



**SECRETARY-GENERAL'S
REPORT TO MINISTERS**
2016

Secretary-General's Report to Ministers

2016

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Table of Contents

Letter from the Secretary-General	4	Sherpa Office and Global Governance Unit	90
2015: A Year in Review	6	Development Co-operation Directorate	92
ABOUT THE OECD		Economics Department	94
The OECD at a glance	10	Directorate for Education and Skills	96
Secretary-General's Cabinet	12	Directorate for Employment, Labour and Social Affairs	98
Organisation chart	14	Centre for Entrepreneurship, SMEs and Local Development	100
Financing the OECD	16	Environment Directorate	102
MINISTERIAL COUNCIL MEETING		Directorate for Financial and Enterprise Affairs	104
Secretary-General's Strategic Orientations for 2016 and Beyond	18	Directorate for Public Governance and Territorial Development	106
Ministerial Council Statement 2015	44	Directorate for Science, Technology and Innovation	108
Ministerial Council Meeting 2015 Chair's summary	50	Statistics Directorate	110
Global Strategy Group 2015 Chair's summary	60	Centre for Tax Policy and Administration	112
KEY ACTIVITIES		Trade and Agriculture Directorate	114
Secretary-General's Activity in 2015	68	Public Affairs and Communications Directorate	116
New Approaches to Economic Challenges (NAEC)	72	Global Relations Secretariat	118
All on Board for Inclusive Growth	73	Executive Directorate	120
Generation Next: How to Prevent Ageing Unequally	74	Internal Audit and Evaluation	121
The Updated Innovation Strategy	75	Directorate for Legal Affairs	122
New Sources of Growth: Knowledge-Based Capital Project	76	Council and Executive Committee Secretariat	123
The Skills Strategy	77	Strategic Foresight	124
Implementing the Green Growth Strategy	78	SPECIAL BODIES AND OTHER SPECIAL ENTITIES	
The OECD Gender Initiative	79	OECD Development Centre	126
The Strategy on Development and Contributions to the SDGs	80	International Energy Agency	127
Aligning Policies for the Transition to a Low-carbon Economy	81	Nuclear Energy Agency	128
Migration and Integration	82	Financial Action Task Force	130
Trade and Investment, Global Value Chains	83	International Transport Forum	131
International Collaboration on Taxation	84	Multilateral Organisation Performance Assessment Network	132
OECD Better Life Initiative	85	Partnership in Statistics for Development in the 21 st Century	133
DIRECTORATES		Sahel and West Africa Club	134
Office of the Secretary-General	88	Business and Industry Advisory Committee	136
		Trade Union Advisory Committee	137

Letter from the Secretary-General



Throughout 2015, the OECD remained at the forefront of efforts to advance a stronger, cleaner and fairer world, putting our work and standards at the core of the international community's determination to improve globalisation and restore economic dynamism. We also continued to put people's well-being at the centre of our agenda, including through new research on the links between growth and inequality. And we went on working to promote inclusive and sustainable growth, strengthen governance and rebuild social cohesion and the trust of citizens in their institutions. Perhaps nothing better illustrates this latter feature of our work than our efforts to create a more transparent international tax system through the historic Base Erosion and Profit Shifting (BEPS) agreement and the Automatic Exchange of Information (AEOI).

By November, this had already provided EUR 48 billion in additional revenue to countries that had established voluntary disclosure programmes.

When **UN Secretary-General Ban Ki-moon** visited the OECD in April, he stressed that 2015 was the most important year in the history of the United Nations. Our Organisation is proud to have contributed to this unprecedented international agenda through the support we provided to the Addis Ababa Conference on Development Finance in July, the new Sustainable Development Goals approved in New York in September, and the successful agreement reached at the Paris COP21 Conference in December, for which our report on climate finance was a defining building block. Now, we look at 2016 with the firm conviction that the ultimate success of these

landmark agreements relies on their adequate implementation. The OECD is ready to contribute to this with our indicators, benchmarking and demonstrated experience in the design and implementation of policies and practices.

Our engagement with the G20 and G7 epitomise this capacity. During 2015 we supported the Turkish and German presidencies, and we are already assisting China and Japan to ensure that their 2016 G20 and G7 chairmanships are even more successful. Our ability to impact the global agenda is equally matched by the targeted policy advice and support that we provide to our member and partner countries. Throughout the year countries like Greece, France, Italy, Mexico, Slovenia or Canada, as well as many others, turned to us for help in advancing their specific reforms.

The increasing number of leaders who visit us also shows



that we are becoming the “go-to institution” for policy advice on promoting growth, development and well-being. Over the course of 2015 we had the opportunity to welcome 19 Heads of State or Government, including **President Hollande, President Obama and Premier Li Keqiang**. Many more ministers, high-level officials and opinion leaders attended our various meetings and seminars, not only in Paris but all over the world. Our global reach, which now expands to 147 non-member countries, was also heightened with the opening of formal accession talks with Costa Rica and Lithuania, as well as the encouraging breakthroughs in our collaboration with China, Brazil and Indonesia, where we opened an OECD office.

In addition, we are increasingly showing the Organisation’s ability to rapidly pull its knowledge together to understand and address emerging challenges in need of an immediate response. The refugee crisis in Europe tested us in this regard, and we managed to respond promptly by drawing on the OECD’s more than 40 years of accumulated expertise in the field of migration, as well as our

most recent work on integration indicators and best practices. We also responded categorically to the barbarism that affected our very own city, Paris, during the course of the year.

In 2015 we held a very successful OECD Week, chaired by the Netherlands, under the title *Unlocking Investment for Sustainable Growth and Jobs*. We updated our Innovation Strategy and Policy Framework for Investment, presented a joint OECD, IEA, ITF and NEA report on meeting the challenge of climate change, *Aligning Policies for a Low-carbon Economy*, and adopted the OECD Principles on Water governance. Our work on inclusiveness took great strides with *All on Board for Inclusive Growth* and the subsequent launch of the OECD Centre for Opportunity and Equality (COPE). Also, with the delivery of the *NAEC Synthesis Report*, we have continued advancing a “NAEC state of mind” in all of the work we do.

During the year, we also continued improving our communications, visibility and impact, as well as our management and administrative practices to put the OECD at



the leading edge in this realm. Besides further strengthening procurement, human resources, financial management, audit and evaluation systems, we took the decisive step of beginning to consolidate our office space into two main sites – OECD (La Muette) and OECD (Boulogne) – a long-standing aspiration that provides value for money and can further foster the spirit of horizontality, co-operation and cross-fertilisation that we aim to promote.

Now we look at 2016 as the year in which the implementation of many of these agreements will begin. Other new initiatives will be developed. I am sure that we will again rise to this task. I am honoured that members gave me their confidence and renewed my mandate at the helm of the OECD until 2021. We will continue our tireless efforts in helping them confront their priorities and those of the international community. Together, we can continue designing, developing and delivering “better policies for better lives”. ■




Angel Gurría

2015: A Year in Review



Secretary-General joins other world leaders at Unity March against terrorism in Paris.

11 January

9 February

Economic Policy Reforms 2015: Going for Growth is launched at G20 Finance Ministerial in Istanbul.

Latest OECD report on inequality, *In It Together: Why Less Inequality Benefits All*, is launched.

OECD Week focuses on unlocking investment.

Institute of New Economic Thinking holds annual conference at OECD.

First edition of *OECD Business and Finance Outlook* is launched.

8 April

21 May
1 June

24 June

January

12 March

UN Secretary-General Ban Ki-moon visits OECD.



Prime Minister Alexis Tsipras of Greece visits OECD.



28 April

Secretary-General's mandate is renewed until 2021.

Secretary-General joins G7 leaders at summit in Schloss Elmau, Germany, hosted by Chancellor Angela Merkel.



26 May

8 June



G20 Leaders endorse OECD/G20 work on BEPS, corporate governance and SME financing, and mandate OECD to monitor G20 growth and investment and advance inclusive growth, with focus on job quality, gender, youth and skills.



President Barack Obama of the United States visits OECD.



First staff move to new OECD Boulogne building.

Tax Inspectors Without Borders, a joint OECD-UNDP programme, is launched at Financing for Development conference in Addis Ababa.

13 July

Climate Finance in 2013-14 and the USD 100 Billion Goal, an OECD-Climate Policy Initiative study, is launched in Lima.

7 October

15/16 November

1 December

4 December

December

1 July

OECD's annual *International Migration Outlook* reports on Europe's refugee crisis.

22 September

26 September

13 October

20 October

27 October

OECD Public Governance Ministerial is held in Helsinki

12 December

Agreement reached at COP21 climate talks in Paris.

Prime Minister Li Keqiang visits OECD as People's Republic of China joins the OECD Development Centre.



OECD takes part in UN Summit to agree Sustainable Development Goals in New York

OECD Science, Technology and Innovation Ministerial is held in Daejeon.



5th OECD World Forum on Statistics, Knowledge and Policy Forum is held in Guadalajara.

ABOUT THE OECD



The OECD at a glance

www.oecd.org/aboutoecd

The OECD provides a forum in which governments work together to seek solutions to common problems, share experiences and identify best practices to promote “better policies for better lives”.

For more than 50 years, the OECD has helped forge global standards, international conventions, agreements and recommendations in areas such as governance and the fight against bribery and corruption, corporate responsibility, development, international investment, taxes, and the environment, to mention a few. Co-operation, dialogue, consensus and peer review drive the OECD

as it seeks to fulfil its vision of a stronger, cleaner, fairer world economy and society.

The OECD supports policy makers in identifying challenges and addressing them through appropriate policies. 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, health, social issues, migration, the environment and many other fields. It carries out its mission thanks to more than 200 committees and working groups

of national experts and decision makers, and a high-quality permanent Secretariat.

The OECD includes 34 member countries and is in accession talks with Colombia, Costa Rica, Latvia, Lithuania and the Russian Federation¹. Brazil, the People's Republic of China, India, Indonesia and South Africa are OECD Key Partners. The OECD also collaborates with more than 100 other economies, many of which participate in its committees and adhere to its instruments. Additionally, the OECD hosts the secretariats of several international programmes. ■

1. The activities related to the accession process of the Russian Federation to the OECD are postponed for the time being.



OECD member countries: Ambassadors* and year of accession

www.oecd.org/membercountries

Australia	His Excellency Mr Brian Pontifex	1971
Austria	Her Excellency Ms Marlies Stubits-Weidinger	1961
Belgium	His Excellency Mr Jean-Joël Schittecatte	1961
Canada	Her Excellency Ms Michelle d'Auray	1961
Chile	Her Excellency Ms Claudia Serrano	2010
Czech Republic	His Excellency Mr Pavel Rozsypal	1995
Denmark	His Excellency Mr Klavs A. Holm	1961
Estonia	His Excellency Mr Marten Kokk	2010
Finland	His Excellency Mr Okko-Pekka Salmimies	1969
France	His Excellency Mr Pierre Duquesne	1961
Germany	His Excellency Mr Matei Hoffmann	1961
Greece	His Excellency Mr George Krimpas	1961
Hungary	His Excellency Mr Zoltán Cséfalvai	1996
Iceland	Her Excellency Ms Berglind Ásgeirsdóttir	1961
Ireland	His Excellency Mr Michael Forbes	1961
Israel	His Excellency Mr Carmel Shama-Hacohen	2010
Italy	His Excellency Mr Gabriele Checchia	1962
Japan	His Excellency Mr Kazuo Kodama	1964
Korea	His Excellency Mr Jong-Won Yoon	1996
Luxembourg	His Excellency Mr Paul Dühr	1961
Mexico	His Excellency Mr Dionisio Pérez-Jácome Friscione	1994
Netherlands	His Excellency Mr Noé van Hulst	1961
New Zealand	His Excellency Mr James Kember	1973
Norway	Her Excellency Ms Elin Østebø Johansen	1961
Poland	His Excellency Mr Jakub Wiśniewski	1996
Portugal	His Excellency Mr Paulo Vizeu Pinheiro	1961
Slovak Republic	Mr Juraj Tomáš (<i>Chargé d'affaires, a.i.</i>)	2000
Slovenia	His Excellency Mr Iztok Jarc	2010
Spain	His Excellency Mr José Ignacio Wert	1961
Sweden	Her Excellency Ms Annika Markovic	1961
Switzerland	His Excellency Mr Ulrich Lehner	1961
Turkey	Ms Zeynep Savaş Suca (<i>Chargée d'affaires, a.i.</i>)	1961
United Kingdom	His Excellency Mr Christopher Sharrock	1961
United States	His Excellency Mr Daniel Yohannes	1961
European Union	Her Excellency Ms Maria Francesca Spatolisano	1961

