessons from the crisis.

Inclusive and green growth should permeate our thinking. The OECD's strategic approach contains much more than growth and recovery – this strategic approach reflects the “stronger”, “cleaner” and “fairer” aspects of our vision and it focuses on our mission of achieving “better polices for better lives” for our citizens.

The pillars of our substantive focus include macroeconomic policies and financial markets, green growth, innovation, climate change and water, education, employment and skills, social policies, gender equality, migration, governance, anti-corruption and integrity, trade and investment, the OECD Better Life Initiative and a broader OECD development strategy which includes innovation, investment, domestic resource mobilisation, food security, measurement and knowledge sharing:

- *Macroeconomic policies and financial markets*: Our work on the key policy challenges in the areas of macroeconomic policy, fiscal consolidation, capital flows, financial markets, and imbalances in the global economy will continue to be a strategic priority, i.e. in the *Economic Outlook*, in country reviews or in our contributions to the G20 Framework for

Strong, Sustainable and Balanced Growth. As we move out of the crisis we will carefully assess our theories, tools and assumptions, and underlying models.

- *Green growth*: The OECD Green Growth Strategy, to be launched at this year's Ministerial, aims to develop an actionable policy framework with specific tools and recommendations in a broad range of areas, including fiscal, innovation, trade, labour and social policies to help governments achieve the most efficient shift to greener growth. Innovation will play a key role in this shift. Greening the growth path of an economy depends on policy and institutional settings, level of development, resource endowments and particular environmental pressure points. Advanced, emerging and developing countries will face different challenges and opportunities, as will countries with differing economic and political circumstances. There are, on the other hand, common considerations that need to be addressed in all settings. Making green growth work, implementing the strategy and supporting member and partner countries in their policies for a greener growth path will figure among OECD's top strategic priorities for the next few years.
- *Innovation*: The OECD Innovation Strategy, launched at last year's Ministerial Council Meeting, serves as a benchmark and guide for governments in member countries as well as a growing number of partner countries. We have learned that innovation does not just depend on investment in R&D or supporting science and technology, but on a plurality of other factors and the ability to bring them together in a comprehensive framework. Developing wide-ranging skills, formulating public policies that promote entrepreneurship and supporting the creativity of young innovative firms can help foster innovation and inject higher productivity into the economy. The continuous implementation of the innovation strategy (including the support it provides for the green growth agenda) is a must as countries need to rebuild their productive base in a sustainable manner. Innovation is a *conditio sine qua non* for a green growth path: it is the crucial driver of productivity and an important new source of growth. We will explore more ways to support member and partner countries' economies in reaping the full benefits of innovation, with our analysis and recommendations based on the innovation strategy.



Vincent Van Quickenborne, Belgian Minister of Economy and Reform, and Angel Gurría, OECD Secretary-General, at the high-level conference on Regulatory Policy at the Crossroads, Paris, October 2010



BBC World Debate at the OECD, on Matching Skills to Jobs. Panelists (from left to right): Jacques Myard, French MP (UMP ruling party) and Mayor of Maisons-Laffitte; Angel Gurría, OECD Secretary-General; Sharan Burrow, General Secretary, International Trade Union Confederation (ITUC); David Arkless, President of Global Corporate and Government Affairs, Manpower; Jo Ritzen, President, University of Maastricht, July 2010

- *Climate change and water*: Our pioneering work on a comprehensive policy mix, including the use of economic instruments such as taxes and emission trading schemes, provides the main tools needed in the fight against climate change. There is already evidence of leading companies shifting to a low-carbon business model, starting with measuring their greenhouse gas emissions and then taking action to reduce them, and the OECD will continue to examine the policies and conditions that can best incentivise private sector action. Building on the successful results of the COP 16 United Nations Conference on Climate Change in Cancún, we will strengthen our work on climate change, in particular to help countries develop effective and least-cost policy mixes to reduce emissions and adapt to climate change. In our work on climate change, fossil fuel subsidies and energy-related issues, we will continue to work with the IEA. Considering the recent accident at the Fukushima nuclear power plant, we should work through the NEA on strengthening safety standards for both existing and future plants and ensuring that all the lessons from this accident are incorporated. This would help alleviate public concerns and allow nuclear power to continue to play an important role in the global energy mix and in the fight against climate change. We will build on the OECD's role as the premier forum for monitoring international public finance flows, to develop systems for better tracking private financing and to assess the options for scaling-up financing for climate change. We will also continue our strong commitment to providing policy guidance on improving water policy through our work on the economic, institutional and policy responses to the water challenge. The OECD provides a forum for the exchange of country experiences and the identification of good practices, and helps improve the information base for meeting



Giorgio Napolitano, President of Italy, signs the Livre d'Or, September 2010

the water challenge. Our work on water (governance, pricing and infrastructure) becomes even more important in the context of climate change. We will continue to expand our contributions in these fields in the run-up to COP 17 in Durban and Rio+20 in 2012.

- **Education:** Enhancing educational achievements is fundamental for growth. We are continuing to extend our PISA programme, which now covers over 70 countries, with internationally comparable measures to evaluate competence among 15-year-old students. Through the Assessment of Higher Education Learning Outcomes (AHELO), a similar exercise is now being carried out to evaluate the performance of higher education systems and identify best practices. A new programme has also been established for the International Assessment of Adult Competencies (PIAAC) which provides comparable measures of the proficiency of adults in the core skills necessary for participation in the knowledge economy: literacy, numeracy and problem-solving in our technology-rich environments. Information will also be collected on the use of important generic skills at work. This data will add to our understanding of the human capital stock in participating countries, how skills are acquired and lost over a lifetime, and how the acquisition of skills affects individuals and society. But beyond the recipients of education, the OECD is also contributing to improving the quality of teaching through programmes like the Teaching and Learning International Survey (TALIS). We are also reflecting on the trends that will shape tomorrow's education systems through the work carried out by the Centre for Education Research and Innovation (CERI). We are using these tools to help countries implement reform through the GPS project. We will also deepen our work on financial education and consumer protection in order to help citizens of our member and partner countries take greater advantage of financial markets in a sustainable way. Clearly, education is a key strategic priority and there is an increasing interest from emerging and developing economies in our expertise in this field. For this reason, we will deepen our work in this area and use the OECD Skills Strategy to link it to current economic, employment and social challenges.
- **Employment and skills:** Tackling high unemployment and facilitating labour market entry in a period of slow growth, particularly for youth, has been one of the most pressing challenges facing governments in recent years. Our recent report *Jobs for Youth* puts forward a number of actions to help the insertion of youth into the labour market, based

on the collected experience of 16 national case studies. Through its Skills Strategy, to be delivered in 2012, the OECD is identifying new tools and approaches in education, research and training, to help societies develop the skills and concepts needed to work more productively. As we move from lifetime employment to lifetime employability we need to find new answers and models for the development of skills. At the same time, pro-growth policies that remove barriers to job creation would contribute to fiscal consolidation by creating revenue for the budget. We also examine targeted support schemes for the most vulnerable. Strengthening social protection would also alter people's savings choices as well as the balance of growth between domestic and external sources.

- *Social policies:* Social policies including health, pensions and family policies are crucial to support inclusive growth. Income inequality has been on the rise over the past two decades in most of the advanced and emerging economies. As our economies recover from the crisis, addressing the growing inequality gap, that already existed before the crisis, becomes even more urgent. The OECD Social Policy Ministerial on 2-3 May highlighted the contribution of good and targeted social policies (tackling inequalities, fostering intergenerational solidarity, and promoting family and gender policies) to long-term growth. We need to identify the causes of such increased inequality in order to address them. While redistribution through taxes and benefits is an important element of such a policy package, it will not be enough for a sustainable reduction of inequality. Better social policies, including labour market, health, pensions and family policies, and income support are crucial to achieve inclusive growth and can help diminish such inequality. The OECD has a leading role in cross-country comparisons of income inequality, as well as in employment policies, social expenditures, and family and child policies. Our work on the sustainability of pensions is the only cross-country evidence for best performers. In emerging and developing countries, OECD advice is being requested for the development of social protection systems. We will need to deepen and mainstream our work for more inclusive growth perspectives.
- *Gender:* Gender has been a key part of our work for many years, as illustrated by our efforts on family and social policies, the DAC Gendernet, the WikiGender initiative and the MENA Women's Business Forum, among others. We are also redoubling efforts to mainstream gender across our various areas of work and activity. The crisis has underscored the crucial role of women for the economy. This is why our work in the Gender Initiative on education, employment and entrepreneurship is so important. Not only does it identify the persisting barriers to gender equality, but it also highlights the potential for growth

President of Chile, Sebastián Piñera, addressing the OECD Council, October 2010





Greece's Prime Minister George Papandreou shakes hands with OECD Secretary-General Angel Gurría during the Socialist International congress at OECD headquarters, November 2010

and job creation of having more and better qualified women actively participating in the labour market or contributing as entrepreneurs. To achieve truly inclusive growth, we need to actively unleash the potential of women in our economies.

- *Migration*: Just over 3% of the world's population – about 215 million people – live outside the country of their birth. These migrants bring energy, entrepreneurship and fresh ideas to our societies. Migration can be controversial, in part because it touches on so many areas of public life, including economics, demographics, national security, culture and even religion. The track record of young immigrants in schooling is mixed – some do exceptionally well but others encounter problems that can hold them back throughout life. Migrants can be a key addition to the workforce, even if their presence may be sometimes resented and they are not always able to make the best use of their skills. For developing countries, migration can be a blessing that provides remittances and overseas contacts but also a curse that deprives them of their best and brightest. We need to strengthen our strategic work on international migration which is one of the biggest challenges of the 21st century.
- *Governance*: The crisis has shaken many assumptions and some hard lessons have been learned about the limits of markets. It has also called for revisiting the role of government, redefining the balance between state and market and searching for new ways to boost citizens' trust in both. We have a window of opportunity here to rethink and reform the public sector. Governments loom large in national economies. By most measures, governments have significantly expanded their footprint during the last 50 years. In 1961, when the OECD was established, the general government outlays of member countries averaged less than 30% of GDP. Our 2011 *Government at a Glance* report shows that the

average now exceeds 40%. The crisis demonstrated, on the one hand, that public policies are the critical anchor of national economies in time of crisis. Decisive and co-ordinated action by governments halted financial market freefall and avoided economic catastrophe. On the other hand, the ensuing fiscal pressures in many countries have increased the need to cut public expenditures, which in most cases means streamlining the state. This effort to re-structure the state calls for reassessing where and how government should intervene and where it can step back. In short it is not about more or less government, it is about better and more effective governance, about sound institutions and efficient rules and procedures as shown by our recent report *Restoring Public Finances*, and our regulatory reform reviews.

- *Anti-corruption and integrity*: For more than 15 years the OECD has been at the forefront of global anti-corruption efforts, which are critical for sustained economic growth. We have recently announced a new initiative, *clean.gov.biz*, which will enhance our anti-corruption tools (both in the public and private sector) and reinforce their implementation. The new initiative aims to improve co-ordination of anti-corruption and transparency initiatives worldwide – with all other relevant players and organisations. *Clean.gov.biz* is based on the longstanding OECD work to fight corruption in the private sector, such as the Anti-Bribery Convention, and the Guidelines for Multinational Enterprises, a powerful instrument for promoting responsible business conduct by MNEs and improving governance in developing countries. The Guidelines have been updated this year together with a number of non-member countries and complement the anti-corruption initiative in the realm of the G20. But we also address the “demand side” of corruption, by developing tools to enhance integrity in the public sector: public procurement systems, lobbying and conflict of interest. The Declaration on Propriety, Integrity and Transparency in the Conduct of International Business and Finance adopted at last year’s Ministerial meeting provides us with a powerful framework to promote clean and efficient markets. Another area in which we need a comprehensive, whole-of-government approach is the issue of tackling financial crime and tax evasion. We have therefore recently launched a new initiative, the Oslo Dialogue. The objective of this initiative is to find more effective ways to counter economic and financial crimes, tax evasion and other illicit flows through better inter-agency and international co-operation. Finding synergies and addressing loopholes in our regulatory and standard-setting activities – in areas such as competition, anti-corruption, tax evasion, integrity in public markets, lobbying – remains a priority of our work.
- *Trade and Investment*: The OECD interacts with the stakeholders in the private sector, favours open markets and has the most comprehensive instruments to promote open trade and investment. Concluding the Doha Round is a policy priority of our member and partner countries at this critical juncture, which we support with our analysis, policy dialogues and recommendations. We are pathfinders on important and upcoming “non-Doha” trade issues, as our work on trade in services and trade and employment demonstrates. Our work on computing trade flows in value-added terms will clarify the role of imports, exports and global production networks contributing to inform the policy debate. We will continue to work with WTO and UNCTAD to monitor trade and investment measures to avoid protectionism. We will promote wider use of our Code on the Liberalisation of Capital Movements by opening it to non-members and, if so decided after a thorough review, by updating it. Additional strategic aspects of this work include the analysis of global value chains and further levelling the playing field in the area of export credits.
- *The OECD Better Life Initiative*: After working on it for 10 years, Measuring the Progress of Societies will continue to be one of the Organisation’s key priorities in the coming

years. Focusing on people's well-being and societal progress will require looking not only at the functioning of the economic system, but also at the diverse experiences and living conditions of our citizens. Economic resources, while important, are not the only determinants of a good quality of life. Also vital are people's satisfaction, feelings and expectations. New initiatives such as the "My Better Life Index" and *How's Life*, to be launched in the coming months, will strengthen public recognition of the OECD's pre-eminent role in redefining progress and well-being for the 21st century, in keeping with its founding tradition.

The OECD as an open and inclusive forum for policy sharing – a new strategy for development

A major issue on which we will focus our attention in the years ahead is development. We aim to take advantage of our expertise on a wide range of policy areas together with lessons learned from our longstanding development experience, particularly in the Development Assistance Committee (DAC), the Development Centre and many other bodies at the OECD, to launch a broader strategy to support a sustainable and dynamic growth process in middle and low-income countries, as well as least developed countries. We will do this by enhancing our partnerships and knowledge-sharing efforts with a wider number of countries. Achieving higher, more inclusive, sustainable growth is at the centre of this strategy. It will complement efforts done in the context of the MDGs and enhance performance in developing economies so as to increase their contribution to global growth. The Framework for an OECD Strategy on Development [C/MIN(2011)8] will put us on a path to achieving these objectives.

Over the past 20 years many developing countries have embarked on a successful development path by using innovation, labour mobility and skills, domestic and foreign investment, and trade. The OECD, with its evidence-based analysis, best practices and policy options in many of these areas, is uniquely placed to further support the development process in such countries. To make the most of OECD's comparative advantage in interdisciplinary policy analysis, we need a new strategy for development based on a comprehensive approach that draws on a broader range of policy areas and instruments, and emphasises policy coherence for development.



Viktor Orbán, Prime Minister of Hungary, and Angel Gurría, OECD Secretary-General, at a press briefing at the OECD, Paris, November 2010

Designing new approaches: Sharing knowledge and experiences can help improve development perspectives and unleash the existing potential of societies. Developing and emerging economies are increasingly interested in sharing and tapping into our knowledge banks. We need to accelerate the current OECD effort to identify, review and consolidate all the tools and policy instruments at our disposal, in light of their development “relevance”. This means integrating the diverse perspectives and realities of developing countries into our core policy analyses and advice. We need to recognise that developing countries may have widely differing institutional settings, and these have to be taken into account when the Organisation launches broader initiatives.

Promoting partnerships for development: The OECD fosters and hosts a number of international partnerships for development in its development cluster and beyond, such as the Working Party on Aid Effectiveness, our Global Forums, our co-operation with Southeast Asia, the Latin American and the MENA initiatives, the African Partnership Unit, the International Dialogue on Peacebuilding and Statebuilding; and the Emerging Market Networks. These fora comprise a wide range of actors, reaching well beyond OECD membership, and contribute to promoting South-South and triangular co-operation. Particularly important on this front is the Development Centre, which already has a membership that includes most major emerging and many less developed economies. But development co-operation alone will not be enough to achieve the MDGs and significantly reduce poverty. We need a broader and deeper partnership, more coherent policies, and we should avoid terms like “donor” and “recipient” or “north” and “south”, which tend to divide rather than enhance co-operation.

The Organisation will move forward to apply this new approach to four strategic areas in line with the Framework for an OECD Strategy on Development:

- Supporting innovative and sustainable sources of growth;
- Mobilising resources for development;
- Governance for development;
- Measuring progress for development.

These areas of work should be complemented by a fifth pillar: Fostering agriculture and food security. Poverty prevents most of the world's hungry population from accessing food. This becomes a vicious circle, as food insecurity then threatens social cohesion and political stability; and not just in the region most immediately affected by supply shortfalls. The recent hikes in food prices have only aggravated this longstanding problem. Improving agricultural productivity and the functioning of local and global agricultural markets as well as the liberalisation of trade are essential. But durable solutions will also feature improvements in systems of governance and the overall business environment in developing countries and increased investments in health, education and physical infrastructure. The OECD, in co-operation with partner organisations, is uniquely well placed to provide key policy insights in each of these areas, building on current horizontal work and contributions to the G20. Going forward there is renewed urgency for improving the availability of worldwide commodity market information and for developing advice on coherent and effective trade and sectoral policies for countries at different stages of development. Planned improvements in the system for monitoring and evaluating development assistance aim to increase capacity for providing evidence-based policy advice.

The OECD is an open and inclusive knowledge-sharing forum. Putting our knowledge and best practices at the service of countries at different stages of development will bring in new perspectives for achieving sustainable growth globally, identifying new approaches to address

inequality and poverty, and finding new pathways towards social and economic well-being. This also means drawing on the experiences of emerging economies to share them with a wide range of countries. With a more open and inclusive OECD, we can reach further and achieve more. The OECD can enhance its contribution to development by building on its own experience and on what its members have learned by working together. But it will also require upgrading our skills when dealing with developing countries and embarking on analysis that considers institutional settings and differentiated public capacities.

A strategy for openness, inclusiveness and impact

The OECD must respond to major developments and the shifting economic power equation in the world. The recent crisis has reinforced the need for co-operation between advanced, emerging and developing countries. The emergence of the G20 as the premier forum for economic discussions is a necessary first step in an ever more interdependent and interlinked global economy.

The OECD should pursue a two-pronged strategy to respond to the economic and social realities of our time:

- First, the OECD must continue to increase its relevance as an organisation that sets the highest standards for the world economy. This requires us to work closely, not only with our member countries, but also with major emerging economies. Since my arrival at the OECD, I have made the strengthening of our relationships with emerging economies a core priority for the Organisation, and the latest developments have just confirmed that this is the right path. But we need to speed up our actions and move more decisively in this direction.
- Second, we need to provide concrete and well-targeted options for effective policy implementation, in close consultation with governments. Our MENA and the joint OECD/EU SIGMA Programmes are good examples of how this can be achieved. The test of relevance is how much the OECD can help countries to design and implement policies that will lead towards open, inclusive market economies. This relates to the Organisation's role as a platform for mutual learning; as advisers; as a forum for sharing best practices; as standard setters; and as pathfinders. Our "core" activities on policy areas like economics, health, social issues, employment, education, skills and the environment, among others, will continue to be top priorities of our work but we will have to deepen our efforts in supporting countries on the implementation side of the policy cycle. I will continue to launch and discuss our country reviews and flagship publications in member and partner countries to identify policy areas where we can be of further help.

We are experiencing a truly global transformation and we thus need to step up our co-operation on a global scale. Last year we welcomed four new members into the Organisation – Chile, Estonia, Israel and Slovenia – and we are working closely with the Russian Federation to ensure progress on its road to accession. Around 100 non-member countries participate regularly in the work of our committees, expert meetings and forums.

The process of Enhanced Engagement, launched in 2007, has led to stronger relationships with emerging economies, both at the political and analytical level. The participation of the OECD in the G20 has reinforced this trend, and we are working more and more with these countries. I have actively promoted the work of the Organisation in Brazil, China, India, Indonesia and South Africa, in many policy fields including investment, economics, environment, innovation, competition and inequalities. This increased interaction, as well as the work of the different



President of Colombia, Juan Manuel Santos, and OECD Secretary-General Angel Gurría, at an OECD press conference, Paris, January 2011

policy areas at the OECD, has resulted in more active participation of these countries in the OECD committees, which are at the core of the definition of policy agendas. They are also participating increasingly in several OECD instruments and tools. Brazil, along with a number of other non-OECD countries (Argentina, Egypt, Latvia, Lithuania, Morocco, Peru and Romania) adheres to the Declaration on International Investment and Multinational Enterprises, and will participate in the adoption at the MCM of an important update of the Guidelines for Multinational Enterprises, in which South Africa was also actively involved. Brazil and India have become full adherents to the Council Act on Mutual Acceptance of Data in chemicals. Brazil, China, India, Indonesia and South Africa are showing interest in full participant status in some committees. Russia recently passed the required legislation on foreign bribery, and will shortly be invited to accede to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. China has also recently adopted foreign bribery legislation, and India and Indonesia are working on such legislation as well, which could pave the way for their accession to the Convention. We expect that Argentina, Brazil, Egypt, Latvia, Lithuania, Morocco, Peru and Romania will join OECD countries and adhere to the Recommendation on Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas at the time of its adoption at the MCM.

One important element to achieve greater impact is to interact at the highest political levels to support the countries' reform agendas. I have met with a growing number of senior policy makers, not only in member but also in partner countries, and the number of leaders and ministers who visit the OECD has increased (see Annex). We are providing more tailor-made advice to support reform agendas in our partner countries, and they are increasingly demanding our data and analysis.

At present, we have an active agenda in Brazil, China, India, Indonesia, Russia and South Africa, as well as important regional programs in the Middle East and North Africa, Latin America, Southeast Asia and elsewhere in Asia and Europe. These programs support improved performance in our economies as well as theirs. Our major partners participate as observers and, in some cases, full participants in OECD committees, projects, best practices and declarations. We already meet with partners and accession countries as a network of 40 countries to prepare our Ministerial meetings, to work on our development agenda, at the Executive Committee in Special Session and at the Ministerial. We should build on our present efforts to implement the global policy network envisaged by our members in their vision of the OECD's future as a more open and inclusive hub of best practices.



Conference on Making Reform Happen:
(left/right) José Manuel Barroso,
President of the European Commission,
Angel Gurría, Secretary-General of
the OECD, and Oh-Seok Hyun, President
of the Korea Development Institute,
November 2010

As we move forward with partners, we recognize that we increasingly share a common agenda in terms of issues and concerns: marshalling market forces for development, leveraging assistance as a catalyst for growth, dealing with climate change while maintaining growth, expanding civic participation, empowering women in our economies and societies, and improving well-being as well as economic results.

In consultation with our members and partners, and building on our current arrangements, we should explore ways to strengthen our work on this common agenda to ensure that the OECD becomes more responsive to the concerns of people in countries at all stages of development. We should also study whether existing arrangements for observership could be generalized.

In this context, we could explore different models of association and partnership tailored to the circumstances of individual countries, taking into account existing precedents and ensuring mutual benefit. Naturally, the exact content of any concept will have to be discussed and defined, together with the member and partner countries concerned.

The OECD should also be prepared to increase the speed and density of its partnerships with developing and emerging economies. Colombia's recent bid for accession underlines the relevance of our Organisation and the added value of membership for major emerging economies that are trying to consolidate their progress towards sustained growth and greater social well-being. Countries like Ukraine and Vietnam have expressed strong interest in our work and are participating in several areas of our agenda. Also noteworthy is our work in Latin America and the Caribbean (LAC) which is building momentum. More and more of the region's governments are approaching the OECD requesting observership to committees, adhering to instruments, requesting peer reviews, hosting OECD regional meetings and making voluntary contributions.

A comprehensive strategy for MENA countries: The recent developments in the Middle East have shown how important sound institutions are. They also represent a new strategic opportunity for the OECD. The OECD has been working with the MENA region since 2005 through the MENA-OECD Initiative on Governance and Investment for Development, to help countries modernise public governance and strengthen the business climate. Furthermore, the joint EU-OECD SIGMA programme provides technical assistance in public administration reform and includes five countries in the region (Egypt, Jordan, Lebanon, Morocco and Tunisia). Some MENA countries have already begun to engage in OECD committees and adhere to OECD legal instruments. As these countries advance in their transitions, the OECD's experience with institutional building (mobilising domestic resources, including taxes and budgets; building

sound regulatory frameworks and institutions in the area of governance, competition and fight against corruption) and our contributions to improve the business environment and attractiveness to investment may prove useful.

A comprehensive strategy to support MENA countries needs both a regional programme and a country approach, whereby individual countries have access to different levels of engagement on the basis of their progress in political and economic reforms. Particularly promising is a potential link with international donors and international financial institutions (IFIs) such as the European Investment Bank, the EBRD or the World Bank, which are preparing to channel a substantial amount of resources to countries in the region. OECD working methods (peer reviews and evidence-based analysis) can set the basis for a coherent and horizontal approach, including governance, growth and investment, employment, gender and reducing inequality, to make sure that such resources fall on fertile ground, to enhance their impact and to facilitate their allocation.

Going for impact: The goal of public policy is to improve the lives of citizens. Whether focused on economic growth, trade, development, employment, social welfare, the environment, or any other area of public policy, our recommendations, standards and best practices should always have the well-being of people as their primary concern. This is the true test of our relevance and it facilitates the visibility the OECD needs for its work to have the fullest impact and influence.

Maintaining relevance means engaging stakeholders at all levels in the policy process, so that they can contribute in a meaningful way and share in the results. An effective communications and dissemination strategy is fundamental to this effort. While we communicate with partners in government, business and civil society on the substance of policy making, we must also engage the broader public – citizens, consumers, taxpayers – who is the ultimate stakeholder and the key to lasting success of good public policy. We began to do so in 2009, at the height of the financial crisis, by making the OECD available via social media platforms such as Facebook, Twitter and YouTube, complementing more traditional communications channel such as the print and audiovisual media. Similarly, in the publications field, our efforts to remain at the cutting edge of modern dissemination techniques have borne fruit through the launch of the OECD iLibrary. These initiatives, together with an overhauled www.oecd.org, unveiled to coincide with the OECD's 50th Anniversary launch last December, have resulted in our information being made available to an ever-increasing global audience. Thus, in the 2011 Forum, and combining the latest in modern communications techniques with OECD's traditional substantive strengths, we launched OECD's *Better Life Index*, a unique and powerful instrument for citizens around the world to learn about the policy considerations that impact quality of life. We must continue to be innovative in creating means and points of access that educate, inform and empower those who actively want to participate in making their lives better.

A strategy for our role in the architecture of global governance

In our first five decades, we have proved that international co-operation among countries with different visions translates into policy convergence. It also reduces the level of friction and thus allows for more ambitious accomplishments to raise the quality of life globally. Multilateral co-operation is even more essential today. In the midst of the biggest financial, economic and social crisis in decades, the need for multilateral co-operation in fora such as the G20, the OECD and other organisations, where advanced, emerging and developing economies can find common solutions to global challenges, has never been greater. Although much remains to be

done, the unprecedented, co-ordinated initial crisis response of the G20 leaders is a tangible illustration of the benefits from enhanced international co-ordination.

We are one of the institutions that participate regularly in the G20 meetings, at the Sherpa, Deputy and Finance Ministers and Leaders' level. We have a lot to contribute to reduce global imbalances and promote structural reform, as well as to the efforts on development and other areas on which the G20 is currently working. We will continue to support the G20 on the following priorities:

- on the adoption of structural policies within the Framework for Strong, Sustainable and Balanced Growth;
- on policies for employment, skills and jobs;
- on policies to liberalise trade, investment and capital flows;
- on the promotion and adoption of standards for anti-corruption;
- on the abolishment of fossil fuel subsidies;
- on policies for efficient, fair and transparent taxation systems;
- on food security and commodity markets; and
- on the Seoul Consensus for Shared Growth and its Multi-Year-Action Plan.

A key message we provided at the last G20 Summit in Seoul was the importance of accelerating the pace of structural reforms to reinforce the recovery and strengthen long-term growth. The OECD has worked intensively with the G20 to make the case for comprehensive reforms and contributing its expertise in a wide range of areas such as taxes, balanced growth, investment, trade protectionism, anti-corruption and job creation. But we will also contribute to any other relevant fora where our expertise is required. This is the case of the G8, but also of APEC and the Iberoamerican Summit, among others.

We need to continue to show that there is added value in multilateral co-operation rather than acting unilaterally. We also need to strengthen our co-operation with other international organisations. We proposed the creation of a network for co-operation on policy coherence, bringing together the international organisations involved in the G20 (IMF, World Bank, FSB, ILO, WTO and OECD). The objective would be to improve co-ordination and exchange of information among international organisations. If we can foster a real cross-fertilisation of ideas, it will help us to stay at the frontier of new thinking and ensure we provide relevant and pragmatic advice to governments in their efforts to design and implement better policies for better lives. We also need to continue to produce norms and standards which by their quality and credibility can be embraced by the international community.

“Better policies for better lives” also means that we bring our work closer to the people in our member and partner countries. We work for governments, we work for parliaments, we work for regions and for cities, but first and foremost we work for the citizens of our countries. The OECD's ultimate relevance has to be measured by its impact on the quality of life and the well-being of the men, women and children of our members and the growing number of partner countries with which we work. ■

Increasing impact, inclusiveness and relevance

The Secretary-General's activity since the last Ministerial Council Meeting

Overview

The period between May 2010 and May 2011 has witnessed an increase in the activity carried out by the Secretary-General, contributing to the “pursuit of relevance” goal he set at the beginning of his mandate. This enhanced activity has continued to strengthen the Organisation's visibility as a policy advisor and pathfinder in member and partner countries, as well as the OECD's active participation in international fora. The celebration of the 50th Anniversary has also boosted activities during this period, serving as a springboard to communicate the Organisation's achievements since its establishment and the role it can play in the years to come.

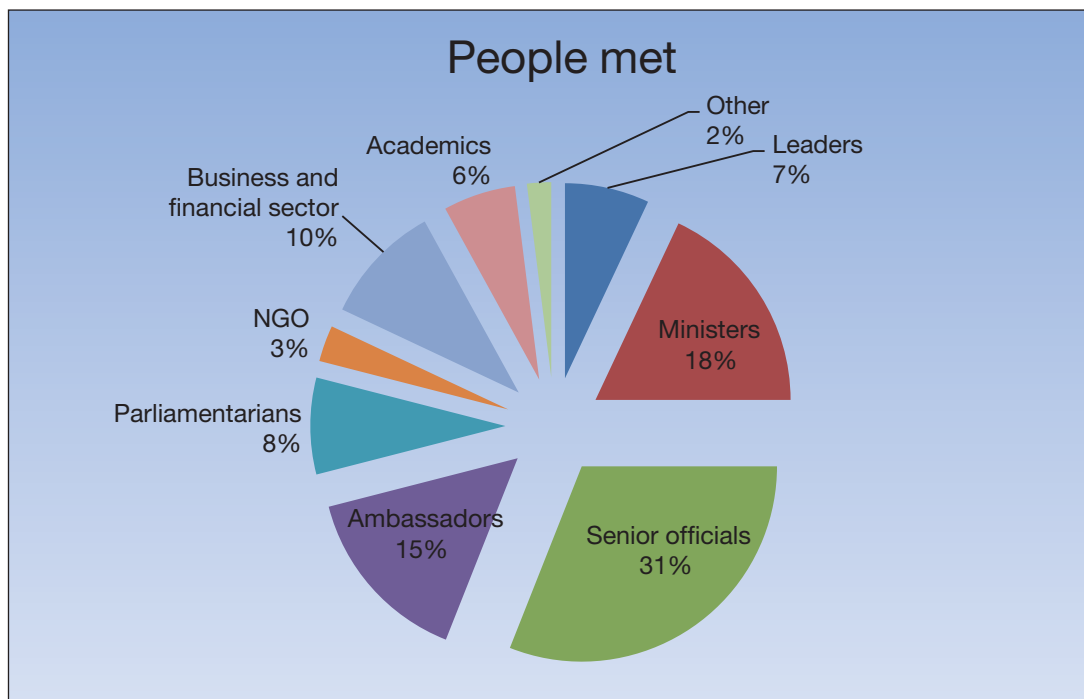
The number of visits carried out by the Secretary-General abroad has grown by 20% from the previous period, and the number of high-level visitors received by the Secretary-General in Paris has also increased considerably in the last 12 months, by almost 50%. Since the last MCM, the OECD has firmly consolidated its presence and contribution to the G8, G20 and other relevant policy fora. Media visibility, outreach and impact have also increased both quantitatively and qualitatively.

Leaders and high-level visitors at the OECD

An important illustration of the Organisation's increased relevance is demonstrated by the number of leaders that have visited the OECD in the last 12 months. While last year's Ministerial was marked by the presence of five heads of state and government – Silvio Berlusconi, Prime Minister of Italy; Benjamin Netanyahu, Prime Minister of Israel; Andrus Ansip, Prime Minister of Estonia; Borut Pahor, Prime Minister of Slovenia; and Doris Leuthard, President of the Swiss Confederation – this year's meeting will commemorate the 50 years of the Organisation, with around 20 leaders joining us.

The presence of high-level political figures has become a regular feature of our day-to-day operations. On many occasions we have had the opportunity for some of the leaders to address the OECD Council, including Sebastián Piñera, President of Chile, and Juan Manuel Santos, President of Colombia. Italian President Giorgio Napolitano, Greek Prime Minister George A. Papandreou, Czech Prime Minister Petr Nečas and Hungarian Prime Minister Victor Orbán also visited the OECD during this period. In most cases, specific seminars were held to analyse how the OECD can contribute to ongoing reform efforts in their respective countries. During this period, the Secretary-General also had the opportunity to meet bilaterally with 440 high-level public officials, 170 of them Ministers. He also held bilateral meetings with more than 70 MPs, 23 heads of international organisations and 32 heads of NGOs.

Secretary-General's bilateral meetings by sector/responsibility, May 2010 to May 2011



Visits abroad and the OECD's advisory role to member and partner countries

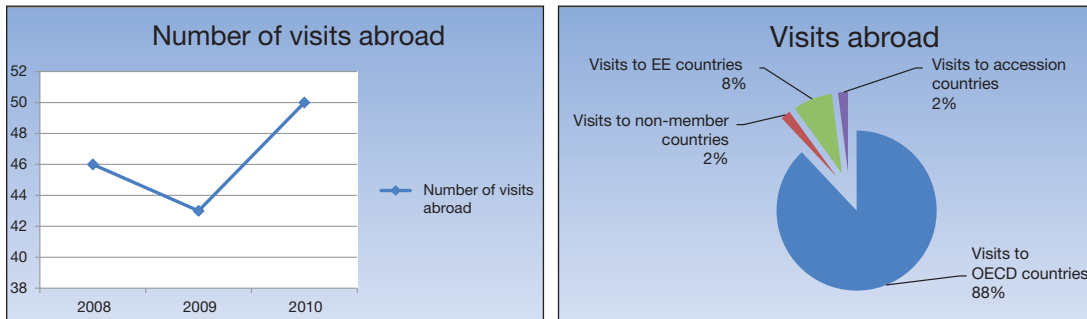
Since the last Ministerial Council Meeting, the Secretary-General has undertaken 50 visits abroad: 44 of those visits were made to member countries, including all four new members (Chile, Estonia, Israel and Slovenia). He also made an important official visit to Russia in the context of the country's accession process to the Organisation, and travelled to four of the five Enhanced Engagements countries (China, India, Indonesia and South Africa – a trip to Brazil is foreseen for the second half of 2011). The Deputy Secretaries-General and other high-level officials have visited Russia and all five Enhanced Engagement countries several times.