* As of 19 April 2016

Candidates for accession

www.oecd.org/about/enlargement.htm

Colombia
Costa Rica
Latvia
Lithuania
Russian Federation¹

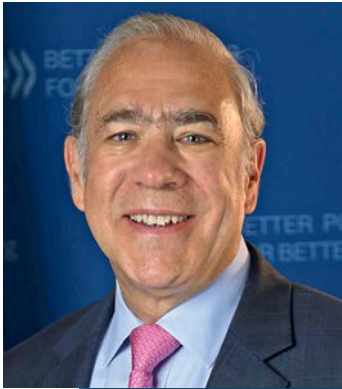
Key Partners

www.oecd.org/about/membersandpartners

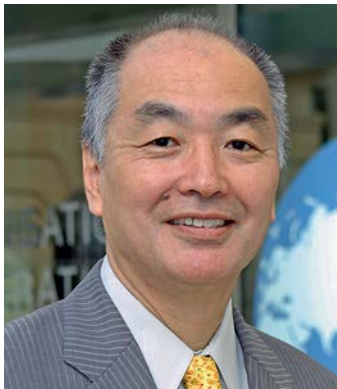
Brazil
China, People's Republic of
India
Indonesia
South Africa

1. The activities related to the accession process of the Russian Federation are postponed for the time being.

Secretary-General's Cabinet



Since 2006, Secretary-General **Angel Gurría** has worked to increase the global relevance of the OECD, reinforcing its mission of promoting “better policies for better lives”. He has led the OECD’s transformation into a more responsive and effective Organisation that promotes resilient, inclusive and sustainable growth. He has driven changes to make the OECD more open and inclusive, strengthening relations with emerging and developing countries, other international organisations, and the G7 and G20. He has also strengthened the role of the OECD as a supporter of structural reform efforts and promoter of new economic thinking, with key initiatives on Green Growth, Gender Inclusion, New Approaches to Economic Challenges (NAEC) and Inclusive Growth. In recognition of these and other achievements, the 34 member countries of the OECD decided to renew his mandate for a third consecutive time for the period 2016-2021.



Deputy Secretary-General **Rintaro Tamaki**, former Vice-Minister of Finance for International Affairs at the Japanese Ministry of Finance, took up his duties on 1 August 2011. His portfolio includes the strategic direction of OECD policy on Environment, Green Growth, Taxation, Financial and Enterprise Affairs and Anti-Corruption, along with representing the OECD at Financial Stability Board meetings.



Deputy Secretary-General **Mari Kiviniemi** joined the OECD in August 2014. She is responsible for the strategic oversight of the OECD’s work on Efficient and Effective Governance, Territorial Development, Trade and Agriculture and Statistics. She is also responsible for advancing the Better Life Initiative. Ms Kiviniemi was Finland’s Prime Minister from 2010-2011 and a member of parliament from 1995 to 2014. She had previously been Minister of Public Administration and Local Government, Minister for Foreign Trade and Development and Minister for European Affairs.



Stefan Kapferer was Deputy Secretary-General of the OECD until 30 April 2016. He was previously State Secretary at the German Federal Ministry for Economic Affairs and Energy as well as State Secretary at the Federal Ministry of Health. Mr Kapferer promoted the OECD's work specifically in the areas of Human and Social Capital, Skills Strategy, SMEs and Local Development, Gender Strategy, Health, and the Centre for Entrepreneurship.



Deputy Secretary-General **Douglas Frantz**, former US Assistant Secretary of State for Public Affairs, took up his duties on 2 November 2015. In this role, he actively contributes to the strategic direction of the OECD's development agenda, notably in the context of co-operation with the United Nations toward the achievement of the Sustainable Development Goals by 2030. In addition to focusing on the OECD's regional initiatives in South East Asia, the MENA region, Latin America and Africa, he oversees the Organisation's global relations portfolio.



Gabriela Ramos is the OECD Chief of Staff and Sherpa to the G20. Since 2006, Ms Ramos has been advising and supporting the Secretary-General's strategic agenda. She is responsible for the contributions of the Organisation to the global agenda, including the G20 and G7, and oversees the preparations of the yearly OECD Ministerial Council Meeting. She contributed to the launch of major OECD initiatives related to gender, skills and development, and also launched and supervises the New Approaches to Economic Challenges (NAEC) and the Inclusive Growth initiatives. She oversees the activities of the Directorate for Education and Skills.

Organisation chart

www.oecd.org/about/list-of-departments-and-special-bodies.htm

GENERAL SECRETARIAT

SECRETARY-GENERAL
Angel Gurría

Office of the Secretary-General
Gabriela Ramos, OECD Chief of Staff
and G20 Sherpa, NAEC, Inclusive Growth

**Chief Economist and Head of the
Economics Department**
Catherine Mann

Global Relations Secretariat
Marcos Bonturi, Director

Directorate for Legal Affairs
Nicola Bonucci, Director and
Accession Co-ordinator

Public Affairs and Communications
Anthony Gooch, Director

Internal Audit and Evaluation
Lucy Elliott, Director

Council and Executive Committee Secretariat
Patrick van Haute, Director

DEPUTY SECRETARIES-GENERAL

Rintaro Tamaki
Environmental Sustainability and Green
Growth, Financial and Fiscal Issues

Mari Kiviniemi
Governance, Trade and Agriculture,
Statistics, Territorial Development

Stefan Kapferer*
Labour Market and Social Policies, SMEs and
Local Development, Health, Gender, Science
and Technology

Douglas Frantz
Development Agenda and Global Relations
Portfolio

SPECIAL BODIES

Development Centre

Mario Pezzini
Director

International Energy Agency

Fatih Birol
Executive Director

Nuclear Energy Agency

William Magwood
Director-General

* Mr Kapferer was Deputy Secretary-General until 30 April 2016

June 2016

DIRECTORATES

Development Co-operation Directorate <hr/> Mario Pezzini Director <i>ad interim</i>	Economics Department <hr/> Alvaro Pereira Director of Country Studies Branch Christian Kastrop Director of Policy Studies Branch	Directorate for Education and Skills <hr/> Andreas Schleicher Director	Directorate for Employment, Labour and Social Affairs <hr/> Stefano Scarpetta Director	Centre for Entrepreneurship, SMEs and Local Development <hr/> Miriam Koreen Director <i>ad interim</i>
Environment Directorate <hr/> Simon Upton Director	Executive Directorate <hr/> Anthony Rottier Director	Directorate for Financial and Enterprise Affairs <hr/> Adrian Blundell-Wignall Director	Directorate for Public Governance and Territorial Development <hr/> Rolf Alter Director	Directorate for Science, Technology and Innovation <hr/> Andrew Wyckoff Director
Statistics Directorate <hr/> Martine Durand Director	Centre for Tax Policy and Administration <hr/> Pascal Saint-Amans Director	Trade and Agriculture Directorate <hr/> Ken Ash Director		

SPECIAL ENTITIES

Financial Action Task Force <hr/> David Lewis Executive Secretary	International Transport Forum <hr/> José Viegas Secretary-General	Multilateral Organisation Performance Assessment Network <hr/> Björn Gillsäter Head of Secretariat	Partnership in Statistics for Development in the 21st Century <hr/> Johannes Jütting Secretariat Manager	Sahel and West Africa Club <hr/> Laurent Bossard Director
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Financing the OECD

The Organisation operates a results-based approach to its planning, budgeting and financial management, identifying the priority 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 2016 is EUR 370 million, further increased approximately by a third from voluntary contributions, extra-budgetary resources that are planned but variable, provided mainly by governmental bodies and institutions.

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

Members' assessed contributions, 2016

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 countries (based on national income). "Part II" programmes are funded by a scale or other arrangements agreed among participating countries. ■

www.oecd.org/budget

MINISTERIAL COUNCIL MEETING



Secretary-General's Strategic Orientations for 2016 and Beyond

Last year, members renewed my mandate to lead the OECD until 2021. Such renewal was based, *inter alia*, on my Proposal for the Consolidation and Further Transformation of the OECD to 2021 ("[21 for 21](#)" Agenda, see annex at end of this section), which provided a useful starting point for discussions on priorities for the Organisation in the medium- and long-term.

One year on, the "21 for 21" Agenda remains highly relevant.

It offers a clear set of goals, and sets out a vision for the OECD as a truly global organisation with the tools and capacity to help countries address today's challenges. Our Organisation must work with others to develop a new growth narrative based around people's well-being and environmental sustainability, and to help countries design, implement and monitor reforms to improve both productivity and inclusiveness. It must help countries seize fully the benefits

of digitalisation and the Next Production Revolution and be ready to address major emerging challenges such as international migration. It must continue to strengthen its position as a relevant global actor and support the achievement and implementation of agreements reached on the global scene in various negotiation fora. It must continue integrating the NAEC (New Approaches to Economic Challenges) "State of Mind" across its work. It should



Xavier Bettel, Prime Minister of Luxembourg, and Angel Gurría, OECD Secretary-General, at the launch of the *OECD Economic Survey of Luxembourg*, March 2015



Jim Yong Kim, World Bank Group President; Justin Trudeau, Prime Minister of Canada; Angela Merkel, Chancellor of Germany; and Angel Gurría, OECD Secretary-General (left to right); during the COP21 Meeting of the Carbon Pricing Leadership Panel, November 2015

continue to identify and exploit synergies to break down policy silos and deliver relevant and timely advice on increasingly complex and interconnected policy issues.

My Strategic Orientations proposed this year to Ministers for 2016 and beyond are based on the substance of this agenda and also reflect the outcomes of the 2015 Ministerial Council Meeting, as well as the ongoing discussions in the Council on the preparation of the Programme of Work and Budget 2017-2018 and my discussions with leaders and different stakeholders.

Today’s global environment is an urgent call to action

Eight years after the crisis, the policy mix is still not delivering

as it should. The pressures that have undermined the global recovery – the prolonged slowdown in emerging economies, anaemic global demand, weak trade and investment growth, financial market volatility, and the negative social impacts of the crisis – are intensifying. Increasingly, we are operating in an environment of elusive growth. At the same time, the observed slowdown in productivity growth threatens to become structural and there is evidence of a breakdown of the technology diffusion machine.

Concerns over people’s well-being remain at the centre stage. In many countries, people have not seen their real incomes rise for several years. The increases in income inequality and wealth disparities observed in recent decades

remain challenging, as do other forms of inequality which limit opportunities. Across the OECD countries, almost 40 million people remain unemployed, and while unemployment is expected to continue declining over the coming months, it will remain above 20% in the worst-hit countries. Youth unemployment remains above pre-crisis levels in nearly every OECD country. Recent widely publicised possible cases of corruption, fraud, tax evasion and tax avoidance show that we need to accelerate our efforts to strengthen global governance.

Protracted conflict and insecurity have, in recent months, drawn many OECD countries into the centre of the worst refugee crisis in recent history. Humanitarian migration on this scale brings with it a range of challenges to



Angel Gurría, OECD Secretary-General, and Juan Manuel Santos, President of Colombia, at the presentation of the OECD report, *Colombia Policy Priorities for Inclusive Development*, January 2015

integration systems, and to host communities, as nations help refugees and their children to find their place in the labour market, in education systems, and in society at large.

Last year's achievements in the international policy sphere must now be translated into action

The past year has seen a number of important developments in the global policy environment. Major agreements on the Sustainable Development Goals (SDGs) and on climate change (COP21) marked significant international consensus, as did conferences on Financing for Development (Addis Ababa),

resilience (Sendai) and trade (Nairobi).

In 2015, the OECD contributed – with the G20 and others – to a major re-design of the international tax system through both the Base Erosion and Profit Shifting (BEPS) project, and our work on Automatic Exchange of Information (AEOI) for tax purposes.

The focus of the international community – and the OECD – must now turn to implementation of these major agendas.

Top priorities for 2016-17

Against this backdrop, I will continue to guide the

Organisation in the achievement of the vision set out in “21 for 21” Agenda. My top priorities for 2016-17 and beyond are to:

- Sustain and deepen efforts to “go national” as we enhance the usefulness and relevance of the Organisation to members and Key Partners. This includes further strengthening the Organisation’s work in support of policy design and implementation at the national level, and grounding these efforts in upgraded multidisciplinary tools and approaches.
- Continue our efforts to build a new growth narrative that focuses on the well-being of people. This includes

efforts to further consider the distributional aspects of our policy advice, as well as renewing our focus on youth, women, elderly, children, migrants, the role of skills, and on the productivity-inclusiveness nexus.

- Lead policy debates on emerging issues, while reinforcing our capacity to understand and address them. This includes sustained efforts to integrate trends and megatrends into the work of the Organisation, in particular developing our understanding of the digital revolution and its implications, as well as the issue of job quality.