These official visits have allowed the OECD to further develop its advisory role to member and partner economies, and served to launch economic surveys, thematic reports and policy recommendations aimed at supporting ongoing reform efforts. At the request of interested governments, the Office of the Secretary-General has continued the publication of specific country brochures, as illustrated by the visits to China, Hungary, Japan, Mexico, the United Kingdom and Chile, or the request by Colombia to have an assessment of its economic situation. The Secretary-General also had the opportunity to address cabinet meetings (Israel), economic councils (Finland), parliamentary commissions reviewing economic growth (France) and parliamentary sessions (Chile), as well as to continue to meet with business leaders, trade unions, civil society representatives and students.

In most visits, the Secretary-General was received by the highest authorities, including President Piñera in Chile, Chancellor Merkel in Germany, Prime Minister Netanyahu in Israel, President Calderón in México, Prime Minister Sócrates in Portugal, President Zapatero in Spain, Prime Minister Erdogan in Turkey, Prime Minister Cameron in the United Kingdom,

Prime Minister Kan in Japan, President Medvedev in Russia, and many others. His most recent official visits have also helped signal the 50th Anniversary of the OECD in member countries. Official celebrations started with receptions hosted by President Calderón, last October in Mexico, and by French President Sarkozy at the Elysée Palace, in December.

Secretary-General's missions abroad



Media visibility and meetings at Ministerial level

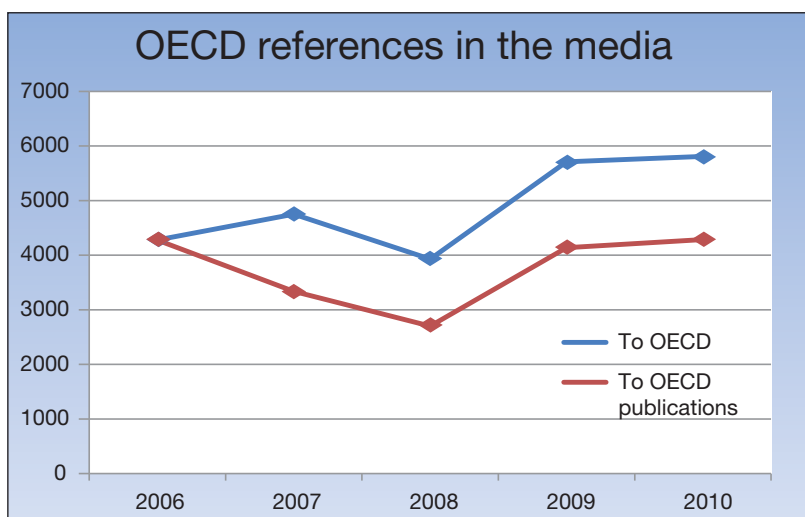
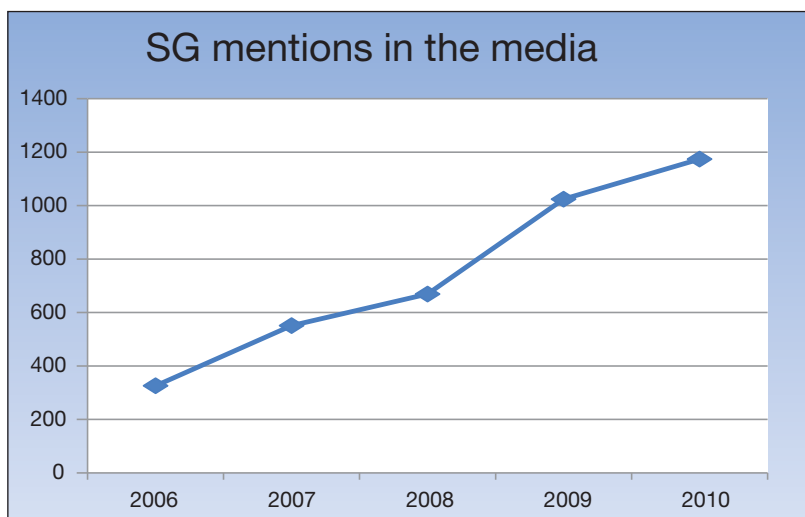
The activity carried out during this period has helped upgrade the OECD's impact and improve its policy outreach. In 2010, the Secretary-General delivered 149 public speeches. His media presence was stronger than ever, with over 1 200 original citations and 25 op-eds published. He directly participated in the launch of 33 outlooks and flagship publications, which continue to be one of the Organisation's most powerful contributions to a better world economy. Throughout the period, the OECD published a total of 323 titles, 246 of which were reports and 77 statistical publications. Most launches received widespread media coverage, as exemplified by the case of the new round of PISA, whose results still make headlines and inform policy discussions in many countries around the world.

Complementing the OECD's outreach to traditional institutional stakeholders, there has been the effort to continue to engage new audiences, especially focused on Enhanced Engagement countries and broader publics in both member and non-member countries. The Enhanced Engagement Media Fellowships programme has allowed the OECD to build valuable relationships with leading media organisations, resulting in significant coverage of major OECD initiatives destined for our partner countries. This was particularly evident in coverage of recent OECD economic surveys in the Brazilian and South African media. We have seen a significant increase, both in the frequency and depth of our coverage in these media markets. The OECD's work to reach broader audiences through social media platforms has delivered important results in the last year: Fans and followers of OECD have increased by over 100% on Facebook and by over 300% on Twitter during this period.

This greater outreach effort is also reflected in the steady increase in the number and quality of events held by the OECD, including the Ministerial meetings on social policy, on education and on health which took place in Paris, and the Public Governance Ministerial held in Venice, Italy, last November. The various OECD Global Forums and major meetings, like the recent conference on Joining Forces against Corruption: G20 Business and Government, co-organised with the French Presidency of the G20, or the Conference on Challenges and Policies for Promoting Inclusive Growth, co-organised with the World Bank, illustrate this progress. In addition, the OECD Conference Centre has itself become the location of choice for high-level

meetings organised by third parties, as shown by the meeting of the International Socialist Leaders, and the Extractive Industries Transparency Initiative (EITI) annual conference hosted in March, among others.

**Secretary-General's and OECD's presence in the media
(By original citations in leading media outlets)**



OECD's presence in the G20, G8 and other fora in the new architecture of global governance

During this period, the OECD has worked very closely with the Canadian, Korean and French presidencies of the G20. This has resulted in greater participation at meetings and in working groups. The Secretary-General is now a regular participant in G20 Leaders' Summits and Finance Ministers' Meetings, and the OECD's Chief of Staff and Chief Economist regularly

attend Sherpa and Deputy Finance Ministers' Meetings, respectively. Since the last MCM, senior OECD officials took part in 17 G20 high-level meetings. The OECD also produced five major reports for the G20, on taxation, sustainable growth, the benefits of trade for employment and growth, fossil fuel subsidies, and trade and investment measures. Regular seminars and briefing sessions in Council and other bodies provide updates to member countries on the OECD's G20 contributions.

The Secretary-General's participation in relevant fora goes beyond the G20, and included his attendance at the annual meetings of the World Bank and IMF, as well as the World Economic Forum in Davos, where OECD's work featured prominently thanks to his presence. He participated in international summits like the COP 16 United Nations Conference on Climate Change in Cancún, Mexico, last December, and the summit that reviewed progress toward the achievement of the Millennium Development Goals last September in New York. His participation at the special ECOFIN meeting of European finance ministers in Budapest, in April, was an important milestone in the road to greater engagement with European institutions. Besides economic and financial issues, co-operation with the European Union has also been reinforced in areas like regional and territorial development, MENA and development coherence policy.

During this period, the Secretary-General has also joined the meetings organised by Chancellor Merkel with the heads of the five leading international financial institutions (alongside the International Monetary Fund, World Bank, World Trade Organization and International Labour Organization). The benefits of further engagement with other international organisations are also illustrated by his active participation in fora like the Broadband Commission for Digital Development, which is benefitting from OECD's work on innovation and the Internet. ■

Secretary-General's Cabinet



OECD Secretary-General since June 2006, **Angel Gurría** has reinforced the OECD's role as a "hub" for global dialogue and debate on economic policy issues, while pursuing internal modernisation and reform. The renewal of his mandate until 2016 was an expression of support for his strategy to make this Organisation more open, inclusive and relevant. Under his leadership, the OECD has expanded its membership to include Chile, Estonia, Israel and Slovenia, and opened accession talks with Russia. It has also strengthened links with other major emerging economies, including Brazil, China, India, Indonesia and South Africa. The OECD is now an active participant in both the G8 and the G20.



Deputy Secretary-General **Aart de Geus**, who took up duties in March 2007, focuses on employment, labour, social affairs (including pensions, health and migration), education, public governance and territorial development. He also oversees the Making Reforms Happen project, and gender and diversity issues.



Deputy Secretary-General **Mario Amano** took up his functions in June 2007. Mr Amano is in charge of environment, the Development Cluster and the Policy Coherence dossier.

Deputy Secretary-General **Pier Carlo Padoan** took up his duties in June 2007. Since December 2009 he is also Chief Economist. Mr Padoan led the Strategic Response to the financial and economic crisis, the Green Growth Strategy, as well as the initiative on Measuring the Progress of Societies, and the Innovation Strategy.



Deputy Secretary-General **Richard A. Boucher** took up duties in November 2009. Mr Boucher spearheads the Organisation's enhanced engagement and accession processes. He is overseeing the work on business climate, competition and market efficiency, on science and technology policies, and the OECD's anti-corruption initiative.



Gabriela Ramos is Chief of Staff of the OECD. Since 2006, she has been advising and supporting the Secretary-General's strategic agenda to reinforce the role of the OECD as a hub for global dialogue and debate, while pursuing internal modernisation and reform. Ms Ramos is also the OECD's Sherpa to the G20.



OECD's 50th Anniversary



OECD Secretary-General Angel Gurría and President of France Nicolas Sarkozy at a ceremony launching the OECD's 50th Anniversary celebrations, Elysée Palace, Paris, December 2010

The OECD has turned 50. The OECD's mission has always been about developing better policies for better lives for people everywhere. The 20 far-sighted countries who signed our founding Convention on 14 December half a century ago made a solemn commitment to “promote policies designed to achieve the highest sustainable economic growth and employment, and a rising standard of living.”

Much has changed in the past 50 years, and the OECD family has grown significantly with globalisation and the emergence of major new players on the world economic scene, but that inspiring vision remains the guiding principle of all our work.

On ratifying the Convention in 1961, US President John F. Kennedy voiced the vision which world leaders had for the new organisation, to “enter upon a new era of co-operative enterprise.” And co-operation remains the key today to finding solutions for our shared challenges, from education to fighting corruption, from reducing poverty to dealing with unemployment.

Nicolas Sarkozy, President of France, our host country, helped set the stage for our future work at a ceremony to mark the start of our 50th anniversary in December. “In the new world we need to build, I am convinced that the OECD is well-placed to bring new ideas and to make a significant contribution to new world governance (which is at the heart of the French G20 presidency).”

For half a century, the OECD has been the gold standard of international co-operation, providing analysis and policy advice to help improve people's lives. The OECD 50th Anniversary Ministerial Meeting and Forum are an appropriate moment to take stock of what has been accomplished and to lay out our vision of work for the future to deliver a stronger, cleaner, fairer world.

OECD history: www.oecd.org/history

OECD Forum 2011: www.oecd.org/forum2011

“For France, it is an honour and a privilege to have been present at the birth, the development and the opening-up of the OECD.”

Nicolas Sarkozy, President of France

“The UK was one of the founding members of the OECD in 1961. The last 50 years have seen enormous growth in living standards in all regions of the world, and the OECD has played a major role in fostering, supporting and sustaining that growth... I believe the OECD has a vital role to play in today’s world economy. Through its engagement with the world’s emerging as well as developed economies, the OECD has the experience and the commitment to deliver on its declared aim: to promote ‘better policies for better lives’ in its member states and in the wider world.”

David Cameron, Prime Minister of the United Kingdom



“The OECD can do much to promote recovery. If it can become a catalyst for new global co-operation, and if economies based on the creation of value and genuine work can regain strength in our countries, then we have good reason for hope, and over the next 50 years the OECD can make major contributions to better policies for better lives.”

Viktor Orbán, Prime Minister of Hungary



Signing of the OECD Convention on the Organisation for Economic Co-operation and Development, 14 December 1960, in the Salon de l’Horloge, Quai d’Orsay, Paris



“For 50 years, the OECD has been a prolific and indispensable source of advice on good practices and on the public policies that help members and non-members to reach goals such as those of our government.”

Sebastián Piñera, President of the Republic of Chile



“The OECD culture of carrying out frank exchanges of views and fruitful discussion is invaluable, and it was from this culture that a number of rules and extensive policy useful to members have been developed.”

Naoto Kan, Prime Minister of Japan



The OECD welcomes its first class of Student Ambassadors. During their one-year ambassadorships the students will develop and organise on-campus programs and events featuring the work of the OECD. Based on their performance, two finalists were selected to attend the OECD Forum in Paris



“The holistic vision of development that defines the OECD has been influential throughout the 50 years of the Organisation’s existence, as well as for the 16 years that Mexico has been a member.”

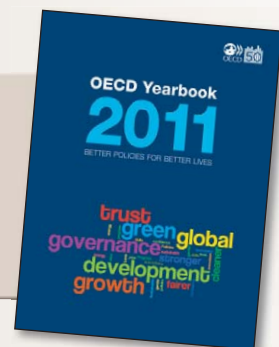
Felipe Calderón, President of Mexico, at a pre-launch of the OECD’s 50th Anniversary celebrations, Mexico City, October 2010



US President John F. Kennedy with Thorkil Kristensen, the OECD's first Secretary-General, at the White House in 1961

OECD history: www.oecd.org/history

OECD Forum 2011: www.oecd.org/forum2011



First annual OECD Yearbook

Ministerial Council Meeting 2010

The 2010 Ministerial Council Meeting took place in the OECD Conference Centre on 27 and 28 May. Ministers and Representatives of Australia, Austria, Belgium, Canada, Chile, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Russian Federation, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom, the United States and the European Union participated and issued these conclusions.

Ministerial conclusions

On the occasion of the 2010 OECD Ministerial Council Meeting (MCM), we, Ministers, have assembled under the Chairmanship of the Italian Prime Minister Silvio Berlusconi and the Vice-Chairmanship of Australia and Norway. We welcome the accession of Chile and the recent invitation to Estonia, Israel and Slovenia, which contribute to make the OECD more global and diversified.

The MCM deliberations greatly benefited from the participation of the Russian Federation, which is continuing its accession process, and of the five countries in the Enhanced Engagement process (Brazil, India, Indonesia, the People's Republic of China and South Africa).

We welcome that our economies are picking up as a result of forceful policy responses taken under unprecedented international co-ordination. However, the recovery remains fragile, with high levels of unemployment and ongoing adjustment of balance sheets in the financial sector



Israeli Prime Minister Benjamin Netanyahu, OECD Secretary-General Angel Gurría and Italian Prime Minister Silvio Berlusconi at a news conference on accession

and in households in many countries. We are aware that risks to economic stability remain, as recent events have shown. In particular, the current tensions in the sovereign-debt markets illustrate well the high uncertainty that continues to surround the economic outlook in some countries. We agree that further progress should be made on financial market regulation and supervision. We welcome the forceful measures that have been taken to preserve financial stability in Europe as well as the decision to strengthen economic governance.

We will continue our efforts to assist the recovery with appropriate measures until sustainable growth in private demand has taken root. At the same time, it is important to minimise the risks and problems of continuing policy support longer than necessary. We will design and communicate exit strategies taking into account the situation of individual countries, and once recovery is assured, we will implement them while being mindful of international spillovers. Countries that have the capacity should expand domestic sources of growth. This would help cushion a decline in demand from countries that need to boost savings and reduce fiscal deficits.

Furthermore, in order to ensure that the recovery takes hold and to achieve a transition to sustainable and balanced growth, new policies and strategies are needed, in particular to implement structural reforms to strengthen competitiveness and to harness new sources of growth. We appreciate the OECD's work to assist us in these efforts, and we encourage the OECD to continue to provide relevant policy analyses and recommendations, including through its peer review work on macroeconomic and structural issues and the interactions between them.

In this regard, we welcome the Strategic Orientations paper by the Secretary-General, in which he highlights challenges and achievements of the past year and sets out his strategy for the OECD's increased impact.

Fiscal consolidation

The fiscal positions of most OECD countries have deteriorated significantly as a result of the crisis and face growing pressure from ageing populations, and they need to be brought to a more sustainable path. Fiscal consolidation is a crucial task.

It is important to develop credible and transparent medium-term fiscal consolidation plans through appropriate institutional mechanisms such as fiscal rules taking into account country-specific conditions, including the pace and sustainability of the recovery and the state of public finances. We will implement them in ways that do not jeopardise growth.