- Advance major elements of the global agenda and support collective policy action. This includes efforts to leverage the installed capacity of the OECD to support the implementation of the Sustainable Development Goals and the Paris Agreement (COP21), as well as actively pursuing the implementation of the major agreements on tax in an inclusive manner to ensure that the existing loopholes in the international tax system are addressed effectively in the near term future.
- Further develop our productivity and competitiveness agenda. This

includes efforts to advance policy-focused research on productivity, as well as efforts to improve the enabling environment for trade and investment.

- Strengthen the impact of our standards and identify areas in which gaps would require that new standards should be developed. This includes reflecting on the extent to which existing OECD standards reflect today's needs, and also deepening our understanding of the impact and outcomes of OECD standards.
- Consolidate efforts to enhance the effectiveness, inclusiveness and global



Iztok Jarc, OECD Ambassador, Slovenia; Miro Cerar, Prime Minister of Slovenia; Angel Gurría, OECD Secretary-General; and Gabriela Ramos, Chief of Staff/G20 Sherpa (left to right), July 2015

character of our Organisation. This includes efforts to engage Key Partners more in the Organisation's work, to maximise the benefits of OECD regional and country programmes, and to further strengthen our partnerships with other international organisations.

- Continue enhancing the quality and efficiency of the Organisation's management, administrative, communications and financial systems. This includes efforts to advance diversity in our workforce, to promote horizontal collaboration, and to sustain our coherent and consistent communication efforts.

These priorities will be supported by the inclusion of the work on the productivity-inclusiveness nexus and child well-being in the existing horizontal project on Inclusive Growth. New horizontal projects will be developed

in order to advance work on migration and refugees, as well as in the area of digitalisation. The proposed contents of these horizontal projects to be developed over the 2017-18 biennium are described below.

Making our Organisation even more useful and relevant to its members and partner countries

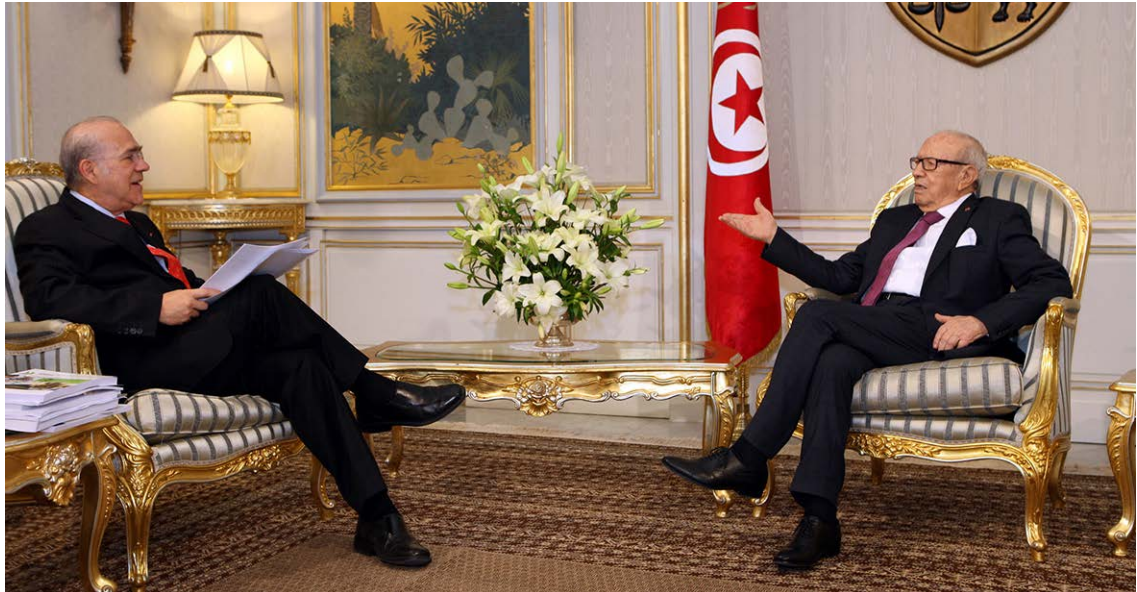
In the face of an uncertain and fragile recovery, monetary, fiscal and structural policy actions will continue to play centre stage and must be mutually supportive. Reliance on monetary policy alone has been insufficient to deliver satisfactory growth, so that greater use of public investment and structural levers is required. The slowdown in the structural reform momentum should be reversed. Benchmarking efforts will continue to be important, helping members and Key

Partners as they advance debates on national reform efforts. The OECD can build on *Going for Growth*, the Economic Surveys and its multidisciplinary approach to further help countries design, monitor and implement structural reforms, as it has done in France, Greece, Italy, Mexico, Slovenia and Spain, among others. The OECD is also well placed to provide advice on the enabling environment and governance of public investment projects. At a time of low interest rates and weak demand, public investment can both support growth and provide a more favourable environment for productivity-enhancing structural policies.

The OECD's "go-national" agenda must also further support members and partners in the implementation of national reforms. Efforts to support countries in the implementation of public policies will be deepened. Examples include



Tabaré Vázquez, President of Uruguay; Angel Gurría, OECD Secretary-General; and Mario Pezzini, Director of the OECD Development Centre (left to right), October 2015



Angel Gurría, OECD Secretary-General, and Beji Caid Essebsi, President of Tunisia, March 2015

national skills strategies, labour market policies, tax policies, agricultural policies, and regulatory reforms to promote competition and reduce administrative burdens.

These efforts will be grounded in upgraded tools and approaches that leverage the truly multidisciplinary nature of the Organisation. Further mainstreaming of NAEC will be crucial in this regard, as is the use of new tools such as multi-dimensional living standards, and the Quality Jobs Framework. Our collective understanding of how the economy and society operate needs to be deepened, and we need to continue our efforts to quantify the impact of reforms on growth and well-being, better factoring international spill-overs and the interconnectedness of our economies in our analysis. Efforts to better understand how financial markets work, and how

best to integrate them in our macroeconomic analysis, will also be sustained. We will also continue to integrate the SDGs into our policy frameworks and advice, including via the multi-dimensional country reviews for partner countries and advice to our members on national development strategies.

Environmental considerations should remain front and centre of our policy advice and should be fully integrated into our pro-growth recommendations. Our Economic Surveys and other sectoral reviews already include a green growth perspective, but more targeted advice is needed. We will support members and partners as they internalise the transition to a low-carbon economy in their structural reform agendas.

We will better integrate Key Partners in our work. A redoubling of efforts to integrate

them – and a growing range of emerging and developing countries – in our datasets, flagship publications and analysis will further enrich our understanding of shared challenges, broaden common ground, and help us better tailor our work and advice to different contexts.

Redefining the growth narrative to put the well-being of people at the centre of our efforts

More must be done to put people's well-being at the centre of all of our public policy efforts. The last three decades have seen widespread increases in income inequality in OECD countries. The richest 10% of the population now earns on average ten times more than the poorest 10%. Inequality extends far beyond income to affect many of the outcomes

that impact on people's well-being: education, health, jobs, and access to technology – to name only a few areas. Many inequalities compound each other, limiting the ability of people to fulfil their productive potential and lead fulfilling lives. We will work to increase the impact of the OECD Gender Initiative, as well as analysing the inequalities faced by lesbian, gay, bisexual and transsexual (LGBT) people.

the role of early childhood interventions for the well-being of people, and on reducing the intergenerational transmission of disadvantages. These efforts will be pursued across the OECD in a collaborative way, drawing on NAEC analysis, and capitalising on the Centre for Opportunity and Equality.

The productivity-inclusiveness nexus is central to this work. We need a better understanding of

outcomes and opportunities in an effective way, including through policies for people, firms, regions and countries.

A strong “skills” agenda will be critical. It must provide actionable answers to the challenges of inequality, productivity, growth, sustainability and well-being, and help to anticipate skills needs for the future. Continuing to build a better understanding of education outcomes at all levels and relying on those assessments for reforms is an important part of this work. We need to pave the way for more effective connections between labour market policies and apprenticeship programmes. In this spirit, we should think not only about measures to strengthen education systems, but also pioneer ways to cultivate emotional, social and cognitive skills, and skills for citizenship that equip and empower individuals to shape prosperous futures and participate effectively in thriving, inclusive societies.

We will leverage the OECD's work on migration so as to help members manage the consequences of the ongoing migration crisis. Existing work on the integration of migrants provides a strong foundation. We will provide additional high-quality and internationally comparable evidence and analysis to help governments better facilitate migrant integration, including at school level, close knowledge gaps on the economic impact of migration, and support



Bambang Brodjonegoro, Minister of Finance of Indonesia, and Angel Gurría, OECD Secretary-General, at the OECD Southeast Asia Regional Forum, March 2015

The OECD's Inclusive Growth agenda will continue to frame our analysis – and our actions. This agenda must deliver not only improvements to material well-being for all, but also ensure that lifetime opportunities are accessible by all income groups in our societies, and in particular the most vulnerable. Aspects of distribution, participation and inclusion should be considered in our policy advice given the high inequality of incomes, outcomes and opportunities. This includes the spatial dimension of inequalities. We will renew our focus on children, analysing

the links between productivity and inequality. In particular, skills gaps, bad health, and deficiencies in infrastructure and social provision can undermine aggregate productivity growth and feed inequalities at both the national and regional levels. Restrictions to market access and other barriers to competition reinforce the market power of incumbents and can cause a weakening of productivity growth and worsen inequalities. Together, we need to develop policies that address jointly slowing productivity growth and the rising inequality of incomes,

the exchange of views and experiences on policy responses to migration between countries. We will continue to strengthen our analysis of trends in migration flows, building on the well-established *OECD International Migration Outlook*.

We will continue to develop our work on social protection and tax-benefit systems and their role in tackling poverty and inequalities. In particular, the coverage, quality and costs of health systems should be evaluated and benchmarked from the patient perspective to ensure they meet the needs of citizens.

We will develop analysis and tools to understand trust better. Citizen well-being is also linked to confidence in the capacity and skills of public servants and institutions. Trust remains a complex phenomenon and policy-makers need actionable advice on how to retain or rebuild trust, by improving public administration and service delivery as well by tackling corruption and tax evasion and avoidance. Our analysis of access to justice systems, as well as their quality and cost, are central components of the trust and integrity agendas, as is our work on financing democracy. Good justice systems allow markets to function and business to operate effectively. They are essential to ensure a level-playing field and support business confidence by guaranteeing the security of property rights and the enforcement of contracts, avoiding regulatory capture and fighting corruption.



Angel Gurría, OECD Secretary-General, and Taoiseach Enda Kenny (Prime Minister of Ireland), at the presentation of the *OECD Economic Survey of Ireland*, September 2015

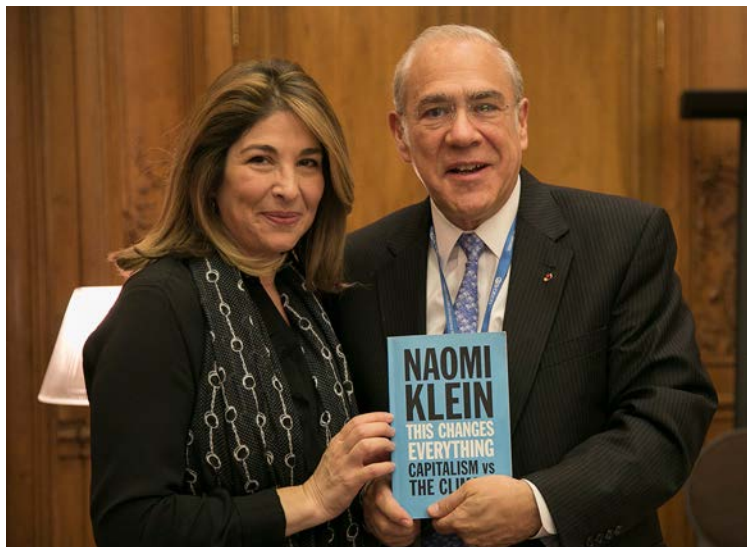
Identifying emerging policy challenges, while reinforcing our capacity to understand and address them

Megatrends such as digitalisation, ageing and climate change shape the world in which we live, as well as the policy environments in which our members and partners work. We will sustain our work to anticipate, analyse and address emerging trends, opportunities and challenges. We will further mainstream horizon-scanning and scenarios work within the Organisation, and will also continue to support member and partner countries' demands for policy-relevant foresight, including through the OECD Governmental Foresight Community.