In carrying out fiscal consolidation, we will improve structural fiscal balances, and stabilise and lower the burden of public debt in the medium and long term. We recognise the importance of preserving growth potential by prioritising public spending and pursuing growth-friendly tax reform.

We look forward to outcomes of OECD work on the role of fiscal consolidation and structural adjustment to achieve sustained growth.

Employment

We are working to avoid a "jobless recovery" and "jobless growth." Our policy measures helped mitigate the worst effects of the crisis, but unemployment rates remain high in most OECD countries. We will develop comprehensive, inclusive, innovative employment and social policies in order to tackle this jobs crisis and promote recovery and growth for all.

As current priorities, we will engage in active labour market policies, supporting job search programmes, enhancing education and training, and ensuring appropriate social protection systems and safety nets in combination with incentives to work, especially focusing on the most vulnerable groups and regions.

In the medium to long term, we will support and encourage growth that creates more and better jobs and improve labour market participation in order to cope with demographic challenges as well as to reduce inequality. For this purpose, we will work to enhance the functioning of the labour market on both the supply and demand sides.

We reiterate the commitment from the meeting of OECD Labour and Employment Ministers in September 2009 to put in place measures to foster skill and competency development and training. This will ensure workers are well-equipped for future jobs, including in particular those emerging from shifts towards a knowledge-based and low-carbon economy and the expansion of the health and social care sectors. We welcome the emphasis in the Innovation Strategy and the Green Growth Strategy on the human capital and skills dimensions, and expect, in light of the OECD's cross-cutting expertise, that this will become a good basis for further work by the OECD.

We appreciate the OECD's valuable work on employment and its continuing unique contribution in co-operation with relevant organisations such as the ILO. We look forward to further OECD work on the pressing issue of youth unemployment, as policies are needed to help youth get a firm foothold in the labour market including by enhancing their skills to promote their career prospects. We also look forward to further OECD work, including policy options, on increasing women's economic opportunity and gender equity.

Structural reforms

We renew our commitment to implement structural reforms in order to expand our growth potential, tackle challenges such as fiscal consolidation, unemployment, aging populations and inequality, and strengthen resilience to cope with future shocks. In this regard, we appreciate the comparative advantage of the OECD's work on structural policies.

Furthermore, as recovery of the world economy continues, global imbalances could widen. We are convinced that promoting reforms in OECD and non-OECD economies in product, labour and financial markets as well as appropriate macroeconomic policies will eventually help achieve more balanced global growth.

Sources of growth

Green growth

Green growth is gaining support across countries as a paradigm to bring about economic growth and development while responding to environmental challenges, such as climate change, biodiversity loss and unsustainable use of natural resources. We stress the importance of accelerating our shift toward green growth through cost-efficient policies, with due attention to structural changes throughout the transition process and ensuring the necessary policy coherence. We are resolved to ensure that measures taken to pursue green growth are consistent with our international trade obligations. It is vital to encourage green innovation and worldwide diffusion of environmental goods and services as well as environmental technologies, including resource- and energy-efficient technologies, in both developed and developing countries.

We welcome the Interim Report on the Green Growth Strategy, and look forward to the delivery of the Synthesis Report at the 2011 MCM, drawing also upon the findings of the Innovation Strategy and providing practical messages and policy toolkits. We encourage the OECD to continue to play a key role in global efforts to promote green growth.

We acknowledge the importance of avoiding, removing or reforming policies that may undermine the transition to a green growth economy, such as environmentally harmful subsidies. We support the initiative taken by the G20 to rationalise and phase out over the medium term inefficient fossil fuel subsidies that encourage wasteful consumption, and look forward to continued work of the OECD and the IEA as requested by the G20.

We reaffirm our commitment to reach a positive outcome at COP16 in Cancun building on previous efforts, including the COP15 in Copenhagen.

Innovation

Innovation is a key source of long-term growth, both in traditional and high-growth, high value-added sectors. It can provide crucial contributions to higher productivity and confront global and social challenges. Therefore, we welcome the final report of the Innovation Strategy.

In recognising that innovation is a broad phenomenon covering a wide range of activities, we will, taking into account country-specific conditions, a) empower people to innovate by education and training; b) adopt framework conditions, such as regulatory and tax policies, that are conducive to innovation; c) foster entrepreneurship and support new firms and Small and Medium-sized Enterprises; and d) enhance public research systems and develop knowledge networks and markets with effective protection of intellectual property rights.

In implementing the Innovation Strategy, we will improve governance in order to ensure policy coherence and further promote international co-operation.

The Innovation Strategy is not an end in itself, but provides direction for further work. We ask the OECD to continue its efforts to support development and improvement of our innovation policies, including by further improving relevant metrics and statistics and developing a framework for the evaluation of innovation policies, while maintaining a strong link with the Green Growth Strategy.

Trade and investment

Despite the crisis, protectionism has not spread as widely as many had feared, not least as a result of our co-ordinated international efforts. We reaffirm our commitment to remain vigilant and to resist all forms of protectionism. In this regard, we welcome the recommendations from the OECD on trade-related policy responses to the crisis. We support continued work on trade and investment, on a collaborative basis, by the OECD, the WTO and UNCTAD.



Borut Pahor, Prime Minister of Slovenia, at a panel on trade, jobs and innovation

We remain committed to an early, ambitious, balanced and comprehensive conclusion of the Doha Round that opens markets, generates economic growth, and builds on the progress already made. We support multilateral, plurilateral and bilateral efforts to bring the negotiations to a successful conclusion.

In light of our shared interest in fostering sustainable and inclusive growth, we will pursue efforts to facilitate trade and investment in environmental goods and services and to promote effective Aid for Trade. Furthermore, we will continue to encourage all major exporting countries to apply the common international framework and approaches in the field of officially supported export credits. We will reinforce our efforts to further develop a framework for officially supported export credits with respect to low carbon and energy efficient technologies

We stress the crucial role of open markets in achieving higher levels of economic growth and ultimately the creation of better and higher-paying jobs. We welcome further OECD work on the benefits of trade, including on the relationship between trade, growth and employment, and look forward to the results of these efforts over the coming year.

International investment will be critical in the recovery from the crisis and in economic development in general. We also note the importance of investment as a major driver of trade flows and job creation, and call for greater attention to its contribution to expanding economic growth and development. We recognise the central role that OECD has played in promoting best practices with respect to international investment and analytical work on investment rules. This work should continue and be augmented through greater collaboration with other institutions.

We welcome the formal launch of the update of the OECD Guidelines for Multinational Enterprises and note the important role they play in contributing to responsible business conduct and, thus, to broad societal support for open markets.

Measuring Progress of Society

Given the need to promote sustainable and balanced growth, we will benefit from measurement methods that take into account the social and environmental dimensions of economic development. We invite the OECD to develop proposals for further work on this important issue with the goal of better linking the measurement agenda to the needs of policy makers.

Propriety, integrity and transparency

The depth and breadth of the crisis have demonstrated the need to strengthen our commitment to fundamental principles of propriety, integrity and transparency. Our future growth and stability should be based on a commonly shared set of principles underpinning international economic and financial transactions. It is with this in mind that OECD members, as well as Brazil, Estonia, Israel, the Russian Federation and Slovenia, endorsed the Declaration on Propriety, Integrity and Transparency in the Conduct of International Business and Finance.

Development

Global economic co-operation is a key element in supporting economic development and social progress in developing countries. We reaffirm our strong commitment to achieve the Millennium Development Goals (MDGs) in 2015, which is a shared responsibility of all partners. In this regard, official development assistance (ODA) plays a crucial role, and the OECD will continue its monitoring and encourage progress towards meeting international ODA commitments. At the same time, we recognise that ODA alone will not achieve the

MDGs, and we will seek to take advantage of innovative financing and promote efficiency and effectiveness. We appreciate the OECD's work to enhance the effectiveness of our aid commitments. We further recognise that progress towards the MDGs also requires effective measures by developing countries to mobilise internal resources and set in place policies and institutions needed to support broad-based growth.

We support a broad and coherent approach to address development that includes development assistance, underscores the importance of good governance and is ultimately made sustainable through promoting a more inclusive process of growth for the world economy. We also welcome efforts to go beyond measuring inputs and agree on the need to focus more on measuring the impact and results of development co-operation. We call for strengthened dialogue between traditional and emerging donors, including triangular co-operation, information sharing and dissemination of best practices and lessons learned.

We acknowledge the urgent need for progress in the field of tax and development. Effective and transparent tax systems improve government accountability to citizens, contribute to stable and predictable pro-growth environments, and help fight corruption. We commend OECD co-operation with developing countries to support the development of more effective tax systems and to help these countries combat offshore tax evasion.

We encourage the OECD to aim at enhancing development results by fostering improved policy coherence for development and promoting dialogue and co-operation amongst all development partners. We support further efforts of the OECD to better mainstream the development dimension across the work of the Organisation, including through its ongoing development goals exercise.



Jobs and the crisis, press conference, including Sharan Burrow, President of the International Trade Union Confederation (ITUC), and Richard Trumka, President of the American Federation of Labor-Congress of Industrial Organizations (AFL-CIO)

Global economic co-operation

We share the view that deeper co-operation in the substantive work of the Organisation will be valuable to members, Accession countries and Enhanced Engagement partners. We will work closely together in OECD bodies, and in future ministerial meetings, as well as in global fora and regional dialogues, toward more inclusive sustainable and balanced global growth. We will aim to further develop best practices and high standards through inclusive, evidence-based discussions. We will seek to design and execute specific programs of engagement and to meet regularly to review progress.

We welcome the OECD's contribution to various international fora, such as the G20 and the G8, including the Framework for Strong, Sustainable and Balanced Growth, and encourage the OECD to continue its quality work.

We look forward to meeting again at the next OECD Ministerial Council Meeting, which will coincide with the celebrations of the OECD's 50th Anniversary. ■



OECD Ministerial Council Meeting group photo

Budget and finance

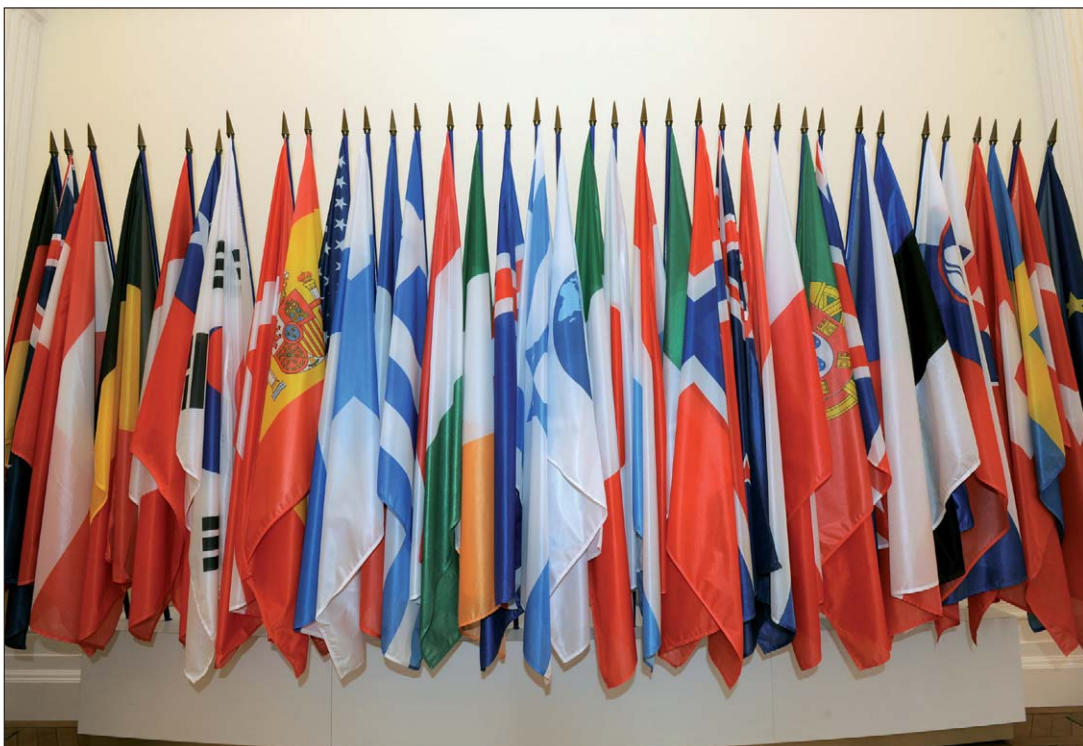
www.oecd.org/budget
financeservice@oecd.org

The Organisation applies results-based management to its planning, budgeting and financial management, identifying the policy impacts its members are seeking; deploying resources flexibly to achieve these outcomes through the evolving work programme; and evaluating performance after the fact. The OECD budget and the content of its work programme are established every two years by the OECD's governing body, the Council, based on recommendations from the Secretary-General. The budget for 2011 is EUR 342 million.

The OECD's financial statements are prepared in accordance with International Public Sector Accounting Standards (IPSAS) and are audited by external auditors selected from among OECD member country audit institutions. The Organisation's financial statements are available on the OECD website.

Members' assessed contributions, 2011

All member countries contribute to the outputs funded by "Part I" of the budget, which accounts for 53% of the overall budget of the Organisation. "Part II" outputs, of interest to a more limited number of members or relating to special policy sectors not covered by Part I, account for a further 27%. Other budgets, including pensions and special budgets, account for the rest. Contributions to Part I are based on both a proportion that is shared equally and a scale reflecting the relative size of member economies (based on national income). Part II programmes are funded by a scale or other arrangement agreed among participating countries.



Organisation chart

www.oecd.org/organisationchart

GENERAL SECRETARIAT

SECRETARY-GENERAL
Angel Gurría

OFFICE OF THE SECRETARY-GENERAL
Gabriela Ramos, Chief of Staff and
G20 Sherpa

**Centre for Co-operation with
Non-Members**
Eric Burgeat, Director

**Council and Executive Committee
Secretariat**
Eric Burgeat, Director *ad interim*

Directorate for Legal Affairs
Nicola Bonucci, Director

Public Affairs and Communications
Anthony Gooch, Director

Internal Audit
Dominique Pannier, Director

DEPUTY SECRETARIES-GENERAL

Aart de Geus

Pier Carlo Padoan

Mario Amano

Richard A. Boucher

SPECIAL BODIES

Development Centre

Mario Pezzini
Director

International Energy Agency

Nobuo Tanaka
Executive Director

Nuclear Energy Agency

Luis Echávarri
Director General

May 2011

DIRECTORATES

| | | | | |
|--|--|--|--|---|
| <p>Development Co-operation Directorate</p> <p>Jon Lomoy Director</p> | <p>Economics Department</p> <p>Pier Carlo Padoan Chief Economist</p> | <p>Directorate for Education</p> <p>Barbara Ischinger Director</p> | <p>Directorate for Employment, Labour and Social Affairs</p> <p>John P. Martin Director</p> | <p>Centre for Entrepreneurship, SMEs and Local Development</p> <p>Sergio Arzeni Director</p> |
| <p>Environment Directorate</p> <p>Simon Upton Director</p> | <p>Executive Directorate</p> <p>Patrick van Haute Director</p> | <p>Directorate for Financial and Enterprise Affairs</p> <p>Carolyn Ervin Director</p> | <p>Directorate for Public Governance and Territorial Development</p> <p>Rolf Alter Director</p> | <p>Directorate for Science, Technology and Industry</p> <p>Andrew Wyckoff Director</p> |
| <p>Statistics Directorate</p> <p>Martine Durand Director</p> | <p>Centre for Tax Policy and Administration</p> <p>Jeffrey Owens Director</p> | <p>Trade and Agriculture Directorate</p> <p>Ken Ash Director</p> | | |

SPECIAL ENTITIES

| | | | | |
|---|--|---|--|--|
| <p>Africa Partnership Forum</p> <p>David Batt Director</p> | <p>Financial Action Task Force</p> <p>Rick McDonell Head of Secretariat</p> | <p>International Transport Forum</p> <p>Jack Short Secretary General</p> | <p>Partnership for Democratic Governance</p> <p>Jerzy Pomianowski Head of Advisory Unit</p> | <p>Sahel and West Africa Club</p> <p>Laurent Bossard Director</p> |
|---|--|---|--|--|

KEY ACTIVITIES



Development Co-operation Directorate

www.oecd.org/dac



Jon Lomoy
Director
E-mail: dac.contact@oecd.org

“Our objective is to make international development co-operation a better tool for poverty reduction. By promoting dialogue and mutual learning, we help developed and developing country governments formulate and apply policy based on what works. We focus on value for money, and track aid and pledges.”

The Development Co-operation Directorate (DCD) and the OECD Development Assistance Committee (DAC) work to ensure that aid is squarely centred on meeting the broader challenges of development. Over the past year, these efforts focused on paving the ground for the fourth High Level Forum on Aid Effectiveness, to be held in Busan, Korea, at the end of 2011.

The DAC's longstanding emphasis on the central role of women and girls in securing development was strongly echoed in the outcome document of the UN Millennium Development Goals Summit in September. The UN Climate Change Conference in Cancún ratified the need for a carefully mapped balance between fast-start and long-term financing, an area where the DCD's expertise is of particular relevance. In November, the G20's Seoul Development Consensus for Shared Growth marked an important step toward inclusive development. The OECD is playing a key role in implementing the resulting action plan, in co-operation with the UN, the World Bank and other international organisations.

The DCD contributes to better policies for better lives through transparent data on development finance and improved development co-operation practices and policies. It provides evidence-based policy advice and an open forum to share and build knowledge. ■

Areas of focus

- Aid architecture and financing: www.oecd.org/dac/scalingup
- Aid effectiveness: www.oecd.org/dac/effectiveness
- Aid for trade: www.oecd.org/dac/aft
- Aid statistics: www.oecd.org/dac/stats
- Conflict and fragility: www.oecd.org/dac/incaf
- Engagement: www.oecd.org/dac/opendoors
- Environment and development: www.oecd.org/dac/environment
- Evaluation of development programmes: www.oecd.org/dac/evaluation
- Gender equality and development: www.oecd.org/dac/gender
- Governance and development: www.oecd.org/dac/governance
- Peer reviews of DAC members: www.oecd.org/dac/peerreviews
- Poverty reduction: www.oecd.org/dac/poverty
- Statistics for development: www.paris21.org

Key publications

- DAC peer reviews of Belgium, Germany, Japan, New Zealand, Portugal, United Kingdom
- *Better Aid: Evaluation in Development Agencies*
- *Geographical Distribution of Financial Flows to Developing Countries 2010*
- *Multilateral Aid 2010*
- *Partner Report on Support to Statistics (PRESS)*
- *Resource Flows to Fragile and Conflict-Affected States*
- *Supporting Statebuilding in Situations of Conflict and Fragility: Policy Guidance*
- *Transition Financing: Building a Better Response*

Key events

- Meeting of the DAC Task Force on Public Financial Management, New Delhi, 15-16 December 2010
- High-level meeting on Capacity Development, Cairo, 28-29 March 2011
- OECD Global Forum on Development: Ensuring Public Expenditure Achieves Results, Paris, 5 April 2011
- Annual Bank Conference on Development Economics (ABCDE), co-organised by the OECD, the French Ministry of Foreign and European Affairs, the French Ministry of Economy, Finance and Industry, and the World Bank, Paris, 30 May – 1 June 2011
- Aid for Trade Global Review 2011, Geneva, 18-19 July 2011
- High Level Forum on Aid Effectiveness, Busan, Korea, 29 November – 1 December 2011

Economics Department

www.oecd.org/eco



Pier Carlo Padoan
Deputy Secretary-General and Chief Economist
E-mail: eco.contact@oecd.org

“The global economy is at a crossroads. Growth is picking up in the OECD area and the emerging-market economies continue to expand robustly. Policy makers will need to sustain the recovery, where it is hesitant; to restore the sustainability of the public finances, where government debt is high; and to reduce unemployment, where it risks becoming long-lasting. At the global level more co-operative efforts are needed to ensure a growth-friendly global rebalancing. The Economics Department can support the policy making process both at the multilateral and national levels by providing advice based on sound analysis and disseminating good practices.”

The Economics Department (ECO) focused its policy advice in 2010 on how countries could sustain the recovery from the global financial and economic crisis and improve their long-term growth potential. The world economy is now recovering in earnest, and policy discussions are shifting to the need to deliver fiscal consolidation, tackle high unemployment and reduce global imbalances in a durable manner. Based on the lessons learned from its regular surveys, policy-related research and policy dialogue, ECO will continue to provide policy advice on how to achieve strong, sustainable and balanced global growth.

The work of the Economics Department has also been shaped by the accession of three new member countries to the OECD, which required a strengthening of the Department's policy surveillance and analytical capabilities. Policy dialogue with non-member countries continues to be enhanced, including through the publication of the *Economic Assessment of Colombia*. Over the past 12 months, ECO has published 23 country surveys, including for Enhanced Engagement countries India, Indonesia and South Africa. Work on areas related to the OECD mandates from the G20 is under way. In particular, a number of G20 countries, including Brazil, China, India, Indonesia and South Africa, have now been fully integrated into *Going for Growth*.

The Economics Department carries out multilateral, country-specific and structural policy surveillance of OECD member countries, as well as the Accession and Enhanced Engagement countries. ■

Areas of focus

- Country economic surveys: www.oecd.org/eco/surveys
- Cross-country structural policy analysis and advice: www.oecd.org/economics/goingforgrowth
- Economic outlook: www.oecd.org/oececonomicoutlook
- Economics Department Policy Notes: www.oecd.org/eco/policynotes
- Economics Department working paper series: www.oecd.org/eco/workingpapers
- Monetary and financial issues: www.oecd.org/eco/money
- Public finance: www.oecd.org/eco/public_finance

Key publications

- *Economic Policy Reforms: Going for Growth 2011*
- *OECD Economic Outlook*
- *OECD Economic Surveys* (member countries and selected non-member countries)
- *OECD Journal: Economic Studies*

Key events

- OECD-World Bank conference on Challenges and Policies for Promoting Inclusive Growth, Paris, 24-25 March 2011
- Launch of *Going for Growth 2011*, Budapest, 7 April 2011
- Launch of *Interim Economic Outlook* for major world economies, Paris, 5 April 2011
- Launch of *Economic Outlook*, Paris, 24 May 2011

Directorate for Education

www.oecd.org/edu



Barbara Ischinger
Director
E-mail: edu.contact@oecd.org

“Education and skills are the bedrock of sustainable economic growth. People need the right mix of skills to adapt to rapidly changing job markets and to achieve the highest possible social outcomes for themselves, their families and their communities. We help member and non-member countries design effective education policies, compare their performance and learn from one another through dialogue.”

In 2010 the OECD released the results of the 2009 Programme for International Student Assessment (PISA) on the educational performance of 15-year-olds in 74 countries from around the world, that together represent nine-tenths of the world's economy. The results show that nurturing high performance and tackling low performance are not necessarily mutually exclusive.

The meeting of education ministers in November 2010 emphasised that education and training are fundamental for economic recovery and can contribute to social cohesion and integration in increasingly diverse societies. Ministers agreed that providing students with the best schools and the best teachers will require innovative policies, continuous and broad reform efforts and clear public governance frameworks to foster the human and social capital needed today and tomorrow.

In 2011 the OECD will concentrate on developing a “Skills Strategy” designed to support countries' efforts to ensure that skills match new needs. It will examine policies that contribute to social progress and sustainable economic growth by improving educational outcomes, fostering human capital and employment.

The Directorate for Education leads the Organisation's work to help member and non-member countries achieve high-quality learning for all, contributing to personal development, sustainable economic growth and social cohesion. The Education Policy Committee exercises strategic guidance and oversight of OECD work on education. The Directorate provides statistics, analysis and policy advice to countries on a wide range of educational topics. ■

Areas of focus

- Centre for Educational Research and Innovation (CERI): www.oecd.org/edu/ceri
- Early childhood education and care: www.oecd.org/edu/earlychildhood
- Educational facilities and infrastructure: www.oecd.org/edu/facilities
- Education indicators: www.oecd.org/edu/eag2010
- Education policy co-operation with non-members: www.oecd.org/edu/nme
- Educationtoday collaborative platform: <https://community.oecd.org/community/educationtoday>
- Equity in education: www.oecd.org/edu/equity
- Evaluation and Assessment Frameworks for Improving School Outcomes: www.oecd.org/edu/evaluationpolicy
- Feasibility Study for the International Assessment of Higher Education Learning Outcomes (AHELO): www.oecd.org/edu/ahelo
- Higher education: www.oecd.org/edu/higher
- Innovation Strategy for Education and Training: www.oecd.org/edu/innovation
- Innovative Learning Environments: www.oecd.org/edu/learningenvironments
- Programme for International Student Assessment (PISA): www.pisa.oecd.org
- Programme for the International Assessment of Adult Competencies (PIAAC): www.oecd.org/piaac
- Teaching and Learning International Survey (TALIS): www.oecd.org/edu/talis

Key publications

- PISA Volume I, *What Students Know and Can Do: Student Performance in Reading, Mathematics and Science*
- PISA Volume II, *Overcoming Social Background: Equity in Learning Opportunities and Outcomes*
- PISA Volume III, *Learning to Learn: Student Engagement, Strategies and Practices*
- PISA Volume IV, *What Makes a School Successful? Resources, Policies and Practices*
- PISA Volume V, *Learning Trends: Changes in Student Performance Since 2000*
- PISA Volume VI, *Students on Line: Reading and Using Digital Information*
- *Strong Performers and Successful Reformers in Education: Lessons from PISA for the United States*
- *Education Today 2010: The OECD Perspective*
- *Trends Shaping Education 2010*
- *Improving Health and Social Cohesion through Education*
- *Improving School Leadership: The Toolkit*
- *Learning Our Lesson: Review of Quality Teaching in Higher Education*
- *Reviews of National Policies for Education, 2010: Kyrgyz Republic; Santa Catarina State (Brazil); Scholarship Abroad Programme (Chile); Higher Education in Egypt*
- *OECD Reviews of Vocational Education and Training Learning for Jobs*

Key events

- Higher Education in a World Changed Utterly: Doing More with Less, IMHE conference, Paris, 13-15 September 2010
- Education Policy Committee meeting at Ministerial level: Investing in Human and Social Capital, New Challenges, Paris, 4-5 November 2010
- International Summit on the Teaching Profession, co-organised with the US Department of Education and Education International, New York City, 16-17 March 2011
- Strong Performers and Successful Reformers: Lessons from PISA, OECD-Japan seminar, Tokyo, 28-29 June 2011

Directorate for Employment, Labour and Social Affairs

www.oecd.org/els



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“Following the worst crisis of the past half-century, time and political will are needed to heal the labour market’s wounds. Despite efforts to protect incomes and promote a job-rich recovery, pressure to cut large fiscal deficits is mounting, as is the need to make hard choices. Ensuring adequate funding for labour market and social policies is key; but focusing on cost-effective programmes and targeting disadvantaged groups is also essential. Lowering high youth unemployment and minimising the risk of long-term joblessness must be our priorities.”

In 2010, the OECD helped countries find better ways of dealing with the recession and slow recovery’s impact on jobs and incomes. The 2010 *Employment Outlook* analysed policies to support the unemployed while promoting their quick return to work. The OECD also contributed to the background documentation for the first G20 Employment and Labour Ministerial meeting in Washington.

The economic crisis cast a long shadow over the October meeting of OECD and selected non-OECD health ministers. Ministers agreed that tight budgets increase the need to use health care resources efficiently when promoting quality care and seeking improved health outcomes. Ministers also agreed on the importance of focusing on prevention, health promotion and patient empowerment to encourage healthier populations.

In the coming years, ELS work will concentrate on reconciling short-term pressures brought on by the crisis with longer-term challenges. In 2011, OECD social policy ministers will discuss reform priorities in the aftermath of the crisis and looming population ageing.

Promoting equality of opportunities in OECD economies featured prominently in our work in 2010. The synthesis report, *Off to a Good Start? Jobs for Youth*, set out a new agenda for youth-friendly employment policies and innovative practices, and capped the successful series of 16 OECD reviews, *Jobs for Youth*. We also continued work on activation policies to help benefit recipients find work, especially the long-term unemployed; released a groundbreaking report, *New Skills for New Jobs*; and launched new analysis on the jobs potential of a transition to a low-carbon economy. Policies to facilitate the integration of immigrants and their children were reviewed in a number of studies and public events.

The OECD’s Directorate for Employment, Labour and Social Affairs leads the Organisation’s work on employment, social policies, international migration and health. ■

Areas of focus

- Active labour market policies and activation strategies: www.oecd.org/els/employment/almpp
- Employment and labour markets: www.oecd.org/employment/outlook
- Families and children: www.oecd.org/els/social/family
- Health policy: www.oecd.org/els/health/policy
- Measuring health and health spending: www.oecd.org/els/health/data
- International migration policies: www.oecd.org/els/migration
- Health care quality indicators: www.oecd.org/health/hcqi
- Pension systems: www.oecd.org/els/social/pensions/
- Sickness and disability benefits: www.oecd.org/els/disability
- Social indicators: www.oecd.org/els/social/indicators
- Social protection systems: www.oecd.org/els/social
- System of health accounts: www.oecd.org/health/sha
- Youth and the labour market: www.oecd.org/employment/youth

Key publications

- *Off to a Good Start? Jobs for Youth*
- *Sickness, Disability and Work: Breaking the Barriers*
- *OECD Health Data, 2010*
- *Obesity and the Economics of Prevention: Fit not Fat*
- *Improving Health Sector Efficiency: The Role of ICT*
- *International Migration Outlook 2010*
- *Employment Outlook 2010*
- *Tackling Inequalities in Brazil, China, India and South Africa - The Role of Labour Market and Social Policies*
- *New gross and net indicators in the OECD Social Expenditure Database (SOCX 2010 edition)*

Key events

- High-Level Forum on Jobs for Youth, Oslo, 20-21 September 2010
- OECD Health Ministerial Meeting: Health Priorities in the Aftermath of the Crisis, Paris, 7-8 October 2010
- OECD Social Policy Ministerial Meeting, Paris, 2-3 May 2011

Centre for Entrepreneurship, SMEs and Local Development

www.oecd.org/cfe



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“In the entrepreneurial economy new and small firms support innovation in many ways. However, significant barriers hinder their development, including access to finance, poor management and entrepreneurial skills, lack of qualified personnel, a short-term perspective, and limited awareness of innovation needs. Government policies need to address these issues.”

The Centre for Entrepreneurship, SMEs and Local Development (CFE) helps countries design and implement effective policies for local employment and economic development, small and medium-sized enterprises (SMEs) and entrepreneurship, and tourism. It produces peer reviews at both the local and national levels and contributes to the OECD projects on job creation, innovation, skills and green growth. The CFE also draws on the expertise of its extensive network of international experts and carries out regular consultations with civil society.

Access to financing for SMEs will remain an issue even after recovery takes a firm hold. In 2011, the CFE will continue to monitor and report on SMEs and entrepreneurship financing data and policies. It will also assess the different forms of financial support available to SMEs, particularly for innovative and high-growth enterprises.

In the year ahead, the CFE will gather a set of indicators on skills, mobility, job quality and the adaptability of labour market policy. It will devise local strategies for youth employment, as well as strategies to tackle long-term unemployment among vulnerable groups. Work will also focus on helping communities to deliver effective local development, foster SMEs and entrepreneurship, and build their capacities through peer learning and exchange forums.

Other work will examine green innovation in tourism services, identifying the main drivers and barriers, and drawing appropriate policy recommendations for public and private-sector actors. A toolkit will be developed for use by SMEs working in tourism, including a green innovation self-assessment tool and a set of green job indicators. The OECD will also continue to monitor and evaluate the key global trends and policies in tourism, measuring competitiveness and fostering liberalisation in the sector. ■

Areas of focus

- Local Economic and Employment Development (LEED): www.oecd.org/cfe/leed
- SMEs and entrepreneurship: www.oecd.org/cfe/sme
- Tourism: www.oecd.org/cfe/tourism

Key publications

- *Breaking Out of Policy Silos: Doing More with Less*
- *High-Growth Enterprises: What Governments Can Do to Make a Difference*
- *OECD Scoreboard on SME and Entrepreneurship Financing Data and Policies* (forthcoming)
- *Improving Social Inclusion at the Local Level* (forthcoming)
- *The Economics of Food and Tourism* (forthcoming)

Key events

- Managing Accountability and Flexibility in Labour Market Policy, high-level conference, Aarhus, Denmark, 5 April 2011

Environment Directorate

www.oecd.org/environment



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“One key challenge in the past year has been finding a way to make the case for green growth. Governments have made it clear that unless they can deliver economic growth at the same time as meeting environmental challenges, they stand little chance of implementing ambitious new policies. We need to be equally concerned about the environmental impact of economic policies and the economic impact of environmental policies. The Green Growth project will operationalise that for the first time.”

The G20-mandated work on fossil fuel subsidies was reported to the G20 Summits in Toronto in June and in Seoul in November 2010, jointly by the OECD, International Energy Agency, World Bank and OPEC. In the International Year of Biodiversity, OECD work on the economic aspects of biodiversity contributed to COP10 of the Convention on Biological Diversity in Nagoya, Japan, in October 2010. The OECD Global Forum on Environment on Sustainable Materials Management discussed coherent policy approaches to ensure that materials are managed sustainably and used efficiently throughout their life cycle. The meeting of COP16 of the Framework Convention on Climate Change in Cancun, Mexico, was a crucial international effort to address climate change, and the OECD participated in several ways, including through OECD side events to present our analyses and an official statement.

The development of the Green Growth Strategy has involved many OECD committees and stakeholders, with synergies among economic, sectoral and environmental policies. The new *OECD Environmental Outlook* will be a key input to the Environmental Ministerial Meeting in March 2012. The Outlook will show what the world might look like in 2050, and how green growth policies could help divert the trajectories of business-as-usual.