We need to better understand how to leverage the digital revolution to strengthen productivity and improve people well-being. To capitalise

on the opportunities created by digitalisation, we need to understand better its impact on people and their skills, and how technological progress can help combat climate change, address demographic trends, and deliver better health services and more high quality jobs for all. In advancing this agenda, we will build on our broader work on innovation, the Next Production Revolution, and policies for the Internet. Alongside these opportunities, we should also explore how the emergence of the digital economy and the Internet of things, while enabling higher productivity and growth, can be another source of inequality, and create stress on labour market regulations. We should identify policies that will help spread the benefits of digitalisation to foster better job opportunities and well-being, while limiting any potential costs.

Strengthening our job quality framework is critical. Doing



Naomi Klein, author of *This Changes Everything: Capitalism vs. The Climate*, and Angel Gurría, OECD Secretary-General, at Coffees of the Secretary-General, September 2015

so will help us understand the evolution of work in light of digitalisation, globalisation and other challenges, and help governments develop appropriate policy responses. We will review and update the OECD Jobs Strategy and strengthen its linkages with the Innovation and Skills Strategies, as well as recent OECD work on Inclusive Growth.

Supporting the global agenda and collective policy action

The year 2015 was marked by important breakthroughs in the international agenda. Commitments now need to be put into action. The OECD's multidisciplinary expertise is increasingly leveraged to inform national and global policy debates, and members and partners will continue to look to the Organisation for support and advice as they implement their respective commitments.

We will leverage the installed capacity of the OECD to support the 2030 Agenda for Sustainable Development. The SDGs present a tremendous opportunity for members and partners alike. Achieving them will depend in large part on the design and implementation of sound public policies. The Organisation will implement its Action Plan on the Sustainable Development Goals, harnessing and better aligning existing tools, data, and dialogue platforms to support members and partners as they implement the Goals. We will place a particular emphasis on supporting accountability, as well as resource mobilisation. In doing so, we will further strengthen our collaboration with the United Nations.

Having played an important role in informing the COP21 climate agreement, the OECD will now turn to supporting its implementation. We will further advance our work on climate

finance, fossil fuel subsidy reform, measuring effective carbon prices, joint modelling of growth and the environment, and promoting a policy alignment for a low-carbon economy. In doing so, we will focus our efforts on supporting countries as they meet their commitments and contribute to the collective effort with other international organisations. Our work in this area should also take advantage of the OECD's multidisciplinary character, as well as expertise in different areas such as nuclear and transport policies. We will also further develop our work on adaptation and risk prevention, particularly in areas such as water resources and food security.

The OECD will broaden and deepen its efforts to achieve a fair international tax system. Much has been achieved over the last two years in the global fight against tax avoidance and tax evasion, but efforts to implement the agreements globally need to be accelerated. The agreed standards must be deepened and consolidated to ensure that existing loopholes are effectively addressed in the near-term future. We will strengthen our efforts to provide the policy and administrative tools to better tackle tax evasion and fraud, and will support the BEPS initiative, as well as AEOI, in an inclusive manner.

We will further upgrade the OECD's anti-corruption agenda. In doing so, we will capitalise on the analytic strengths of the OECD, and deliver policy advice to tackle corruption in its

many forms, public and private, as well as working towards a more effective cross-discipline anti-corruption agenda. Our work will build on all the major anti-corruption events and related activities organised in 2016, including the OECD Anti-Bribery Ministerial Meeting on 16 March, the OECD Integrity Week in mid-April, the London Anti-Corruption Summit on 12 May and the International Anti-Corruption Practitioners Conference co-organised by the French government, the World Bank and the OECD on 14-16 June.

Developing further our productivity and competitiveness agenda by leveraging our multidisciplinary knowledge

Widespread deceleration in productivity growth calls for a

deepening of our understanding of the drivers of productivity. Since 2000, one-third of OECD economies have experienced a decline in Total Factor Productivity growth of at least 1% per annum. The growing divergence in productivity growth across different firms and regions is of particular concern. While some companies and regions are at the cusp of major innovation breakthroughs, many are falling behind. We must strengthen insights into the main drivers of productivity growth to inform our work on the productivity-inclusiveness nexus and develop a better understanding of the measurement of productivity. Consideration will also be given to the territorial dimensions of productivity, and to disparities across regions.

The Global Forum on Productivity will play an

important role in this endeavour. It should support and generate synergies in policy-oriented research, and facilitate the exchange of views on best practices, including institutional set-ups, as well as sharing data and results on productivity-enhancing policies, including for small and medium-sized enterprises (SMEs). Our research and advice will need to address the different aspects of the policy environment – including market competition, labour market flexibility and support, education and skills systems, infrastructure development, and research and innovation policies – and their interlinkages.

We must also redouble our efforts to improve the enabling environment for trade and investment. The OECD will support this by quantifying trade costs and further refining its global value chains (GVCs),



Angel Gurría, OECD Secretary-General; Ollanta Humala, President of Peru; and Alonso Segura Vasi, Minister of Economy and Finance of Peru (left to right), during the signing ceremony to mark Peru's adhesion to the OECD Declaration on Green Growth, October 2015



John Dramani Mahama, President of Ghana; Rintaro Tamaki, OECD Deputy Secretary-General; and Pierre Duquesne, Ambassador to the OECD, France (left to right), October 2015

Services Trade Restrictiveness Index (STRI) and Trade in Value-Added (TiVA) databases. On the investment side, we anticipate completion of the benchmark revision of foreign direct investment (FDI) data, a further refinement of the FDI restrictiveness index and greater use of the Policy Framework for Investment among members. The “Investment-MNE part” of the TiVA database will also be developed. Efforts will be undertaken to upgrade the investment leg of GVCs, and to support the integration of SMEs in GVCs.

Strengthening and maximising the impact of our existing standards, as well as identifying the areas in which we need to develop new ones

OECD standards need to reflect today’s – and tomorrow’s

– economies and societies. Strengthening the impact of OECD standards and identifying areas in which new standards should be developed is critical. We will consider the extent to which existing OECD standards remain fit for purpose, and we will further analyse areas where the OECD has been called to fill a gap, or upgrade its contributions, so as to ensure high quality global standards.

We will enhance our understanding of the impact and outcomes of OECD standards. To do so, we will deliver analytical tools and evidence-based analysis in areas where the OECD is the standard setter. This includes the areas of tax, investment, anti-corruption and integrity, corporate governance, SME financing, state-owned enterprises, consumer policy, digital economy, and

development finance. Building on recent achievements on responsible business conduct (RBC) and corporate governance, we should strive to make all OECD standards count.

Good standards need to be implemented effectively. We will continue to support countries as they implement OECD standards, leveraging relations with other multilateral institutions to ensure our standards are truly global. Analysis of other relevant areas, such as intellectual property rights in all its modalities, and assessment of the strength of the current frameworks may be needed. We will also continue our work on global investment rules, including through the review of the OECD’s Code of Liberalisation of Capital Movements and the contribution they should make to the current international debate.

Continuing to enhance the global character of our Organisation

We welcome the successful conclusion of the accession discussions with Latvia and encourage current active accession candidates – Colombia, Costa Rica and Lithuania – to pursue their process towards OECD membership at their own pace.

We must encourage our Key Partners to join OECD bodies, adhere to our legal instruments and identify opportunities for mutually beneficial work. We will build on the programmes of work developed with Brazil, China, and Indonesia and seek similar arrangements with India and South Africa. Advancing the OECD's work with China will be of particular importance, leveraging the strong relationship developed through the OECD's support for China's 2016 G20 Presidency, and China's membership of the OECD Development Centre. The Organisation will also increase its links with other emerging economies, and ensure that they are included in OECD databases and analysis, and that their concerns and interests are taken into account.

Members have endorsed OECD regional and country programmes as a priority for the Organisation. We should review their achievements and remaining challenges to ensure that their implementation is effective and that their benefit to the Organisation continues to be maximised. A new chapter

in our relations with Latin America and the Caribbean will open with the launch of the OECD regional programme in June. We will also seek to further strengthen our regional programmes in South East Asia, Eurasia (Eastern Europe and Central Asia), Southeast Europe, and the Middle East and North Africa (MENA) region. We will work to develop further the regional dimension of our co-operation with Africa. To complement these programmes, collaboration with other regional and international organisations will be leveraged to help the OECD become an ever more effective global policy network. This includes a particular emphasis on collaboration with the United Nations system.

Further strengthening the OECD's partnerships with the G7, G20, Asia-Pacific Economic Co-operation (APEC), and the Pacific Alliance, will be

important. This work includes the implementation of BEPS, AEOI, the G20-OECD Principles of Corporate Governance, RBC, and the fight against corruption. Other avenues of co-operation include structural reforms and growth and poverty reduction strategies, food security and nutrition, gender equality, job quality, youth employment, trade, investment, SME financing, skills, and clean investment. Support for the G20 and other global governance mechanisms benefits all OECD members, and will continue to be a priority.

Ensuring effective and efficient financial, administrative, communications and management practices within the organisation

The OECD will continue to pursue strong management and



Angel Gurría, OECD Secretary-General, and Mukhisa Kituyi, UNCTAD Secretary-General, announce partnership to help realise the new 2030 Agenda for Sustainable Development, September 2015



Angel Gurría, OECD Secretary-General, and Taavi Rõivas, Prime Minister of Estonia, at the presentation of the *OECD Economic Survey of Estonia*, January 2015

oversight practices, and will take steps to promote diversity in its workforce. Talented, motivated individuals lie at the heart of the Organisation's success. We will continue in our efforts to recruit, motivate and equip our workforce with the skills needed to succeed. Efforts to achieve gender equality in leadership positions will be deepened. Diversity in all its dimensions remains a clear goal for the OECD going forward.

Efforts to promote horizontal collaboration and overcome "silo" approaches will be sustained. Given the interconnectedness of the policy challenges we face, greater collaboration between staff and across OECD directorates

is critical for strengthening economic resilience and securing better lives for all citizens. The consolidation of the Organisation's office space at OECD Boulogne provides new opportunities for horizontal collaboration and for cross-fertilisation of ideas across directorates.

OECD communication activities will project the increasingly high profile and global nature of the Organisation. Coherent and consistent communication efforts remain crucial, helping to maintain and further enhance the OECD's reputation for objectivity and quality. The OECD will continue to embrace the opportunities provided by the digital revolution, leveraging

new technologies and ways of working to deepen and broaden stakeholder engagement efforts. We will continue our efforts towards an "openness revolution", building on the Organisation's achievements to date in making all OECD data accessible, open and free.

In order to ensure that members get the best value for the resources they provide to the Organisation, the OECD will continue to ensure that the processes for producing OECD outputs are effective and efficient, strengthen the evaluation function, and implement the Action Plan that resulted from the Value for Money (V4M) Initiative undertaken in 2013-2014. ■

Annex: For information

“21 for 21”: A Proposal for Consolidation and Further Transformation of the OECD, by Angel Gurría, OECD Secretary-General

My goal for the 2016-21 period is to consolidate and further develop what we have already achieved together, so as to better serve OECD members in their collective quest for improved citizen well-being. To do so, I propose to advance along the lines developed in this document, which substantiates the request for a renewal of my mandate. Far from being a definitive view, these 21 proposals aim to inform a dialogue with members, leading to a jointly defined roadmap to consolidate the Organisation’s transformation by 2021.

As outlined in the document “Transforming the OECD: Impact, Inclusiveness and Relevance”, circulated on 20 January 2015, we have already taken great strides towards positioning the OECD as the “go-to” institution for policy advice on promoting growth, development and well-being in our member countries and worldwide. However, this organisational transformation, and the achievement of these shared policy objectives, are still a work in progress. For the next steps, I propose to focus efforts on the following over-arching goals:

1. Making our Organisation even more useful and relevant to its members and partner countries.

2. Redefining the growth narrative to put the well-being of people at the centre of our efforts.
3. Identifying emerging policy challenges, while reinforcing our capacity to understand and address them.
4. Supporting the global agenda and collective policy action.
5. Developing further our productivity and competitiveness agenda by leveraging our multidisciplinary knowledge.
6. Strengthening and maximising the impact of our existing standards, as well as identifying the areas in which we need to develop new ones.
7. Continuing to enhance the global character of our Organisation.
8. Ensuring effective and efficient financial, administrative, communications and management practices within the Organisation.

Making our Organisation even more useful and relevant to its members and partner countries

1. Delivering for members: more proactive, more strategic, more horizontal, more useful

Over the past nine years, we have managed to dynamise the

OECD and to provide timely policy advice through our regular work, or through new products such as the “Better Policy Series” and the “Getting it Right” publications, reacting faster to support reform agendas in member and partner countries. However, given the prospect of a low-growth scenario in the years to come, and the need to improve the economic and social outlook, we need to further strengthen and institutionalise the “targeted policy advice” we provide, and to consolidate the “whole of OECD” perspective.

Horizontality needs to become the rule, permeating the work of the whole Organisation, and adjusting its structure as necessary, to leave the fragmented “policy silo” approach behind. This will help us build more productive, more competitive, more inclusive and more sustainable economies.

2. Promoting and measuring structural reform

We have succeeded at positioning the OECD as the “go-to” place for identifying, measuring and advising on structural agendas, including their implementation and quantification of their impact and improved economic performance. This is now our

undisputable trademark in the international landscape. Structural reforms can help strengthen economic performance, by removing impediments to productivity growth, enhancing labour utilisation, promoting investment, developing skills and unleashing new sources of growth. They are also important in moving towards more inclusive and more sustainable development paths.

But we cannot rest on our laurels. We should continue refining our analysis on structural issues, improving the methodology to measure its impact, drawing on our multidisciplinary expertise to deliver a “whole of the house” approach, and further broadening its scope, to fully account for the distributional and social impacts of reforms.

- Re-framing the overall growth framework to target people’s well-being, instead of income, and strengthening the related modelling tools;
- Extending the range of policy dimensions that can be evaluated and monitored beyond efficiency measures to include social factors, and equity considerations;
- Examining the potential trade-offs and synergies of various policy objectives – equity, environment, productivity;
- Enhancing the use of micro-economic evidence in the assessments;
- Continuing to “go national” with our support for the implementation of reforms;

- Developing the tools to identify the specific impact of reforms on different income groups, but also at the household level, consistent with the inclusive growth narrative; and
- Incorporating governance and institutional settings in this exercise.

We will also complement the quantitative analysis with qualitative analysis that deals with non-quantifiable outcomes that are nonetheless central to well-being in our societies.

3. Improving governments’ structures, effectiveness and efficiency: implementation, implementation, implementation

The effective implementation of policies and reforms is one of the greatest challenges that our countries face. First-best policy solutions do not always deliver results because of important implementation gaps, due to weak administrative and institutional capacity, high complexity in the governance and decision-making frameworks, among others.

To help governments face this challenge, we will enrich our evidence-based analysis with contextual information and institutional analysis to help countries improve their understanding of the implementation challenges. We will build on our strong expertise in good governance, regulatory policy, Centres of Government, public sector innovation, anti-corruption, budgeting and public

expenditure, taxation, and public administration; and our understanding of the different levels of government.

Redefining the growth narrative to put the well-being of people at the centre of our efforts

4. Going beyond GDP: The well-being of our societies

The New Approaches to Economic Challenges (NAEC) initiative has already delivered good results in upgrading our analytical frameworks, helping us redefine the growth narrative to put people’s well-being at the centre of governments’ efforts. It has underlined the increased complexity, uncertainty and interconnectedness of the global economy, and the need to sharpen our understanding of how the social, the financial and the economic systems operate and interact as well as the need to develop effective foresight analysis. It has also identified policy trade-offs and complementarities and unveiled the unintended consequences of certain policy choices.

With these elements in hand, we should now accelerate our work to jointly develop a new growth narrative: more sustainable, inclusive and focused on people’s well-being. It should incorporate distributional and environmental concerns, along with productivity and competitiveness considerations.

In the next stage, as many members have requested, this

work should be mainstreamed across all OECD activities. We need to ensure that the well-being framework complements GDP metrics incorporating additional dimensions that matter for people's lives. Our Better Life Index can be strengthened and include forward-looking well-being impact assessments.

5. Developing a strong social dimension at the OECD

The OECD has pioneered analysis illustrating how increasing inequality has an adverse impact, not only on social cohesion, but also on economic growth. However, much remains to be done to advance a more comprehensive analysis, based on a multidimensional approach, looking at income, but also at other dimensions such as health, jobs and education. It also calls for a strategy that ensures the equality of opportunities in our societies, ensuring that all individuals can develop their full potential. Therefore, our Inclusive Growth Initiative needs to be completed and rolled out, ensuring its full impact. This means the operationalisation of instruments such as Multidimensional Living Standard as a tool for governments to have a clearer picture of the impact of different policy choices, and of "going national" in our analysis.

With the new OECD Centre of Equal Opportunities we are creating a hub of international knowledge and thought leadership, building



Alexis Tsipras, Prime Minister of Greece, and Angel Gurría, OECD Secretary-General, March 2015

on the Organisation's unique capacity of bringing together evidence-based policy analysis across countries and sectors and involving the whole of government.

Closing the gender gap is not only a moral and ethical imperative; it also makes a lot of sense in economic and social terms, and we should continue to roll out and increase the impact of the OECD's Gender Initiative [Closing the Gender Gap, GenderNet, our Gender Recommendations, Social Institutions and Gender Index (SIGI), MENA Women's Business Forum], to achieve equality in education, employment and entrepreneurship (the "three Es"), and to narrow the gap in many other areas, including in the realm of statistics. We should also address concerns of developing countries in the context of SDGs.

We should advance in different tracks: country survey chapters

on gender, the annual update of the Gender Data portal on international Women's Day, statistical work on female entrepreneurship, the MENA Business Forum for Women, and the upcoming Guidelines for Promoting Female Leadership in the Public Sector. We need to work more to reduce stereotyping and support girls to achieve their full academic and professional potential, including by participating in Science, Technology, Engineering and Mathematics (STEM) tracks. We will be supporting the G20 in monitoring its target to reduce the gender gap in labour force participation by 25% by 2025 – a key commitment that the OECD contributed to achieve through its work with the Australian Presidency in 2014. Gender mainstreaming is also a strong objective of the internal Human Resource Policies at the Organisation.

We need to take a hard look at migration issues, as it is a

constant in our societies and the growing global demographic imbalances have already affected migration trends. The share of migrants in the population of OECD countries has grown to over 10%. Young migrants and their offspring account for an even larger share. Migration will be one factor for future growth, but this depends on sound labour migration policies and more broadly on adequate integration policies. The OECD should help member and partner countries to develop better integration and skills policies for migrants, and to ensure that that diversity and migration are seen as opportunities to renew and refresh societies to work better than before for all their members.

Addressing the high levels of unemployment and underemployment, particularly among youth, as the major legacies of the crisis should be a priority for the Organisation going forward. Not only in terms of job creation, but also by ensuring job quality. Therefore, we should mainstream job quality in our regular analysis of labour market developments and policy analysis to ensure that economies not only create jobs, but that these are high quality jobs. Further work is also needed to make our labour market more resilient to shocks. The recent crisis has provided a lot of evidence on how institutions and policies can contribute to labour market resilience and how we can use it to reinforce our Jobs Strategy.

Putting well-being at the centre of the OECD's agenda implies redoubling our focus on better health, which not only contributes to individual happiness, but also has a great impact on economic progress and trust. Going forward, we should continue measuring and benchmarking both outcomes and effectiveness of health systems, which account for 9% of GDP, and help countries to tackle key long-term challenges such as the growing number of non-communicable and ageing-related diseases, the socioeconomic implications of long-term care and pensions, and the emerging threat of pandemics that demand immediate responses. We should also work on how to mend the broken health innovation model. Overall, we must help policy-makers provide better health care that meets the needs of communities, measuring the real impact of health systems on patient well-being.

6. Empowering people with education, skills and values

We must consolidate and keep our leadership role on education and skills policies, but we need to go further by boosting their inclusiveness dimension. Building on the success of the Programme for International Student Assessment (PISA), and its effectiveness at raising the awareness on quality and equity in education, we should continue on the effort to “go national” as well as “global” by which OECD members have discovered that many of the world's top performing education systems

come from outside the OECD. Next we should roll out the national analysis to more countries, including developing ones.

Addressing the needs of the working population to improve their skills should have the same level of urgency as providing better education to our children. The Programme for the International Assessment of Adult Competencies (PIAAC) is starting to deliver, and we should continue to expand its reach and its policy impact.

The OECD Skills Strategy is also starting to deliver, providing invaluable insights on skills formation, development and use; and on the policies required to match the demand for skills with adequate supply, as this is a critical issue in tackling unemployment, improving productivity and promoting inclusive growth. The OECD should identify concrete examples of good practices on how countries use information on skill needs to adapt migration, labour markets and education policies to foster inclusive growth.

Being at the forefront of measuring and comparing educational outcomes related to cognitive skills (through PISA and PIAAC on maths, reading, science and computer literacy) is one of the major achievements of the OECD. Such skills allow children and adults to confront the challenges of real life and provide them with the foundations for success in the modern global

economy. But we have also analysed other skills, such as social and emotional skills, that foster social cohesion and better interpersonal outcomes. In the context of increased violence, fundamentalism and discriminatory practices in our societies, we should strengthen and expand this work, and ensure that our education systems not only equip individuals to succeed individually, but that they do so while contributing to their community, with a greater awareness and understanding of others, by fostering skills to collaborate and work together. More diverse and complex societies, but also the need to recover trust in institutions and among communities, require a stronger effort to develop core values of citizenship at school (tolerance, respect, fairness, personal and social responsibility, integrity and self-awareness), that will help

us build more inclusive, fair, and sustainable economies and societies.

7. Recovering public trust, confidence and hope

The OECD must work with governments to help people recover trust, confidence and hope, and to strengthen citizens attachment to democratic processes. To achieve this goal, we should advance with our Trust Agenda, including on measurement, drawing on OECD expertise in areas such as integrity, transparency, taxation, good decision making (fair and unbiased), anti-corruption and open government. But it will also cover effective public service delivery (health, education, security), access to opportunities for all, and the promotion of inclusive growth. It should engage with the business sector, so that it also contributes to societal goals and abides by

high standards of responsible business conduct. The Trust Agenda should also include different levels of interaction with governments and citizens.

Restoring trust will also help to inform and support policy reform in such diverse areas as tax policy, corporate governance, education and justice, and to advance difficult policy reforms.

Identifying emerging policy challenges, while reinforcing our capacity to understand and address them

8. Identifying, understanding and addressing megatrends and new long-term challenges

The OECD has to become the “go-to” institution for identifying, anticipating and dealing with trends and megatrends for the next half century. We need to



Karim Massimov, Prime Minister of Kazakhstan, and Angel Gurría, OECD Secretary-General, during the signing of Kazakhstan's Country Programme Agreement, January 2015

keep strengthening our work on strategic foresight and mainstreaming it into the work of the Organisation.

I would propose to advance this work through the four key “lenses” that we discussed at our latest Global Strategy Group: *People* (inequalities, ageing, youth, intergenerational issues), *Productivity* (trends and synergies in trade, investment, innovation, education and skills), *Planet* (climate change, resource management and depletion, biodiversity), and *Polity* (connections between citizens and institutions, democratic processes and their financing, accountability, institutional issues).

9. Dealing with the dark side of the global economy

International economic interaction offers many opportunities to advance economic and social progress, but it can also pave the way for illegal activities, increasing the magnitude of existing threats, while giving rise to new ones.

The OECD can rely on its extensive experience in areas such as illicit financial flows, anti-corruption, tax compliance, migration and the internet economy, among many others of relevance to tackle the dark side of global economy.

In this endeavour, we need to keep ensuring the effectiveness of our anticorruption tools and activities (including the CleanGovBiz Strategy), but also continue strengthening our

holistic analysis of the issues. We need to complement our work on foreign bribery with a new focus on domestic bribery, and support the existing framework of good practices in public procurement. Likewise, our expertise and experience on public integrity should be mirrored with similar work on integrity in the private sector, which goes far beyond our high impact work on responsible business conduct (RBC).

Supporting the global agenda and collective policy action

10. Turning the OECD into a key pillar of global and regional governance

The OECD is gradually becoming the “global policy network” defined in the 50th Anniversary Vision Statement through its growing engagement in crucial fora for global (G20, G7) and regional (European Union, APEC, Pacific Alliance) governance. The Organisation’s work and impact in the architecture of global governance helps us to pursue three strategic objectives in the interest of all OECD members: (i) disseminating better policies for inclusive growth and advancing structural reform agendas on a global scale; (ii) leveraging our standards and making them universal; and (iii) enhancing our co-operation with emerging economies. We will continue to keep members informed of this important work and I propose to organise an annual pre-briefing ahead of the annual G20 Leaders’ Summit.

During the 2016-2021 period, we propose to reinforce the OECD’s position as a hub and facilitator for global governance while addressing global challenges. We will consolidate our role as trusted advisor to the G20 and the G7 on global (trade, investment, finance) and structural, social and environmental issues. We will also develop further the connection of our role in global governance efforts with our own forward-looking initiatives, such as surveillance mechanisms, NAEC and the reinforcement of Strategic Foresight, to help shape the debate and advance the international policy agenda.