The Environment Directorate helps countries design and implement efficient and effective policies to address environmental problems and manage natural resources in a sustainable way. It examines the linkages between the environment and economic, sectoral or social concerns, in areas such as climate change; biodiversity; water; waste; environmental taxes; safety of chemicals, nanomaterials and genetically modified crops; agriculture; transport; trade; investment; and development. ■

Areas of focus

- Biodiversity: www.oecd.org/env/biodiversity
- Climate change: www.oecd.org/env/cc
- Eco-innovation: www.oecd.org/environment/innovation
- Environmental country reviews: www.oecd.org/env/countryreviews
- Environmental data and indicators: www.oecd.org/env/indicators
- Environmental taxes, tradable permits: www.oecd.org/env/taxes
- Green growth: www.oecd.org/greengrowth
- Safety of chemicals, pesticides, biotechnology and nanomaterials: www.oecd.org/ehs
- Transport and environment: www.oecd.org/env/transport
- Resource productivity and waste: www.oecd.org/env/waste
- Water: www.oecd.org/water

Key publications

- *Better Policies to Support Eco-Innovation*
- *Environmental Outlook to 2050*
- *Environmental Performance Reviews: Japan, Portugal, Norway, Slovak Republic; Israel*
- *Greening Household Behaviour The Role of Environmental Policy*
- *Green Growth Strategy: Synthesis Report*
- *Financing Integrated Water Resources Management*
- *Implementing Effective Policies for Water Supply and Sanitation: Tools and Approaches*
- *Invention and Transfer of Environmental Technologies*
- *Paying for Biodiversity: Enhancing the Cost-Effectiveness of Payments for Ecosystem Services*
- *Synthesis Report on Sustainable Materials Management*
- *Taxation, Innovation and the Environment*

Key events

- Global Forum on Environment: Sustainable Materials Management, Mechelen, Belgium, 25-27 October 2010
- Green Growth Strategy Workshop, Paris, 10-11 February 2011
- Global Forum on Environment: Climate Change Seminar with Developing Countries, Paris, 28-29 March 2011
- OECD Chemicals Committee meeting, 40th anniversary celebration, Paris, 15-17 June 2011
- Global Forum on Environment: Preparation of the OECD *Environmental Outlook*, Paris, 6-7 October 2011
- Global Forum on Environment: Water Security – Meeting the Economic and Governance Challenges, Paris, 25-26 October 2011
- Environment Policy Committee Meeting at Ministerial Level, Paris, 29-30 March 2012

Directorate for Financial and Enterprise Affairs

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“The OECD works hard to help governments honour their commitments to open markets and foster business integrity in support of society and development.”

The OECD helps governments improve domestic and global policies that affect business and markets. It works in the fields of anti-corruption, corporate governance, competition law and policy, investment, financial markets, insurance, private pensions and private sector development.

Managing catastrophic risk efficiently is now critical to avoid draining public resources. The OECD's new Recommendation on Good Practices for Mitigating and Financing Catastrophic Risks draws on a decade of work providing an integrated, action-oriented framework for the identification of disaster risks, promotion of risk awareness, enhancement of prevention and loss mitigation strategies, and design of compensation arrangements.

As a complement to the OECD Guidelines for Multinational Enterprises, the OECD adopted, in close co-operation with African countries, the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, as a contribution to the fight against illegal trade in natural resources. This new guidance will promote transparency and sustainable sourcing practices, while enabling developing countries to generate income from the extraction and trade of their mineral resources.

The OECD continues to support and share knowledge with emerging and developing economies on improving policies. The NEPAD-OECD Investment Initiative launched reviews in several African countries. The OECD supported China as it assessed its corporate governance legal and regulatory framework against the OECD Principles of Corporate Governance. Brazil participated in the first OECD corporate governance peer review on board practices and remuneration. Indonesia undertook its first OECD policy peer review on investment. ■

Areas of focus

- Freedom of Investment process: www.oecd.org/daf/investment/foi
- OECD Guidelines for Multinational Enterprises: www.oecd.org/daf/investment/guidelines
- OECD Guidance on Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas: www.oecd.org/daf/investment/mining
- Investment for green growth: www.oecd.org/daf/investment/green
- The Initiative to Raise Global Awareness of Foreign Bribery: www.oecd.org/corruption/initiative
- Financial markets: www.oecd.org/daf/fin
- Bond market and public debt management: www.oecd.org/daf/publicdebtmanagement
- Insurance: www.oecd.org/daf/insurance
- Private pensions: www.oecd.org/daf/pensions
- Financial education: www.financial-education.org
- Competition: www.oecd.org/competition
- Private sector development: www.oecd.org/daf/psd
- OECD Corporate Governance Principles: www.oecd.org/daf/corporate/principles
- Corporate Governance of State-Owned Enterprises: www.oecd.org/daf/corporateaffairs/soe

Key publications

- *Transition to a Low-Carbon Economy: Public Goals and Corporate Practices*
- *Business Climate Development Strategy: Egypt, 2010*
- *OECD Investment Policy Reviews: Morocco, Indonesia*
- *Investment Reform Index 2010: Monitoring Policies and Institutions for Direct Investment in South East Europe*
- *Kazakhstan: Sector Competitiveness Strategy*
- “OECD Sovereign Borrowing Outlook”, series
- *African Central Government Debt: Statistical Yearbook 2003-2007*
- *Public Debt Management in the Macro Spotlight* (jointly with BIS)

Key events

- Conference on Terrorism Risk Insurance, Paris, 1-2 June 2010
- Ministerial Roundtable of the OECD Central Asia Initiative, Paris, 18 June 2010
- OECD-Banque du Liban International Conference on Financial Education: Building Financially Empowered Individuals, Beirut, 20-21 October 2010
- Official Launch of the Regional Competitiveness Initiative for South East Europe, Romania, 22 November 2010
- OECD-Asian Roundtable on Corporate Governance, Shanghai, 16-17 December 2010
- OECD Global Forum on Public Debt Management, Paris, 20-21 January 2011
- Global Forum on Competition Paris, 17-18 February 2011
- 12th OECD-World Bank Group-IMF Global Bond Market Forum, Paris, 5-6 May 2011

Directorate for Public Governance and Territorial Development

www.oecd.org/gov



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“As countries search for a new growth model, the need for an agile, well-performing, innovative and open public sector is greater than ever. Our mission is to help governments improve the quality of public services, ensure that regulation responds to the needs of citizens and business, strengthens budget management and reduces disparities. We do this by facilitating evidence-based policy making and encouraging both OECD members and non-members to share experiences during a period of unprecedented pressure on the actions of government.”

In 2010, in the aftermath of the economic crisis, the OECD supported dialogue on how to strengthen the role of government in the economy. At a meeting of ministers in November 2010, members and non-members discussed ways to make the public sector more effective in a context of shrinking budgets. They emphasized the need to restore fiscal sustainability while ensuring high-quality public services, and called for more effective engagement with civil society.

In 2011, public governance work will focus on providing evidence to support policy in areas such as e-government, human resources, budgeting and fiscal consolidation. OECD also convened senior regulators to discuss lessons from the crisis regarding economic regulation. Work in 2011 will help countries adopt cutting-edge management tools, including e-rule making, Web 2.0 and reduced red tape, to ensure that regulations foster growth. The need for a recovery felt by all citizens highlighted regional development as a pillar of economic management. OECD areas of work include the role of cities in promoting green growth, management of natural resources across levels of government, renewable energy and rural development, and regional innovation strategies. OECD's policy advice is built on strong evidence and data. In 2011, new editions of *Government at a Glance* and *Regions at a Glance* will bring together new, unique indicators of government performance.

The OECD's Public Governance and Territorial Development Directorate's unique emphasis on institutional design and policy implementation supports mutual learning and diffusion of best practice. Regional networks support dialogue in the Middle East and North Africa, Eastern Europe, Latin America and Asia. ■

Areas of focus

- Budgeting and public expenditures: www.oecd.org/gov/budget
- e-Government: www.oecd.org/gov/egov
- Indicators of government activity: www.oecd.org/gov/indicators
- Promoting integrity in the public sector: www.oecd.org/gov/ethics
- Public employment and management: www.oecd.org/gov/hrm
- Public governance reform in the Middle East and North Africa: www.oecd.org/mena/governance
- Regional statistics and indicators: www.oecd.org/gov/regional/statisticsindicators
- Regional, urban and rural development: www.oecd.org/gov/regional
- Regulatory policy: www.oecd.org/regreform
- Sigma (Support for improvement in governance and management): www.oecd.org/gov/sigma

Key publications

- *Government at a Glance*
- *Lobbyists, Governments and Public Trust, Volume 2: Promoting Integrity through Self-regulation*
- *Progress in Public Management in the Middle East and North Africa: Case Studies on Policy Reform*
- *Cities and Climate Change*
- *Regional Development Policies in OECD Countries*
- *OECD Journal on Budgeting*
- *OECD Public Governance Reviews*
- *OECD Reviews of Regulatory Reform*
- *OECD Territorial Reviews*
- *OECD Regions at a Glance*
- *Regions and Innovation Policy*
- *OECD Regional Outlook (forthcoming)*

Key events

- OECD Senior Budget Officials Meeting, Athens, 3-4 June 2010
- Ways Out of the Crisis: Managing Fiscal Consolidation and Investing in Future Growth, meeting of Senior Officials from Centres of Government, Berlin, 22-24 September 2010
- E-Leadership for Better Performing Government, high-level e-leaders meeting, Brussels, 11-12 October 2010
- Regulatory Policy at the Crossroads: Towards a New Policy Agenda, conference, Paris, 28-29 October 2010
- Towards Recovery and Partnership with Citizens: The Call for Innovative and Open Government, meeting of the Public Governance Committee at Ministerial level, Venice, 14-15 November 2010
- From Recovery to Consolidation: What Governance Arrangements for Public Investment and Services in an Austere Fiscal Environment, special session of the Territorial Development Policy Committee, Paris, 1-2 December 2010
- International Regulatory Reform Conference, co-organised by OECD and the Bertelsmann Foundation, Amsterdam, 10-11 March 2011
- Annual Meeting of Parliamentary Budget Officials, Stockholm, 28-29 April 2011

Directorate for Science, Technology and Industry

www.oecd.org/sti



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“There is a good reason why ‘innovation’ is one of today’s most common buzzwords in public policy. It is an important method for fuelling economic growth and addressing urgent social challenges like climate change and ageing societies. Stimulating innovation is not about spending money – it is about better co-ordination, long-term policy commitment, breaking down barriers and meeting people’s needs. Through its work on innovation, science, technology and industry, the OECD strives to deliver the most effective policy recommendations on key emerging issues facing governments.”

The launch of the OECD Innovation Strategy last year was only “the end of the beginning”, as noted by Secretary-General Angel Gurría. Its positive influence keeps growing as several leading countries, the EU and the G8 build on OECD work to shape their own innovation policies.

Follow-up work is contributing to the OECD Green Growth Strategy. This work also feeds into the Global Project on Measuring the Progress of Societies and the OECD Skills Strategy. Key recommendations to foster innovation for green growth will be presented at the 2011 Ministerial Council Meeting. In addition, a report on the status and drivers of – and barriers to – green innovation will be released later in the year with more in-depth policy recommendations.

Ongoing work will also further help governments unleash innovation by shedding light on the importance of “intangible assets” such as R&D, design, brands and marketing, networks, software and data as key determinants for competitiveness. It will examine value-added and productivity; international co-operation for innovation in developing countries; and new governance frameworks for co-operation in science, technology and innovation to address global challenges. The Directorate is also developing a handbook of innovation policies that map the higher-level principles of the Innovation Strategy into more operational policies and instruments, as well as provide new metrics and indicators that capture the many facets of the innovation process, including outcomes.

The OECD Directorate for Science, Technology and Industry (STI) leads the Organisation’s work on knowledge-based sources of economic and social growth. As of April 2011, the International Futures Programme has been merged into the Directorate for Science, Technology and Industry. ■

Areas of focus

- Innovation: www.oecd.org/innovation
- Internet economy: www.oecd.org/internet
- Science and technology: www.oecd.org/science
- Industry and entrepreneurship: www.oecd.org/enterprise
- Space: www.oecd.org/futures/space

Key publications

- OECD Science, Technology and Industry Scoreboard
- OECD Communications Outlook
- OECD Science, Technology and Industry Outlook
- OECD Information Technology Outlook
- OECD Reviews of Innovation Policy: Russia, Slovenia, Peru and Southeast Asia (2011)
- Several publications on innovation, visit www.oecd.org/innovation/strategy
- *Fostering Green Innovation – Accelerating the Shift to Green Growth*
- *The Economic and Social Role of Internet Intermediaries*
- *The Space Economy at a Glance* (forthcoming)

Key events

- OECD Forum on Space Economics, Paris, 23-24 September 2010
- OECD Global Forum on Biotechnology: Delivering Global Promise through the Life Sciences, Paris, 6-7 December 2010
- Building a Smarter Health and Wellness Future, OECD/National Science Foundation workshop, Washington, DC, 15-16 February 2011
- OECD Global Science Forum: first meeting of the Astroparticle Physics International Forum, Lisbon, 4-5 April 2011
- New Building Blocks for Jobs and Economic Growth, conference, Washington, DC, 16-17 May 2011
- The Internet Economy: Generating Innovation and Growth, high-level meeting, Paris, 28-29 June 2011
- Global Forum on the Knowledge Economy: Better Science and Innovation Policies for Better Lives, Paris, 12-13 September 2011

Statistics Directorate

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“Designing ‘better policies for better lives’ requires measuring a broad set of well-being outcomes and identifying their key drivers, in particular those amenable to policy interventions. Through the work being led by the Statistics Directorate, we aim to bring new insights into the area of measuring progress and improving our citizens’ well-being.”

Measuring Well-Being and the Progress of Societies is one of the OECD’s six strategic priorities. The Statistics Directorate (STD) is leading work on development of new indicators, drawing on OECD expertise developed over the past 10 years. In 2011, one of the main outputs of this work will be a publication gathering and analysing various indicators that provide information on the well-being of individuals and households.

As part of the OECD’s Green Growth Strategy, STD has also developed a set of Green Growth Indicators, and, as part of the OECD’s Gender Equality Project, a conceptual framework for indicators of gender aspects in entrepreneurship. In response to the crisis, we have also redirected our efforts towards increasing the periodicity and timeliness of our data provision, in particular in the area of financial statistics. On the conceptual side, we have played a leading role in devising recommendations for new issues in national accounting, such as the treatment of emission permits.

In 2010 we intensified efforts to integrate statistics from accession and enhanced engagement countries into OECD databases. These efforts are bearing fruit, and users can now access and compare Chinese national accounts data to similar information from OECD members. National accounts data for Brazil and South Africa will soon be integrated, and India and Indonesia have committed to participate as well.

The OECD Statistics Directorate collects and analyses economic and social statistics from member and non-member countries. We aim at disseminating data that is as comparable internationally as possible. STD is responsible for the co-ordination of all OECD statistical activities and the development of the OECD statistical information system. It promotes the dissemination of key OECD statistics through tools such as the *OECD Factbook*, dynamic graphics and innovative web-based tools. ■

Areas of focus

- Business statistics and entrepreneurship indicators: www.oecd.org/std/entrepreneurship
- Composite leading indicators and business tendency surveys: www.oecd.org/std/cli-ts
- Financial statistics: www.oecd.org/statistics/finance
- Green Growth Strategy: www.oecd.org/greengrowth
- National accounts: www.oecd.org/statistics/nationalaccounts
- Prices and purchasing power parities: www.oecd.org/statistics/prices-ppp
- Productivity and competitiveness indicators: www.oecd.org/statistics/productivity
- Trade and globalisation indicators: www.oecd.org/statistics/trade
- Globalisation indicators: www.oecd.org/statistics/globalisation
- Wikiprogress: www.wikiprogress.org
- Measuring the progress of societies: [site under development](#)

Key publications

- *Compendium of Key Well-Being Indicators*
- *Entrepreneurship at a Glance*
- *National Accounts at a Glance*
- *OECD Factbook*

Key events

- OECD-Bank of Spain Workshop on Securitisation, Madrid, 27-28 May 2010
- World Statistics Day: Better Data for Better Policies, Paris, 20 October 2010
- Eurostat-OECD Workshop on Entrepreneurship Indicators: Entrepreneurship Capabilities and Culture, Luxembourg, 2-3 December 2010
- Innovative Ways of Turning Statistics into Knowledge, seminar, Cape Town, 8-10 December 2010
- Latin-American Conference on Measuring and Fostering the Progress of Societies, Mexico City, 11-13 May 2011

Centre for Tax Policy and Administration

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“Tax reform was high on the political agenda in 2010 as policy makers grappled with the need to design fair and simple competitive tax systems that deliver the revenues required to consolidate budgets. Efforts to improve tax compliance were intensified and the elimination of bank secrecy as a barrier to effective co-operation to counter offshore tax evasion is becoming a reality. The OECD has provided the analytical underpinnings for these initiatives and is working with countries around the world to help them build stronger tax systems.”

In 2010, the OECD advanced its multi-pronged drive to end tax evasion and improve transparency and co-operation on tax matters. This led to the signing of over 600 bilateral agreements on exchange of information for tax purposes and to the updating and opening up to all countries the multilateral Convention on Mutual Administrative Assistance in Tax Matters.

Clarifying the rules of international taxation was also high on the 2010 agenda: both the OECD Model Tax Convention and Transfer Pricing Guidelines were updated last year to respond to the changing business environment. The OECD is also supporting government efforts to address fiscal consolidation and to restore growth. Further integration of non-OECD countries in our tax work remains a priority and is being carried out through a range of initiatives.