11. Strengthening our relations with other international organisations

The collaboration of the OECD with other International Organisations (IOs) is a source of efficiency and greater value for money for member countries. It aims to increase the quality of global governance and the effectiveness in dealing with new issues, while avoiding overlaps and increased costs for governments. The OECD will continue helping both to “cross-pollinate” the work that different IOs do and to jointly respond better and faster to emerging global challenges. This includes work on trade, investment, climate, development, food security and the SDGs. We should also continue to promote and participate in joint dialogue with leaders (as the ones held with the leaders of Germany, France and the United Kingdom).

We will continue to join forces – as we have done in the past years – with other IOs: sometimes in a leading role (in areas such as structural policies, taxes, responsible business conduct or investment, or in fields in which no one is taking the initiative); and at other times as a pioneer and a pathfinder so others can eventually take over (as we did with the African Development Bank in the case of the *African Economic Outlook*; and, whenever necessary, as the “best supporting actor”, with other IOs in the leading role, contributing our knowledge to advance ongoing processes (as we did with WTO negotiations through our work on service trade restrictiveness). We should strengthen the good collaboration with International Financial Institutions in fostering financial and economic stability, so that we can prevent another crisis. Likewise, and given that 2015 and the coming years will be critical for international negotiations on climate, gender and development, the OECD should deepen its contributions to and its co-ordination with other IOs, in particular with the UN system.

12. Tackling the environmental challenges: resource scarcity & climate change, green growth

The OECD is becoming a global reference in the search of a new economic model that works for the environment, not against it. But we need to redouble our efforts.

COP21 in Paris will present an opportunity for our Organisation

to be at the forefront of the climate change debate and actions, including through our joint project with the International Energy Agency (IEA), Nuclear Energy Agency (NEA) and International Transport Forum (ITF) on how to better align policies to transition to a low-carbon economy in order to meet the 2°C goal. Beyond this, through our multi-year project on the Cost of Inaction and Resource Scarcity – Consequences for Long-Term Economic Growth (CIRCLE), we will investigate the feedback from a range of environmental phenomena – including climate change – on economic growth. In addition, we should strengthen our national environmental assessments to help countries align their economic policies for a low-carbon economy. By integrating our work better with that of other IOs, we will try to capitalise on the current momentum in favour of more sustainable economic models.

Moving towards zero net carbon emissions against a global scenario of abundant and cheap energy will be a complex challenge, as will be the development and use of renewables. We need to develop the analytics around the “new normal” of abundance of energy. For this we need to ensure much closer co-operation between the IEA, NEA and the ITF. In the crucial area of water resources, we will continue helping countries address this multidimensional challenge through the development of required instruments of water governance and the

development of new indicators, as well as dedicated analyses and publications.

As our countries face these challenges, it is imperative to accelerate our transition to an era of green growth, and continue rolling out our Green Growth Strategy. The greening of our economies can become a powerful source of growth, but we need to bring the local authorities perspectives in our analysis, as well as develop the necessary support for developing countries to benefit from it.

13. Contributing to a post-2015 development agenda

The OECD should keep increasing its participation in, and support for the Sustainable Development Goals (SDGs). We should now increase our participation in all relevant UN SDG-related processes (financing, measuring, monitoring, etc.) and put the Organisation’s expertise and value-added at the service of achieving these goals, particularly in terms of accountability and resource mobilisation. We will also promote and maximise the role of the Global Partnership for Effective Development Co-operation (GPEDC) as a critical vehicle to ensure co-ordinated SDG implementation.

The 2016-2021 period will be critical for consolidating the change in focus of the OECD’s development work from aid effectiveness into development effectiveness, not only by putting the GPEDC at the service of the

SDGs, but also through better integration of the Development Centre into the work of the OECD, a consolidation of the Organisation's development cluster, and further progress, implementation and impact evaluation of our Development Strategy. We should increase our understanding of emerging and developing economies needs, including through multidimensional analysis, and ensure that our work is global and incorporate their perspectives and needs (such as better understanding high informality, strengthening institutions, among others) We should also consider spill-over effects of OECD countries' policies on developing economies and vice-versa.

14. Building an efficient and fair global tax system

Ensuring inclusion and restoring citizens' trust in institutions

calls for developing fair and efficient tax systems, and we should continue building the tax system of the 21st century. The OECD has played a leading role in the biggest changes to the global tax system of the last 100 years, but this ground-breaking work must continue to expand and increase its impact, both related to Automatic Exchange of Tax Information (AEOI) and to the G20/OECD BEPS Action Plan. The BEPS Project is not a single event – it is an ongoing process. We therefore need to carefully plan the next stages, delivering on the second set of BEPS deliverables, and providing strong support for full implementation, both of BEPS and of AEOI, which will take two to three years. We should explain the benefits not only in terms of revenues (our work on AEOI has already delivered EUR 37 billion to the public treasuries in the last five years), but also in terms of restoring the trust

of citizens in governments, institutions, and markets by ensuring that everyone pays the tax they owe.

Developing further our productivity and competitiveness agenda by leveraging our multidisciplinary knowledge

15. Helping trade regain cruising speed to drive growth

Recovering cruising speed in the growth of international trade flows is a pending objective. It should be underpinned by keeping markets open for trade and investment, a crucial goal to which the OECD has contributed practically since its foundation. On the other hand, our contribution to better understanding the dynamics of trade flows is just starting to bear fruit and this can make



Miroslav Lajčák, Deputy Prime Minister and Minister of Foreign and European Affairs of the Slovak Republic, and Angel Gurría, OECD Secretary-General, February 2015

a big difference. We have only just “decoded the trade genome” with our analysis on Trade in Value Added (TiVA), Global Value Chains (GVCs) and on Services Trade Restrictiveness Index (STRI). Although this is already helping some countries improve their trade, investment and competitiveness strategies, we need to further develop this work. It will be crucial to find ways to connect this effort to the solutions that will help advance trade negotiations and increase their level of ambition, in support of the WTO.

We also need to open new avenues to address the emerging issues in the international trade and investment agenda, such as analysing the interplay of the financial system with both trade and investment; exploring the synergies between the OECD’s work on development, trade and investment; GVC and integration of SMEs and developing countries; quantifying the spill-over effects resulting from trade and investment flows; developing an agenda to better explain the benefits from trade liberalisation; assessing the impacts of trade liberalisation on inequality and enact policies to deal with the downside; and analysing the interplay of the digital economy with trade, investment and jobs; and continue to develop the aid for trade agenda.

16. Fostering productive long-term investment for growth

International and domestic investment is one of the major pillars of the world economy that

has not fully recovered from the economic crisis. Infrastructure investment has stagnated while other investments have become excessive. Both are leading to less bankable projects and reduced potential returns. Companies are not reinvesting earnings and instead accumulate cash and/or undertake share buybacks. The world seems to be awash with institutional capital, but it does not move to where it is needed. There is a need for a better understanding of the links between equity, debt and financing, and to move away from the “financialisation” of the financial markets. We also need to understand better the workings of new financial instruments.

There is so much to do on this front in the years ahead for the OECD. We need to encourage higher levels of public and private investments in productive activities to improve growth perspectives. We also need to better understand the behaviour of international investment flows (in the context to GVCs and their quantification, including by producing new data (the 4th edition of the OECD Benchmark Definition of Foreign Direct Investment, or BMD4, and evidence base research), as well as the rules that have been developed to manage FDI and to introduce coherence, including on dispute resolution, in the context of Bilateral Investment Treaties (BITs) and multilateral agreements. We need to develop analysis and indicators on company data on infrastructure, green infrastructure

investment, institutional investors, a relaunch of the FDI restrictiveness index and parallel new measures for bank and portfolio flows etc. In the face of the SDGs, we also need to enhance the contribution of investment to global development. The Policy Framework for Investment should become the most effective tool to improve investment climates, but also to expand the outreach of our investment work through National Investment Policy Reviews.

The Freedom of Investment Roundtable needs to become global; the Global Forum for International Investment should be strengthened, and it should be possible to open avenues to access the MNE guidelines in different modalities for it to become global, with a strong monitoring and peer review process. We should also encourage more countries to join the International Investment Declaration and the Codes of Investment.

17. Developing new sources of growth: Innovation 2.0 and entrepreneurship

Innovation is one of the strongest new sources of growth. It is also a key tool to address some of the main challenges for our member and partner countries. Our work on Knowledge-Based Capital (KBC) is already making a difference in understanding and designing new ways to measure and promote economic activity. To help countries improve

their understanding of the relationship between innovation and growth, as well as on the resulting policy implications, we need to keep developing better measurement capacities for KBC, and common measurement guidelines. We also need to deepen our work on innovation and inclusive growth, innovation and skills/human capital; ITC and development; smart specialisation; and on SMEs.

We will also keep developing our work on innovation to: i) enhance business dynamics, job creation and productivity; ii) enable the Next Production Revolution, as an array of technological (new materials, 3D printing, big data, robotics) and non-technological innovations (new GVC/KBC business models) are likely to significantly affect the nature of production; iii) seize the benefits of the digital economy and advance governance of the Internet. The OECD should be a leader in this effort to create a global framework for the operation of the Internet by leveraging its work on the subject and its participation in the GCIG (Global Commission on Internet Governance); iv) and design innovation policies for inclusive growth.

SME analysis will be strengthened at a country level, to include financing, and new financing instruments; disseminate best practices in entrepreneurship education in schools and in vocational training; foster management and leadership capabilities in SMEs; and benchmark SMEs and

entrepreneurship policies and their impacts across countries.

18. Enhancing our work on regional, urban and rural development

Regional development policies are increasingly recognised as critical for national development strategies. In particular, regional divergences need to become a key policy area in OECD member and partner countries. A more place-based approach to regional development may help to adapt policies to the specificities of where people live and work, including sectoral policies but also improving the coherence and effectiveness of public spending, as well as closing investment gaps wherever they exist. The OECD must keep consolidating itself as one of the leading sources of regional comparative data and policy knowledge, and should continue to design and implement policies to make regions as competitive and resilient in the case of natural resources.

This includes understanding better and fostering a new dynamic of cities and metropolitan areas, as they are major contributors to national economies, but also a reflection of inequalities and fragmented governance arrangements. We should continue working with countries on their urban development policies to address a range of issues, and to increase our understanding of how cities work as engines for innovation, prosperity and growth and as laboratories for solutions to

our social and environmental challenges.

It will be important also to address rural development, including gains in agricultural productivity, and develop a new “rural paradigm”, building on our unrivalled work on long-term commodity trends, price volatility in food and agricultural markets and identifying best policy practices. Given extensive producer support, and public stockholding and subsidies in agriculture and fisheries, the focus should be on continuing to enhance productivity and explore the implications in terms of food security, resource management, trade relations and sustainability. We should grasp the window of opportunity to better the lives of rural people and cultivate rural-urban linkages.

Strengthening and maximising the impact of existing standards, as well as identifying the areas in which we need to develop new ones

19. Updating and modernising our standards and multilateral instruments

In order to strengthen our role as a global standard setter, we will work to update the OECD's main standards and legal instruments to keep them at the cutting edge, to ensure they are globally applicable and that they contribute to address the challenges we confront. Thus, we will continue our review, revision and modernisation of

the Organisation's guidelines, instruments, frameworks and legal instruments and evaluate their relevance in virtually every major policy area within the OECD's remit. We will proceed to update many of these key frameworks, for example on: investment, corporate governance, statistics, information technologies, taxes, budgets, and corruption. And we will also work on developing new standards on emerging issues, such as the internet and the digital economy. We should engage major emerging economies in this exercise, to ensure the proverbial level playing field. Last but not least, we will ensure the best implementing, peer review and monitoring mechanisms in order to guarantee their effectiveness.

Continuing to enhance the global character of our Organisation

20. Building a more global and inclusive OECD

One of the major strategic goals during recent years has been the strengthening of the OECD's global reach and impact, and its relationship with emerging and developing countries. This continues to be an essential element of any roadmap going forward, given the progress we have made, but our work is not done yet. Indeed, we should continue to advance the OECD's transformation into a more global, effective and inclusive institution. Our work with Key Partners Brazil, China, India,



Angel Gurría, OECD Secretary-General, speaking to the press at COP21, November 2015

Indonesia, and South Africa will remain central “with a view to possible membership”, and we will continue to leverage our work with them in the context of the G20 and other international fora. Engagement with China should be a top priority, as we currently witness a new departure in our relationship, which may be further advanced during the celebration of the 20th anniversary of relations between China and the OECD, in 2015, the Chinese G20 Presidency in 2016, and beyond. To keep building and consolidating this crucial partnership, we need to dedicate more resources, more focus and more people.