The Centre for Tax Policy and Administration (CTPA) leads the OECD's work on taxation, covering international and domestic tax issues, direct and indirect taxes, tax policy and tax administration. It also leads efforts to encourage tax and other law enforcement agencies to work together to tackle financial crimes, and has launched, jointly with the Development Co-operation Directorate, a programme on tax and development. This programme has taken on a new importance with the G20 mandate that focuses on how to assist developing countries to mobilise their domestic resources. ■

Areas of focus

- OECD Tax Database: www.oecd.org/ctp/taxdatabase
- Tax policy analysis: www.oecd.org/ctp/tpa
- Tax treaties: www.oecd.org/ctp/tt
- Transfer pricing: www.oecd.org/ctp/tp
- Convention on Mutual Administrative Assistance in Tax Matters: www.oecd.org/ctp/eoi/mutual
- Consumption tax: www.oecd.org/ctp/ct
- Exchange of information: www.oecd.org/ctp/eoi
- Global Forum on Transparency and Exchange of Information for Tax Purposes: www.oecd.org/tax/transparency
- Harmful tax practices: www.oecd.org/ctp/http
- Tax administration: www.oecd.org/ctp/ta
- Tax treatment of bribes: www.oecd.org/ctp/ttb
- Partnerships with non-OECD economies: www.oecd.org/tax/globalrelations
- LAC-OECD Fiscal Initiative: www.oecd.org/tax/lacfiscal

Key publications

- Revenue Statistics 1995-2009 (2010 edition)
- *Taxation, Innovation and the Environment* (2010)
- *Tax Policy Reform and Economic Growth No. 20* (2010)
- OECD Tax Policy Studies: *Choosing a Broad Base – Low Rate Approach to Taxation* (2010)
- *Model Tax Convention on Income and on Capital 2010*
- *OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations 2010*
- *Taxing Wages 2010*
- *Consumption Tax Trends 2010: VAT/GST and Excise Rates, Trends and Administration Issues*
- *Tax Administration in OECD and Selected Non-OECD Countries: Comparative Information Series 2010*
- *Global Forum on Transparency and Exchange of Information for Tax Purposes*, 18 peer review reports

Key events

- OECD-USCIB Tax Conference, Washington, DC, 7-8 June 2010
- Sixth Forum on Tax Administration, Istanbul, 15-16 September 2010
- Global Forum on Tax Treaties and Transfer Pricing, Paris, 23-24 September 2010
- Global Forum on Transparency and Exchange of Information for Tax Purposes, Singapore, 29-30 September 2010
- Tax and Crime: A Whole-of-Government Approach in Fighting Financial Crime, Oslo, 21-23 March 2011
- US & Europe Tax Planning Strategies, 11th annual conference, Paris, 14-15 April 2011
- Global Forum on Transparency and Exchange of Information for Tax Purposes, Bermuda, 31 May – 1 June 2011
- OECD-USCIB International Tax Conference, Washington, DC, 6-7 June 2011
- OECD 50th Anniversary: High-Level Tax Reform Conference, Paris, 30 June 2011
- 16th Annual Tax Treaty Meeting, Paris, 15-16 September 2011
- First Annual Transfer Pricing Meeting, Paris, 3-4 November 2011
- ITD Global Conference on Inequality, 5-7 December 2011
- Seventh Forum on Tax Administration, 18-19 January 2012

Trade and Agriculture Directorate

www.oecd.org/tad



Ken Ash
Director
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“Rising commodity prices are again having a devastating impact on low income households around the world; immediate humanitarian relief is needed. But governments must also act to address the fundamental cause of global food insecurity: poverty. This means improving systems of governance and the overall business environment in less developed economies, to encourage widespread growth and employment; increasing public and private investment in developing country agriculture, in particular to increase productivity; and opening agricultural markets so that products can flow from surplus to deficit areas.”

Work on trade, agriculture and fisheries in 2010 focused on supporting the economic recovery and responding to global challenges from surging food and commodity prices. In 2010 world trade grew by 9.5%, reversing the sharpest decline in more than 70 years. Our contribution to the G20 Seoul Leaders' Summit, “Seizing the Benefits of Trade for Growth and Employment”, underscored the importance of a comprehensive policy response to the adjustment problems and distributional concerns associated with trade liberalisation. This work will continue with the OECD-led International Collaborative Initiative on Trade and Employment, involving 10 international and regional organisations. Our services trade restrictiveness index will improve understanding of the impact of regulations on service sectors in OECD and major emerging economies. The interaction between agriculture, trade and the environment also warrants greater attention. Late in 2010, participants to the Arrangement on Export Credits reached an important agreement on aircraft sales, the Aircraft Sector Understanding.

In 2010 surging food and commodity prices again raised international concern over global malnutrition and hunger. OECD work addresses the long-term need for growth, development and poverty reduction, as well as the importance of increasing investment in developing country agriculture and opening markets further. OECD is also co-ordinating, with the FAO, a report for the G20 from 10 international organisations addressing the impact of price volatility on global food security.

The Trade and Agriculture Directorate (TAD) provides support for a strong, rules-based multilateral trading system, and helps governments design and implement trade, agriculture and fisheries policies that contribute to sustainable growth and job creation. TAD also manages programmes covering officially supported export credits, agricultural product standards that facilitate trade, and co-operative research for sustainable agricultural systems. ■

Areas of focus

- Agricultural policies: www.oecd.org/agriculture/policies
- Agricultural trade: www.oecd.org/agriculture/trade
- Benefits of trade liberalisation: www.oecd.org/tad/benefitlib
- Environment and trade: www.oecd.org/trade/env
- Export credits: www.oecd.org/trade/xcred
- Fisheries: www.oecd.org/fisheries
- Trade and development: www.oecd.org/trade/dev
- Trade and employment: www.oecd.org/trade/employment
- Trade facilitation: www.oecd.org/trade/facilitation
- Services trade: www.oecd.org/trade/services
- Standards for seeds, tractors, forest, fruit and vegetables: www.oecd.org/agriculture/code
- Sustainable agriculture: www.oecd.org/agriculture/env

Key publications

- *Seizing the Benefits of Trade for Employment and Growth*, joint report by the OECD, ILO, World Bank and WTO to the G20 Summit Meeting, Seoul
- *Agricultural Policy: Monitoring and Evaluation 2011 – OECD Countries and Emerging Economies*
- *The Economic Impact of Export Restrictions on Raw Materials*
- *Disaggregated Impacts of CAP Reforms: Proceedings of an OECD Workshop*
- *Evaluation of Agricultural Policy Reforms in the United States*
- *OECD Review of Agricultural Policies: Israel 2010*
- *Linkages between Agricultural Policies and Environmental Effects: Using the OECD Stylised Agri-environmental Policy Impact Model*
- *Fisheries Policy Reform: National Experiences*
- *The Economics of Adapting Fisheries to Climate Change*
- *Trade and Economic Effects of Responses to the Economic Crisis*

Key events

- Risk Management in Agriculture: Towards Effective Policies, workshop, Paris, 22-23 November 2010
- Global Forum on Trade: Globalisation, Comparative Advantage and Trade Policy, Chengdu, People's Republic of China, 14-15 October 2010
- Global Forum on Agriculture: Policies for Agricultural Development, Poverty Reduction and Food Security, Paris, 29-30 November 2010
- Communicating about Trade and Jobs, communications conference, Paris, 9 December 2010
- Conference on Agricultural Knowledge Systems, Paris, 15-16 June 2011
- International Collaborative Initiative on Trade and Employment, several dates and locations, leading to the Global Forum on Trade, Paris, 7-9 December 2011

Centre for Co-operation with Non-Members

www.oecd.org/globalrelations



Eric Burgeat
Director
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“We have successfully laid the foundation for deeper engagement with our partners across the world. One of the key lessons we learned from engaging with emerging economies is that greater consultation and dialogue based on trust, openness and mutual benefit is a prerequisite for moving towards more active partnership. Fostering consensus on shared goals and on the means to achieve them will continue to be a priority for the CCNM as the OECD moves forward.”

As a global organisation, the OECD must be sensitive to diversity, and show understanding for the many different paths that lead to growth and development. The Organisation's co-operation with non-members has expanded, through its committees, Global Forums and regional initiatives. Meanwhile, its co-operation in the G20, as well as the process of Enhanced Engagement with Brazil, China, India, Indonesia and South Africa, have enabled the OECD to develop its relations with major market economies beyond its current membership.

In 2011 and beyond, the OECD will continue to explore ways of integrating all the world's major economies into its regular work programme. Indeed, we need to improve further the quality, depth, and breadth of our co-operation and the level of mutual trust. Therefore, the OECD Council has issued guidance to all OECD committees to deepen their Enhanced Engagement efforts. Special attention will be given to the possibility of inviting key emerging economies as full participants, including in the framework of the negotiation of legal instruments or specific projects. They should also be considered for inclusion in horizontal projects and flagship initiatives, as well as high-level meetings.

The Centre for Co-operation with Non-Members (CCNM) advises the Secretary-General on the OECD's Global Relations strategy and provides guidance to OECD directorates. The Centre maintains continuous and extensive communication with non-members and is their primary contact point within the OECD. ■

Areas of focus

- OECD Global Relations, Enhanced Engagement, Regional Approaches and Global Forums: www.oecd.org/globalrelations
- Africa: www.oecd.org/africa
- Brazil: www.oecd.org/brazil
- China: www.oecd.org/china
- India: www.oecd.org/india
- Indonesia: www.oecd.org/indonesia
- South Africa: www.oecd.org/southafrica
- Latin America: www.oecd.org/latinamerica

Key publications

- OECD brochures
 - Active with Africa
 - Active with India
 - Active with The People's Republic of China
 - Active with Southeast Asia
 - Brazil – For a Stronger, Cleaner, Fairer World Economy
 - Latin America – For a Stronger, Cleaner, Fairer World Economy
 - Indonesia and the OECD – Enhancing our Partnership

Key events

- India-OECD Symposium, Delhi, 13-14 June 2011

G20/G8 Co-ordination Unit

www.oecd.org/g20



Gabriela Ramos
Chief of Staff and G20 Sherpa
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“The G20 has already delivered key benefits to the world economy, above all by managing the worst economic crisis of our lifetimes. Now it needs to deliver sustainable paths for growth in a context where the unevenness of the recovery pushes for different directions. We are confident that the G20 will continue to deliver results, and as one of the regular participating organisations, we are ready to continue providing our knowledge and advice to make it happen.”

The OECD has a long experience and a well-established reputation co-operating with international fora such as the G8 and G20. Since the very beginning, G8 and G20 leaders have called on the OECD for our technical expertise and our contributions on a wide range of issues.

Our contributions over the past year have included substantive analytical work and policy guidance on promoting strong, sustainable and balanced growth, on employment and social policies, on investment and trade, on development, on fossil fuel subsidies and on taxation. Under the French G20 presidency and beyond, we will continue to draw on the expertise of directorates and the work of committees by providing evidence-based policy analysis to help the French presidency advance the G20 agenda on combating corruption, international tax evasion and reforming the international monetary system. In these and other areas, OECD's mechanisms for policy sharing, peer review and for achieving common and coherent policy objectives, have the potential to deliver tangible results in a G20 context.

The G20/G8 Co-ordination Unit, in close collaboration with directorates and committees, supports the Secretary General, the Sherpa and the Finance Deputy's participation in the G20 and G8 processes. The Unit represents the OECD in several G20 working groups, maintains continuous and extensive communication with G20 and G8 members, and is their primary contact point within the OECD. ■

Areas of focus

- Bribery and corruption
- Development
- Employment and social policies
- Environment and energy, including fossil fuel subsidies
- Financial sector reform
- Framework for Strong, Sustainable and Balanced growth
- Managing capital flows and reform of the international monetary system
- Investment and trade
- Taxation

Key publications

- “Pursuing Strong, Sustainable and Balanced Growth: The Role of Structural Reform”
- “Seizing the Benefits of Trade for Employment and Growth” (with the ILO, World Bank and WTO)
- Bi-annual monitoring report on G20 Trade and Investment Measures (with the UNCTAD and WTO)
- Report on progress made against international tax evasion
- “The Scope of Fossil-Fuel Subsidies in 2009 and a Roadmap for Phasing out Fossil-Fuel Subsidies: An IEA, OECD and World Bank Joint Report”, prepared for the G20 summit, Seoul
- “Price Volatility in Food and Agricultural Markets: Policy Responses” (with the FAO, IFAD, IMF, UNCTAD, WFP, World Bank, WTO, IFPRI and UN HLTF)

Key events

- Towards Better Global Governance: Building on the OECD’s Tools and Experiences, OECD-CIGI seminar, Paris, 30 November 2010
- OECD/G20 Seminar, Paris, 14 December 2010
- OECD/G20 Seminar, Paris, 8 March 2011

Public Affairs and Communications



Anthony Gooch
Director
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“Since 1961, the OECD has advanced better policies to better the lives of citizens worldwide. During the OECD’s 50th Anniversary, we have worked to communicate this mission more widely and dynamically, so that all stakeholders can appreciate and engage in this process. We are increasing OECD relevance to individuals through initiatives like the Better Life Index, which combines OECD substance with current technology into a powerful tool that contributes tangibly to improving the public’s well-being.”

The 50th Anniversary of the OECD has provided the Public Affairs and Communications Directorate (PAC) with a unique opportunity to inject new vitality into the Organisation’s public image. PAC’s campaign to build awareness for the 50th Anniversary took off in October with an event in Mexico, featuring President Felipe Calderón, and with a successful OECD Student Ambassador programme in the US. The official launch of the 50th anniversary, hosted by French President Nicolas Sarkozy in December, enjoyed worldwide media coverage.

In January PAC launched the inaugural *OECD Yearbook*, to create a new platform for the OECD Secretary-General and government leaders to address current challenges. Drawing on the strengths of the *OECD Observer*, the *OECD Factbook* and *OECD Insights*, it brings OECD expertise and high-level guest writing together into a “must-have” reference book.

During OECD Week 2010, PAC launched the new *Secretary-General’s Report to Ministers*. Since then, the OECD iLibrary has been revamped and a new look for the corporate website was launched in December to mark the 50th Anniversary.

OECD Week 2011 promises to be the high point of our Anniversary celebrations, with a special Anniversary edition of the OECD Forum and Ministerial Council Meeting, and the unveiling of the “Better Lives Initiative”, a unique online tool that allows people everywhere to look beyond economic growth and build their own assessments of progress in their countries. In our 50th Anniversary year, this groundbreaking initiative is a fitting way to celebrate the OECD as an organisation that is truly committed to better policies for better lives. ■

Areas of focus

- Centres abroad: www.oecd.org/centres
- Civil society: www.oecd.org/civilsociety
- Images and videos: www.flickr.com/OECD; www.youtube.com/OECD
- Internet site: www.oecd.org
- Media relations: www.oecd.org/media
- OECD Factblog: www.oecd.org/statistics/factblog
- OECD Forum: www.oecd.org/forum2011
- OECD Insights publication series and blog: www.oecd.org/insights
- OECD Observer: www.oecdobserver.org
- Parliamentary relations: www.oecd.org/publicaffairs/parliamentarians
- Publishing activities: www.oecd.org/publishing
- Web 2.0 activities: www.facebook.com/TheOECD; www.twitter.com/OECD

Key publications

- *OECD Insights: Fisheries – While Stocks Last*
- *OECD Insights: From Crisis to Recovery – The Causes, Course and Consequences of the Great Recession*
- *OECD Insights: Agriculture and Food – Feeding Nine Billion People* (forthcoming)
- *OECD Observer*
- *OECD Yearbook 2011*
- *Secretary-General's Report to Ministers 2011*

Key events

- OECD Forum 2010, “Road to Recovery: Innovation, Jobs & Clean Growth”, Paris, 26-27 May 2010
- OECD Forum 2011, “Better Policies, Better Lives: OECD 50th Anniversary Forum”, Paris, 24-25 May 2011

Executive Directorate

www.oecd.org



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“During 2010, the Executive Directorate further developed efficiency gains, reinvented service provision and streamlined processes, to deliver expected outputs at a lower cost, and with the highest standards of quality. All services have contributed to these efforts, and have instigated a strong culture of customer support. These management reforms are essential for modernising our Organisation and maintaining the support of our member countries.”

The Executive Directorate (EXD) manages the OECD's assets and is responsible for the infrastructure and the delivery of the main corporate services in the Organisation, including human resources management, budget and financial management, information and communication technologies, security, and conference, language and documentation services.

In 2010 EXD focused its efforts on the security of its IT network and infrastructures, to ensure that the reputation of the Organisation and the integrity and reliability of its information were adequately safeguarded. EXD continued developing new tools to ease and streamline the budget cycle, proposed a modernised employment framework for OECD officials and pursued its strategy to rationalise the OECD estate.

EXD aims to offer a state-of-the-art framework to support an efficient and effective management of the resources provided by our member countries. In this context, it has continued its transformation efforts, and to adapt its services to a changing operating environment, while optimising the impact of the various ongoing reforms in the administration of the OECD. ■

Internal Audit



Dominique Pannier
Director
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“Since the revision of OECD Financial Regulations in 2008, Internal Audit has played a key role in the OECD’s new audit architecture. In co-ordination with the external auditor (the French Cour des Comptes), the unit has continued to make recommendations to improve accountability, and has provided both the Secretary-General and, via the Audit Committee, member countries with assurance as to the quality of controls over OECD financial and operational management.”

The 2010 risk-based work plan of Internal Audit focused largely on: implementation of the Organisation’s Code of Conduct; independent feedback on the effectiveness of managements’ assurances as to controls over their decentralised budgets; appraisal of the process for collection of evaluation data from stakeholders in member countries; financial management of voluntary contributions and grants; the full audit of an autonomous administrative section; an IT project in the field of publications; the audit of a separate centrally managed fund for staff allowances and benefits; events organised outside headquarters; and outsourced corporate services.

In addition, Internal Audit provided a range of advisory services to the Secretary-General and management, including input to the updated risk management system and to the re-engineering of procurement; it provided ongoing assistance on correspondence with donors on grants; and advised in the mitigation of risk of the departure of key staff, and in the consideration of scenarios for Strategic Foresight.

In respect to 2011/2012, and in accordance with its risk-based methodology, Internal Audit has compiled a programme of work, approved by the Secretary-General and discussed with the Audit Committee, designed to provide independent feedback on controls in relation to, notably: horizontal projects; IT security; security at OECD headquarters; staff recruitment; and voluntary contributions and grants. In addition to these compliance audits, Internal Audit will continue to provide advisory services. Furthermore, and as part of events linked to the Organisation’s 50th Anniversary, a seminar was organised jointly by Internal Audit and the Public Governance and Territorial Development Directorate on “Internal Controls and Audit: Ensuring Public Sector Integrity and Accountability”, held in Paris on 13 April. ■

Directorate for Legal Affairs



Nicola Bonucci
Director
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“As new challenges face the OECD, the Directorate for Legal Affairs stands ready to take a proactive approach in serving all the directorates, by proposing innovative and pragmatic solutions that increase the visibility and relevance of the Organisation.”