Through the advancement of our regional programme, South East Asia will remain an important priority as the fastest growing region in the world. There, we will focus our more immediate efforts on engaging with Indonesia and the Philippines, as the

most promising priorities, as well as with Thailand and Vietnam, depending on policy developments in each country. In Asia we will build on the very promising links established with the new Indian leaders and their request for support for their reform efforts. In Europe, we will aim to conclude the accession process of Latvia and launch the one for Lithuania, as well as deepen our collaboration with non-OECD EU members and the South East Europe and Eurasia regions, including the programme with Kazakhstan. In light of members' decision, we will continue technical co-operation with Russia and will wait for members to decide on the future evolution of engagement at a political level. In Latin America, we will work to conclude the accession of Colombia and launch the one of Costa Rica, and work with Peru in its country programme. In Africa, we will continue deepening

our relations with South Africa while pursuing specific programmes such as the Club du Sahel (SWAC) and the NEPAD Investment Initiative. In the MENA region, we will continue building on the governance and investment pillars of the regional programme, as well as the individual country projects supported through the Deauville Partnership; we will also advance the Morocco country programme.

We should review the mechanics of the accession process to avoid unnecessary delays, and explore the possibility of developing an “associate status”, especially for Key Partners. On top of specific country projects, programmes and relationships, we will ensure that major OECD analyses and publications include coverage on emerging economies, and that our statistics on them are reinforced. Multidimensional Country Reviews offer a good modality for reinforcing collaboration, and we will capitalise more on them over the coming years. Likewise, we will continue our work to make our standards and tools more universal, and to develop joint benchmarks with these economies. Encouraging the adherence by non-members to instruments such as the Anti-bribery Convention and the Guidelines for Multinational Enterprises is a must, but we will further explore and develop many other fields where OECD standards may offer a good opportunity to engage with these countries.

Ensuring effective and efficient financial, administrative, communications and management practices within the Organisation

21. Improving the way we function and operate internally

Throughout the past nine years, we have upgraded our management tools and regulations in the areas of finance, communications, human resources and operations, in response to new needs and demands. Most importantly, we have established a culture of value for money that is now delivering results. I intend to continue the search for efficiencies, and to optimise what our members get from the public monies with which they support the OECD.

I will also maximise the increased impact of our work through effective communications, dissemination and best practices in our approach to public affairs, in line with the progress we have made to professionalise and increase the effectiveness of this important area. Our reliance on cutting-edge technologies and methodologies for communicating and achieving maximum impact should continue, as well as the development of tools and settings for interaction with different stakeholders, such as the OECD Week and its different components. Our work with parliamentarians should also be consolidated and expanded.

To serve members better, we will upgrade our communications planning tool, and share with Permanent Representatives the materials that are going to be published shortly before they are made public (we will do so under embargo, counting on them to make sure that this is respected). We will also continue to ensure consistency between the content of the analysis and the messaging going out. Communication policy and analysis is a remit of the Council, with the Executive Committee helping with implementation issues.

We have pro-actively put the Organisation on a sound financial footing with the Reform of 2008, as well as through the different contributions by staff and improvements in the governance of the Organisation. In the coming years, I will continue to ensure that the internal management of the Organisation and its finances, human resources and structures remain fully aligned with international best practices. We will continue to ensure the OECD is at the leading edge of management issues, and to modernise its processes, systems, operations and communications, both internal and external. As we do so, we should also keep in mind the “regulatory guillotine” principle to avoid creating unnecessary bureaucratic burdens. Our quest to increase efficiency and to make the best out of our Value for Money initiative remains the driving force, as will our efforts to recruit, maintain, and equip our highly talented staff to

deliver. We will contribute to a thorough review of the In Depth Evaluation (IDE) process, in the context of the launching of the 3rd IDE cycle. I also propose to organise a series of informative meetings on the Integrated Management Framework and its instruments (PIR, MTO, IDE).

The horizontality of our products and policy advice, capitalising on our Organisation's multidisciplinary nature, begins with the horizontality of the way in which we work. I will continue promoting the breaking up of "policy silos" that too often prevents us from connecting the dots and coming up with new breakthrough initiatives. Unlike other institutions which have embarked on long and protracted internal reform processes, I believe the OECD requires "evolution" rather than "revolution". Therefore, I plan to promote more cross-fertilisation among directorates by providing the venues, tools and mechanisms to exchange information and views in order to profit more from collaborative work. I intend to redouble our efforts to advance a culture of proactiveness and leadership among our staff. We will also work with our members so they, like the OECD, can find ways to promote cross-pollination among their own different areas of government.

Going forward, I intend to work with permanent representatives to ensure a better engagement with horizontal projects, and to this end I have suggested adopting the structure of the NAEC Group (with the wide representation of committees chairs, directors, experts and permanent representatives) as a possible platform for the oversight of horizontal projects. This approach will keep ambassadors engaged and better informed, while retaining the flexibility and dynamism of projects. This will not substitute, however, the role of the Council as the main place where political backup and strategic guidance for new projects is gathered. I also suggest organising an annual meeting with the chairs of substantive committees and permanent representatives so they can exchange views and be kept informed of substantive developments across the house.

To continue developing a shared vision of the Organisation going forward, I intend to organise, either at the Global Strategy Group, at the Council, or in another setting, an annual meeting to discuss the achievements and challenges of the Organisation, and to receive feedback from members in a strategic conversation (a sort of "GPS"). This will be

on top of the many instances that members already have to influence and define the work of the Organisation (e.g. Integrated Management Framework; substantive and standing Committees, advisory bodies, Council) to help us develop a common understanding about the challenges and opportunities faced by the OECD. This exercise will be developed in full respect of the legal and operational framework of the Organisation.

Finally, on "small G" and the distribution of papers for the Council this will be done within the agreed period (seven days for decision papers, two days for information papers). If this deadline is not met, the item will be automatically re-scheduled.

I have already achieved some notable successes in transforming the OECD into a beacon in all these fields, to the benefit of our increasingly diverse and representative membership. The request for a renewed mandate for the 2016-2021 period is meant precisely to safely steward the rich harvest our members can expect from the many initiatives, work-streams and strategies that are in the process of maturing and bearing fruit. ■

2015 Ministerial Council Statement

Unlocking Investment for Sustainable Growth and Jobs



Family photo of the OECD Ministerial Council Meeting 2015

On the occasion of the [2015 OECD Ministerial Council Meeting](#) (MCM), we¹ have assembled under the Chairmanship of the Netherlands and the Vice-Chairmanship of the Czech Republic, France and Korea on 3-4 June to discuss how to unlock investment to promote stronger, more inclusive and green growth; boost productivity; and create more and better jobs.

We welcome the [re-appointment of Mr Angel Gurría](#)

[as Secretary-General of the OECD, from 1 June 2016 until 31 May 2021](#), congratulate him on his leadership and efforts to enhance the relevance and impact of the OECD, and look forward to continuing our work together on delivering “better policies for better lives”.

The four major international processes in 2015² reinforce the importance of achieving inclusive and environmentally

sustainable global economic policies in the near and longer term. We took stock of the overall positive impact of lower oil prices and monetary policy easing in many countries, and will look to ensure that accommodative financial conditions translate into improvements in the real economy. We underline the importance of structural reforms to improve growth prospects and boost employment and strengthen economic resilience. We agree that

1. Ministers and representatives from Australia, Austria, Belgium, Canada, Chile, Colombia, Costa Rica, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Lithuania, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom, the United States and the European Union.

2. Financing for Development in Addis Ababa, Summit on Sustainable Development Goals in New York, COP21 in Paris, and the WTO Ministerial in Nairobi.



Mark Rutte, Prime Minister of the Netherlands and Chair of the 2015 OECD Ministerial Council Meeting, and Angel Gurría, OECD Secretary-General, during OECD Week 2015

measures to support demand, promote investment and resist deflationary tendencies remain necessary, and underline that a robust recovery requires a balanced approach to fiscal, monetary and structural policies.

We recognise the important role of the OECD in the international policy landscape, including its contributions to the work of G7 and G20. We are encouraged by the ongoing efforts of the OECD to enrich its analytical frameworks and methods, including its tools for long-range analysis. In particular, we welcome the [Final Synthesis Report on the New Approaches to Economic Challenges \(NAEC\) initiative](#) and recognise the importance of indicators beyond GDP including OECD work on [How's Life?](#) and [Green Growth Indicators](#). We call on the

OECD to further mainstream multidimensional analysis, including the work on [inclusive growth](#) and gender equality, in flagship publications. We recognise the importance of addressing inequalities and the value of social dialogue in achieving more inclusive growth and quality jobs.

Today global private and public investment remains below pre-crisis levels. We acknowledge – in line with the central theme of the MCM 2015 – the essential role of productive investment to promote sustainable and inclusive growth, drive job creation and support the transition to a [low-carbon resilient economy](#). We underline the need to unlock investment, by enhancing confidence, addressing the enabling environment, adopting better

regulation and targeted public spending.

We exchanged views on policies aimed at boosting the level, the quality and effectiveness of public investment, including in infrastructure, to support job creation and increase private investment. We welcome the focus of this year's [OECD Economic Outlook](#) on investment and we call on the OECD to continue tracking and analysing investment trends. We call on the OECD to continue the work of the [Freedom of Investment \(FOI\) Roundtable](#) as a platform to collect and exchange best practices on investment issues, and encourage it to work together with developing countries and other partners (including business, civil society and international organisations). We welcome the

Recommendation on – and the updating of – the [OECD Policy Framework for Investment](#) (PFI) and encourage its broad use, including in the context of the Sustainable Development Goals (SDGs). We ask the OECD to explore developing PFI indicators to help inform countries' progress in adopting policy reforms.

the commitments to implement the [Common Reporting Standard](#) by 2017 or 2018. Regarding the transparency and exchange of information on request for tax purposes, we support further OECD work to explore possible tougher incentives and implementation processes to deal with those countries which fail to respect Global Forum standards on exchange of tax information on request.

[International Investment](#) and of non-members adhering to it. We encourage efforts to widen adherence to the MNE Guidelines, and invite the OECD to study options in that regard. We also call on the OECD to continue its efforts to further strengthen the performance of MNE National Contact Points, including through voluntary peer reviews and the exchange of best practices.



Angel Gurría, OECD Secretary-General, and Bill Gates, President of the Bill & Melinda Gates Foundation, June 2015

We welcome progress on the [OECD/G20 Base Erosion and Profit Shifting](#) (BEPS) project and [Automatic Exchange of Information](#). We urge all states and jurisdictions to join and implement the multilateral [Convention on Mutual Administrative Assistance in Tax Matters](#), to improve the availability, quality and accuracy of beneficial ownership information and encourage them to sign the MCAA³. We welcome

We welcome progress in the revision of the OECD [Principles for Corporate Governance](#) and the [Guidelines on Corporate Governance of State-Owned Enterprises](#). We encourage the OECD to continue its work on Responsible Business Conduct (RBC) in its current multi-stakeholder setting, building from the [Multinational Enterprises \(MNE\) Guidelines](#). We reaffirm the importance of the [OECD Declaration on](#)

We recognise that innovation is critical to increasing productivity and creating new jobs and requires more public and private investment in Knowledge-based Capital. We welcome the [update of the OECD Innovation Strategy](#) and the focus on further strengthening evidence-based innovation policy. Besides basic research, public funding for R&D should also aim at effectively leveraging private investment, facilitating the development of young innovative firms and increasingly be oriented towards global challenges. Successful deployment of new technologies and business models by both existing firms and young challengers, including small and medium-sized enterprises (SMEs), requires innovation-friendly regulation, in particular for the data-driven economy, and efforts to improve the quality of human capital. We fully acknowledge that the fast pace of technological change is creating opportunities for new, more sustainable production and consumption models and welcome OECD's work on enabling the next production

3. Multilateral Competent Authority Agreement on the Automatic Exchange of Financial Account Information.



Angel Gurría, OECD Secretary-General; Algirdas Butkevičius, Prime Minister of Lithuania; and Antanas Linkevičius, Minister of Foreign Affairs of Lithuania (left to right), at the Signature Ceremony of the Privilege Immunities Agreement

revolution. We discussed the growing role of cities in fostering entrepreneurship to promote a more resilient and sustainable economy and society.

We further agreed that investment in people’s skills and life-long learning, boosts economic growth, enables access to employment and good quality jobs, addresses inequalities and improves social outcomes. We note that individuals without adequate skills face a high risk of economic and social exclusion, and poor health. We reiterate our call to invest in skills that are relevant to labour market needs to reduce skills gaps, enhance employability and increase economic opportunities, in particular through more

effective vocational training. In this regard we welcome OECD initiatives targeting under-represented groups, including on gender equality, youth employment, ageing society and the integration of migrants. We call on the OECD to give further consideration to skills-related challenges arising from technology-induced changes in labour markets and from [global value chains](#) (GVCs).