The Directorate for Legal Affairs (LEG) is responsible for providing advice on the legal, institutional and procedural aspects of the Organisation's activities, including engagement with non-members and the application of the privileges and immunities agreements. Furthermore, LEG resolves issues relating to procurement and specific financial contributions, and represents the Organisation in legal proceedings. The Legal Directorate also actively supports the Organisation's financial and human resources reforms by contributing to the development, amendment and implementation of internal rules and regulations.

In 2010, the OECD welcomed new members Chile, Estonia, Slovenia and Israel, and LEG played a key part in their accession process. Looking forward through 2011, LEG is fully engaged in the accession of the Russian Federation in co-ordination with all directorates.

The 50th Anniversary of the OECD presents a unique opportunity for the Legal Directorate to assess the OECD's role in the progressive development, implementation and enforcement of international economic law. Against this backdrop, LEG, in partnership with the American Society of International Law and the George Washington University Law School, hosted a symposium entitled “Toward Coherence in International Economic Law: Perspectives at the 50th Anniversary of the OECD” in Washington, DC, on 22-23 March 2011, showcasing the OECD's expertise for distinguished participants from governments, intergovernmental organisations, the private sector and academia.

As part of its duty to provide legal and institutional support to the substantive committees, LEG is extensively involved in the Investment Committee's ongoing revision of the Guidelines for Multinational Enterprises, due to be adopted at the 2011 Ministerial Council Meeting. LEG has also increased efforts in fighting against foreign bribery, through engagement and collaboration with other international organisations. ■

Council and Executive Committee Secretariat



Eric Burgeat
Director *ad interim*

“The Council Secretariat plays a leading role in ensuring that our governance structure and practices respond most flexibly and efficiently to the changing needs of the Organisation as it transforms itself to become more global and ever more relevant. It thus contributes to achieving one of the key goals of the Organisation: fostering among its members and partners a shared vision of the most appropriate responses to the challenges of today’s world economy.”

The past year was again an intense one for the Council Secretariat (CES), with its activities still dominated by the preparation of Council and Executive Committee meetings, both of which met at a brisk pace, reflecting the pace of the Organisation as a whole. The preparations for the yearly Ministerial Meeting of the Council, and the related and preceding Executive Committee in Special Session, dominated the work of the CES in the first half of the year. A review of the governance structure of the Organisation, last updated in 2006, was successfully completed by the end of 2010. In 2011, we look forward to contributing to the success of the Organisation’s 50th Anniversary celebrations, in particular the Ministerial Council Meeting. We will also continue our efforts to contribute to improving the methods of work of the Organisation, through the development of instruments such as electronic databases, information portals for non-members and through an update of the Manual for the Guidance of Chairs. In 2010, the In-depth Evaluation (IDE) entered its fifth full year of operation and is now approaching the milestone of completing the first cycle of evaluation of OECD substantive committees. Work is advancing on how to take the IDE process forward into a second cycle as of the latter part of 2011.

Situated within the Secretariat General (SGE), the Council Secretariat plays a lead co-ordinating role in support of the work of the governing bodies of the Organisation and the biannual Executive Council in Special Session, as well as in the implementation of the in-depth evaluation process overseen by the Evaluation Committee. The Council Secretariat works closely with OECD members, with directorates and substantive committees, as well as with others whose work is processed in the Council. ■

The Council Secretariat in 2010:

- 24 meetings of the Council with 298 decisions taken
- 22 meetings of the Executive Committee
- 2 meetings of the Executive Committee in Special Session
- 1 Ministerial Council Meeting

OECD AGENCIES AND OTHER SPECIAL ENTITIES



Development Centre

The Development Centre was established in 1962 as an independent platform for policy dialogue and knowledge-sharing between OECD member countries and the emerging and developing economies. The Centre provides a forum where countries can share experiences of economic and social development policies on an equal footing. All members have full and equal status, and countries at all levels of development are represented. Following the accession of Senegal in February 2011, the Centre has 40 full members, of which 15 are non-OECD countries, including Brazil, India, Indonesia and South Africa.

The Centre draws attention to emerging systemic issues likely to have an impact on global development, as well as specific development bottlenecks faced by today's emerging and developing countries. The Centre helps OECD and non-member countries find innovative policy solutions for furthering development and poverty alleviation. It does this by producing cutting-edge analyses and policy recommendations, and using these as a basis for informed policy dialogue and peer-learning. The Centre also hosts strategic partnerships with a range of policy communities; governmental and non-governmental, profit and non-profit. Together with these different actors it works to identify areas for targeted policy support.

In addition to these partnerships and policy dialogue platforms, the Centre produces four annual flagship publications: the *African Economic Outlook*, the *Latin American Economic Outlook*, the *Southeast Asian Economic Outlook* and *Perspectives on Global Development*. ■

For more information see: www.oecd.org/dev

International Energy Agency

The International Energy Agency (IEA) works with its 28 member countries in their efforts to ensure reliable, affordable and clean energy for their citizens. Founded during the oil crisis of 1973-74, the initial role of the IEA was to co-ordinate measures in times of oil supply emergencies. Its mandate has since broadened to encompass security of supply, economic development and environmental protection. Current work focuses on comprehensive energy security and electricity security, emergency response, market reform, price formation, renewable energy prospects, energy efficiency, climate change policies, clean energy technologies, energy technology collaboration, outreach to non-member countries and the consumer/producer dialogue. The IEA conducts a broad programme of research, data compilation and analysis, market outlooks, publications and public dissemination of energy policy analysis, and recommendations on good policy practices. In 2010, the IEA Governing Board launched a "Reflection Process" to examine the future role of the Agency, with a special focus on outreach to non-members.

With a low-carbon energy future a policy priority in 2010, the publication, *Energy Technology Perspectives 2010*, presented scenarios to 2050, roadmaps evaluated potential technologies, and the new *Policy Pathways* series guided implementation of energy efficiency recommendations. The 2010 *World Energy Outlook* updated projections on energy supply, demand and CO₂ emissions, and introduced the New Policies Scenario to track effects of announced government policies. IEA reports were featured at the Clean Energy Ministerial in Washington, DC in July 2010. For the G8, the IEA reviewed progress in carbon capture and storage, and worked with the OECD and other organisations to report to the G20 on the impact of fossil fuel subsidies. To heighten engagement with non-OECD countries, the IEA hosted both the first Partnership Meeting on Energy and Sustainability, and the International Low-Carbon Energy Technology Platform. In September, Chile announced its interest in IEA membership and accession discussions have now commenced. ■

For more information see: www.iea.org

Nuclear Energy Agency

The Nuclear Energy Agency (NEA) is a specialised agency within the OECD. Its 29 member countries account for approximately 85% of global installed nuclear energy capacity and represent the world's best nuclear expertise. Through international co-operation, the NEA helps its member countries maintain and further develop the scientific, technological and legal bases required for a safe, environmentally friendly and economical use of nuclear energy for peaceful purposes. It provides authoritative assessments and forges common understanding on key issues as input to government decisions on nuclear energy policy and to broader OECD policy analyses in areas such as energy and sustainable development.

NEA studies are carried out in the areas of nuclear safety and regulation, radioactive waste management, radiological protection and public health, nuclear science and data, nuclear development and the fuel cycle, and legal affairs. It manages 18 international joint projects, of which 15 concern nuclear safety issues. The NEA also acts as the Technical Secretariat of the Multinational Design Evaluation Programme (MDEP), a unique 10-country initiative aimed at enhancing co-operation on safety design reviews of new reactors, as well as for the Generation IV International Forum (GIF). The GIF is an international co-operative endeavour among 13 countries whose purpose is to carry out the research and development needed to establish the feasibility and performance capabilities of the next generation of nuclear energy systems. ■

For more information see: www.oecd-nea.fr

Africa Partnership Forum

The Africa Partnership Forum (APF) was established in 2003 following the G8 Summit in Evian, as a way of extending existing dialogue between G8 countries and New Partnership for Africa's Development (NEPAD) to include Africa's major bilateral and multilateral development partners. In 2005 APF members agreed to establish an OECD-hosted support unit to backstop ongoing monitoring and analytical work. The APF is a senior political forum for discussing and monitoring policy issues, strategies, priorities and commitments related to Africa's development and the implementation of NEPAD programmes, in the wider context of the Millennium Development Goals (MDGs). The APF monitors commitments and tracks progress. Its members include all African NEPAD members plus key African institutions and other major development partners, which work together as equals in the Forum and ensure synergies and coherence with other international fora.

In 2010, the APF met three times: in January (in Addis Ababa), April (in Toronto) and October (in Lilongwe). With the UN Economic Commission for Africa (UNECA), the Support Unit prepared the 2010 *Mutual Review of Development Effectiveness in Africa*, which reviewed delivery of African and development partner commitments, their results and priorities. Launched at the UN MDG Review Summit in September 2010, it was discussed at the 15th APF in October. The Support Unit worked with OECD colleagues on the first Joint Statement on Co-operation between the OECD and UNECA, signed in June 2010, and continues to support the production of the "OECD Active with Africa" brochure. Its mandate and hosting arrangements at the OECD have now been extended until 2012. The director of the Support Unit is leading work on a new flagship report on Policy Coherence for Development, in close co-ordination with other OECD directorates. ■

For more information see: www.africapartnershipforum.org

Financial Action Task Force

The Financial Action Task Force (FATF) is an independent inter-governmental body that develops and promotes policies to protect the global financial system against money laundering and terrorist financing. It was established in 1989 at the Paris G7 Summit to address these mounting concerns. Recommendations issued by the FATF define criminal justice and regulatory measures to counter money laundering and terrorist financing, as well as international co-operation and preventative measures to be implemented by financial institutions and others, such as casinos, real estate dealers, lawyers and accountants. The FATF Recommendations are recognised as the global anti-money laundering (AML) and counter-terrorist financing (CFT) standard. The FATF's mandate includes refining these global standards, monitoring their implementation by countries, expanding their geographic reach and implementation, identifying money laundering and terrorist financing threats, and engaging with relevant stakeholders.

In 2010, G20 leaders called on the FATF to focus additional attention on corruption and financial inclusion and to continue its work on high-risk and non-cooperative jurisdictions. The FATF is currently in the process of revising some of its recommendations, and in response to the call by the G20 leaders, there will be a greater emphasis on corruption and financial inclusion in the revised FATF Recommendations. In June 2010, Mr. Luis Urrutia Corral from Mexico assumed the role of FATF President. In June 2010, India joined the Task Force as a new member, bringing the membership to 36 (34 jurisdictions and two regional organisations). ■

For more information see: www.fatf-gafi.org

International Transport Forum

The International Transport Forum (ITF) is an intergovernmental organisation within the OECD system. Its 52 member countries are committed to tackling transport and mobility issues for the 21st century. The ITF acts as a platform to advance transport policy and practice, with a view to ensuring its contribution to economic growth, environmental protection and social inclusion. The fundamentals of this work are the ITF's annual summit and the OECD/ITF Joint Research Centre. The annual summit is the unique forum for a global conversation on strategies for transport. At the summit, transport ministers engage in focused debates with decision-makers from business, civil society and academia.

In May 2010, the ITF's summit in Leipzig, Germany, brought together more than 800 delegates to discuss ways of strengthening innovation efforts to improve the transport sector's performance. Innovation is essential for the sector to meet the needs of society. In Leipzig, a broad consensus emerged that innovation in policies, processes and technologies is key to accelerating recovery from the economic crisis and to putting transport on a path of greater productivity and sustainability. Transport ministers can help the sector serve the needs of society and the economy by setting a policy and institutional framework in which innovation can flourish. The International Transport Forum should continue to act as a catalyst in this process, encouraging innovation in the sector, highlighting policy options, disseminating examples of good practice, and facilitating dialogue with industry and other actors.

The International Transport Forum's 2011 summit, held on 25-27 May, focuses on the theme "Transport for Society". ■

For more information see: www.internationaltransportforum.org

Partnership for Democratic Governance

The Partnership for Democratic Governance (PDG) was launched in 2007 as a three-year pilot initiative by several OECD countries, in conjunction with the UN Development Programme (UNDP) and a group of middle-income countries. Housed by the OECD and supported by the UNDP, the PDG is an independent multi-lateral group of like-minded countries and organisations assisting developing country governments, states in fragile situations, post-conflict nations and emerging democracies, in strengthening their political and administrative governance institutions. It helps design initiatives and projects to effectively deliver public services and core state functions by interim personnel for a set period of time. Through international co-operation and field-level initiatives, members gain a deeper understanding of ways to provide rapid support to public authorities of post-conflict and fragile states.

In 2010, PDG work with Georgia, Grenada, Guatemala, Haiti and Liberia continued, aimed at helping post-conflict and fragile states strengthen government functions and public service delivery. Three volumes were added to the PDG series, covering issues ranging from the recruitment and deployment of civilian capacity in early recovery to the contributions of returning diaspora to fragile countries. The PDG's flagship publication, *Handbook on Contracting Out Government Functions and Services in Post-Conflict and Fragile Situations*, based on case studies from Haiti and Liberia, was launched in November. The PDG also created a documentary film to support the messages of the handbook.

By 2011, the PDG fulfilled its mandate by providing members and the OECD with a set of tools to address *inter alia* state fragility, capacity development and innovative ways to improve public service delivery, including through "contracting out" to non-state providers. These tools will be integrated into the Organisation's work on development. ■

For more information see: www.oecd.org/pdg

Sahel and West Africa Club

The Sahel and West Africa Club (SWAC) is the oldest initiative of solidarity and partnership between the OECD and Africa. It was founded by OECD member countries in 1976 to raise international support for and awareness of the drought crises in the Sahel. In response to growing regional interdependence, its geographic coverage was extended in 2001 to encompass all West African countries. Founded on the principle of sharing knowledge and experience, the Club capitalises its resources in support of the agenda and leadership of West Africa's regional organisations. In 2011, the Economic Community of West African States (ECOWAS), the West African Economic and Monetary Union (UEMOA) and the Permanent Inter-State Committee for Drought Control in the Sahel (CILSS) joined the Club as members.

The SWAC's members share the determination to work together for the development and integration of West Africa. To this end, the Club observes the region's socio-economic, political and environmental trends, conducts prospective analyses and promotes dialogue. The Club thereby aims to contribute to the effectiveness of action taken by its members and other stakeholders, and to help better anticipate the potential for development and risk of conflict in West Africa. ■

For more information see: www.oecd.org/swac

Business and Industry Advisory Committee

Founded in 1962, the Business and Industry Advisory Committee to the OECD (BIAC) is officially recognised by the OECD Council as the representative body of the OECD business community. BIAC brings a cross-sectoral and multidisciplinary view to OECD work most relevant to business. It systematically engages over 2 100 business representatives, from 50 national business organisations in OECD member countries and major non-member economies, as well as 29 sectoral supra-national associations. These work together in 37 different policy groups. As an independent international business association, BIAC advocates consensus industry views to the OECD and its member governments to ensure that the resulting policy instruments and guidance assist private-sector growth and prosperity and, thereby, contribute to the global economy.

Over the past year, BIAC's overarching priority has been to work with the OECD to ensure a sustainable economic recovery and private sector-led job creation. BIAC has urged governments to implement policies enhancing employability, innovation, green growth, and open trade and investment. BIAC advocates that the best way to strengthen the economy is to focus on the fundamental values of the market economy, including rewards for work and productive investments; encouragement of reasonable risk-taking; and transparency on market value.

BIAC looks forward to fully participating in the 2011 MCM and to celebrating the OECD's 50th Anniversary. Its General Assembly, held in Budapest on 7-8 April 2011, was one of the OECD's anniversary events. On this occasion BIAC issued a celebratory publication featuring business testimonials to the value of OECD's work to the business community. BIAC expects the OECD to have an increased role in the global economic architecture in the coming years, and stands ready to support the Organisation in these efforts. ■

For more information see: www.biac.org

Trade Union Advisory Committee

The Trade Union Advisory Committee to the OECD (TUAC) is the interface of the Organisation with organised labour. TUAC has 59 affiliated trade union centres in OECD countries, representing more than 61 million workers.

Over the past year, TUAC has focused on the response to the economic crisis, stressing, in the short-term, the need for anti-crisis policies that stimulate growth and protect and create jobs, together with stronger regulation of the financial sector. In the medium-term, the Committee calls for a paradigm shift in the underlying economic model so as to deliver a stronger global economy that distributes income more fairly. TUAC has co-ordinated trade union input to the G20 and G8 Summits as well as employment conferences, working with the International Trade Union Confederation (ITUC) and unions in non-OECD countries.

TUAC has also stepped up work to ensure that global markets are balanced by effective rules governing multinationals. The OECD Guidelines for Multinational Enterprises have considerable potential as a tool for protecting workers' rights and building sustainable development. TUAC and its Global Union partners have contributed to the update of the Guidelines, drawing lessons from the past in order to improve performance in the future and ensure that the update is in fact an upgrade. ■

The TUAC officers are:

President: **Richard Trumka** President Emeritus, AFL-CIO, United States; Vice Presidents: **Luc Cortebeek**, President CSC, Belgium; **Marie-Louise Knuppert**, National Secretary LO-Denmark; **Nobuaki Koga**, President RENGO, Japan; General Secretary: **John Evans**.

For more information see: www.tuac.org

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