We recalled the [2014 Ministerial Statement on Climate Change](#) and remain committed to supporting an ambitious outcome at the [COP21](#) climate talks, working in close co-operation with the French Presidency and other countries. We call on the OECD to continue supporting

international climate change negotiations, including through further joint work with the [International Energy Agency \(IEA\)](#), [International Transport Forum \(ITF\)](#) and [Nuclear Energy Agency \(NEA\)](#). In this regard, we welcome the [Project on Aligning Policies for the Transition to a Low-carbon Economy](#) as an important contribution towards this goal. A better alignment of policies within and across countries can boost the overall effectiveness of climate policies. We recognise the importance of continued OECD work on the enabling environment for leveraging and [tracking climate finance](#), including private flows. We also look forward to further work on effective policies to tackle climate change, including

market-based approaches, export credits, and innovation, as well as the analysis of the policies to [finance the low-carbon transition](#), including through taxation and leveraging of private climate investment. We welcome OECD work on the phasing out of inefficient fossil fuel subsidies. We call on the OECD to continue work on the role of technology in addressing the global climate challenge.

Managing [water](#) in a sustainable, integrated and inclusive way is necessary for sustainable development and to strengthen climate adaptation efforts. We welcome the [OECD Principles on Water Governance](#) and invite the OECD to develop a Recommendation that updates and consolidates existing recommendations on water and to report on progress at the MCM 2016.

We underline that international investment and an open, rules-based multilateral trading system are key drivers for private sector development, sustainable economic growth and job creation. We also welcome World Trade Organisation (WTO)-consistent and WTO-supportive bilateral, regional and plurilateral initiatives aimed at promoting trade. We call on countries to deliver on trade policy actions that support more inclusive growth, and strengthen the links between trade, investment and sustainable development, including through [Aid for Trade](#), acknowledging that the full integration of developing countries in the

global economy is to the benefit of all countries. We reaffirm our standstill and rollback commitments to resist all forms of protectionism. We call for the implementation of the WTO Trade Facilitation Agreement and all the other elements of the WTO Bali package, including the finalisation of a credible and meaningful post-Bali work programme aimed at facilitating the conclusion of the Doha Development Agenda. We encourage the OECD to continue its research on trade-related policy. We support the expansion of the [Services Trade Restrictiveness Index](#) (STRI) and the use of its analysis. We call on the OECD to deepen its analysis of GVCs, including in relation to the shift from manufacturing to services and the implications for skills and labour conditions; on measures to encourage participation of firms from developing countries; on the role of RBC; and on the impact of GVCs on inclusive growth and employment. We encourage the OECD to continue its work on the trade of raw materials.

We called for an ambitious Post-2015 Development Agenda. We recognise the contribution the OECD can make to the 3rd International Conference on Financing for Development in Addis Ababa, in July, and to the United Nations Summit to adopt the Post-2015 Development Agenda in September 2015, in New York. The role of the OECD in fostering policy coherence for sustainable development and knowledge sharing is important in this regard, and we reaffirm

our commitment to promote its contribution to the success of the Post-2015 Agenda. We welcome the preparation of a strategic response to guide OECD support of the SDGs, recognising that the process to develop the Post-2015 Development Agenda is still ongoing. We call on the OECD to contribute to the global mobilisation of resources, including through the dissemination of the updated PFI, by exploring good practices in public-private partnerships, and by supporting developing countries' tax capacities through its Tax & Development work. We recognise and support the role of the private sector as a driver of development and poverty reduction. We note the role of RBC in enabling firms to better contribute to economic development, sustainability, inclusivity and social progress.

We reaffirm our respective official development assistance (ODA) commitments, including those of us who have endorsed the UN target of 0.7% of GNI as ODA to developing countries, and agree to continue to make all efforts to achieve them. We also reaffirm our commitment to allocate more of total ODA to countries most in need and to reverse the declining trend of ODA to least developed countries (LDCs). We acknowledge the increasing contribution of South-South and triangular co-operation to identify new sources of development finance. We welcome the modernisation of the OECD Development Assistance Committee statistical measurement framework



Michelle Bachelet, President of Chile, and Angel Gurría, OECD Secretary-General, June 2015

including the work on the Total Official Support to Sustainable Development measure. We call on the OECD to share its expertise in building statistical capacity of developing countries and leveraging its platforms and networks – including through the Global Partnership for Effective Development Co-operation (GPEDC) and the Development Centre – to support an effective policy dialogue. We will step up our efforts to ensure the most effective use of all forms of development finance, working with the GPEDC, in the build-up to the 2016 Global Partnership High-Level Meeting in Kenya.

We welcome the progress made by Colombia and Latvia in their ongoing accession processes, and the opening of accession discussions with Costa Rica and Lithuania. We recall that

applications for accession are considered individually. We support strengthening relations with [Key Partners](#). In this regard, we welcome progress made with both China and Indonesia on developing respective joint work programmes, as well as the signing of an Agreement with Brazil that will facilitate the identification of mutually beneficial priorities. We welcome the significant progress made in the first year of the [Southeast Asia Regional Programme \(SEARP\)](#) and encourage to further build its momentum in co-operation with regional partners. We welcome the launch of Country Programmes for Kazakhstan, Morocco and Peru, and called for the renewal of the mandates for the [Middle East and North Africa \(MENA\)-OECD](#) and the [Eurasia Competitiveness Programmes](#). We invite the

OECD to consolidate the activities in the [Latin American and Caribbean](#) region through a strategic framework and to consider the establishment of a regional programme that could be launched at the MCM 2016. We ask the OECD to further strengthen its regional programme with Southeast Europe and to continue working with Ukraine. We call on the OECD to strengthen the regional component of its work with Africa.

We look forward to reconvening at next year's Ministerial Council Meeting under the chairmanship of Chile. ■

Ministerial Council Meeting 2015

Chair's summary

Ministers from OECD countries, joined by Ministers and representatives from Colombia, Latvia, Costa Rica and Lithuania, as well as from Brazil, China, India, Indonesia and South Africa, and during Session 7 from Argentina, Hong Kong (China), Kazakhstan, Morocco, Myanmar, Peru and Senegal, met under the Chairmanship of the Netherlands and the Vice-Chairmanship of the Czech Republic, France and Korea, from 3-4 June 2015, under the title [Unlocking Investment for Sustainable Growth and Jobs](#).

After [introductory remarks](#) by the Secretary-General of the OECD, Mr Angel Gurría, the Prime Minister of the Netherlands, Mr Mark Rutte, delivered the [keynote speech](#) of the Ministerial Council Meeting (MCM), underlining the critical importance of an investment-enabling environment and innovation, structural reforms and reducing policy-related uncertainty, while keeping a close eye on sustainability. MCM discussions were informed by the high-level dialogue “A view from the top” (public session), held between the President of France, Mr François Hollande, Mr Rutte and Mr Gurría.

Economic outlook

Ministers welcomed the gradual strengthening of the global economic outlook – driven by supportive monetary conditions and tailwinds from low oil prices – while recognising the heterogeneity of growth performance. They agreed that more still needs to be done to improve the performance of the global economy. Ministers stressed the key role of investment, not only to sustain the cyclical recovery, but also to raise productivity in the medium-to-long term and to support labour markets, contributing to broader economic, social and

environmental goals. Some Ministers recognised the need to manage expectations about whether the investment rate in some countries may return to pre-crisis levels. In support of productive investment and sustained growth, they advocated more balanced policy packages with fiscal, and, especially, structural policies providing synergistic and reinforcing support for monetary policy. Some Ministers highlighted the potential side effects. They called on the OECD to build on its quantification work to better assess the implementation and impact of structural reforms, including in the context of the



Park Geun-hye, President of Korea, with Angel Gurría, OECD Secretary-General, at the 7th World Water Forum in Daegu, Korea, April 2015

G20 National Growth Strategies, and to provide governments with evidence to advocate more ambitious reforms.

During a first high-level panel, Ministers underscored the importance of implementing targeted structural reforms, linking them to restoring public confidence. They agreed that we have not fully exited the crisis and stressed the need to move forward in a co-ordinated manner. On investment, Ministers recognised the strong relevance of making better use of available (institutional) funds, existing knowledge (for instance through public-private partnerships) and ideas (such as innovation-friendly regulation). They acknowledged that while it is the task of businesses to make productive investment decisions, governments should focus on providing a stable, predictable, and enabling environment, and on fostering better regulation and more efficient public spending. Some Ministers expressed concern about protectionism and highlighted the need to foster open markets.

During the second high-level panel, Ministers discussed how investing in human capital and knowledge-based capital (KBC) can promote employment, productivity and growth, including through better education and skills and by addressing labour market gaps. They recognised that continued improvements in human capital will be required not only to support individual opportunity and social cohesion, but also to



Bilateral Meeting between Charles Michel, Prime Minister of Belgium, and Angel Gurría, OECD Secretary-General, February 2015

drive economic growth, which has become increasingly reliant on innovation-driven gains in multifactor productivity. Ministers noted that persistent skills mismatches bring considerable costs and that efforts to reduce them can and should be scaled up, better anticipating and responding to employers' changing skills needs. They acknowledged the importance of the distributional aspects of income and wealth, and discussed the importance of assessing multidimensional living standards to account for both income and non-income related outcomes that matter for people's well-being. In this context, they also stressed the relevance of indicators beyond GDP, including OECD work on How's Life? and Green Growth Indicators.

Ministers welcomed the [renewal of the mandate of Mr Angel Gurría as Secretary-General](#) of the OECD from 1 June 2016 until 31 May 2021. They expressed appreciation

for his leadership and efforts to strengthen the relevance and impact of the OECD, as well as his role in proposing new initiatives, including his Strategic Orientations, to promote "better policies for better lives".

Ministers welcomed the conducted Scenario-Based Policy Discussion – one of the new elements of the 2015 Ministerial Council Meeting – which allowed Ministers to use "what if" scenarios and megatrends as useful tools to look at possible futures and discuss potential policy implications. Ministers expressed strong interest in the OECD continuing to develop its forward-looking tools for long-range analysis as well as further strengthening its strategic foresight capacity. In this context, Ministers welcomed the [New Approaches to Economic Challenges](#) (NAEC) initiative, stressing the importance of rapidly mainstreaming lessons learned across the Organisation, including in some of its flagship



Angel Gurría, OECD Secretary-General, with Ibrahim Boubacar Keïta, President of Mali, at the International Conference for the Economic Recovery and Development of Mali, October 2015

publications, while continuing to deliver results and to inform the Organisation's work. Ministers welcomed the update report on the [All on Board for Inclusive Growth](#) initiative. They encouraged the OECD to exploit all opportunities for the widest possible dissemination of this work, including through knowledge sharing platforms.

Unlocking growth: the role of investment, innovation, skills and business climate

Ministers discussed the multi-faceted role of investment in promoting robust, inclusive, sustainable and resilient economic growth. They focused on the linkages between investment and inclusive growth, innovation, skills and Responsible Business Conduct (RBC), and how investment is supported by a conducive business climate. They welcomed the investment focus

of the [OECD Economic Outlook](#) (June) and the forthcoming *OECD Business and Finance Outlook*, as important inputs to the policy debate. Ministers noted the Organisation's ongoing work to advance benchmark definitions of investment, identifying what constitutes productive and value-added investment, and on the role of investment in global value chains and the economics of investment flows, including quantifying the impact of Special Purpose Entities and of Mergers & Acquisitions.

Investment and inclusive growth

Ministers encouraged the dissemination, notably at the Financing for Development conference in Addis Ababa in July 2015, of the updated Policy Framework for Investment (PFI), as an important tool for designing, implementing and monitoring investment climate reforms, as well as

for development co-operation programmes to foster investment at home and abroad. They welcomed the adoption of the Recommendation of the Council on the Policy Framework for Investment to this effect. Ministers asked the OECD to develop PFI indicators to help inform countries' progress in adopting policy reforms and to further develop appropriate methodologies, including stakeholder consultations and close co-ordination with other international organisations, to better assess the impact of policy recommendations based on the PFI. They agreed that the PFI was a key contribution to the Post-2015 Development Agenda. Ministers also encouraged the OECD to provide further analysis of governance mechanisms for promoting public investment.

Small and medium-sized enterprises (SMEs), innovative firms and start-ups were identified by Ministers as important drivers of growth, innovation, dynamism and jobs. They called for further policy action to improve their access to a diverse set of bank and non-bank finance instruments across firms' life cycles; recognised the importance of infrastructure investment to support demand and employment while boosting productivity and growth; and called on the Organisation to continue its work to improve the governance framework for infrastructure investment. The OECD's work on long-term investment, green investment and national investment strategies for the G20 was also welcomed, with Ministers

highlighting the importance of ensuring a sound regulatory framework, promoting fair competition and levelling the playing field between private firms and state-owned enterprises.

Ministers agreed to increase international co-operation in the area of international investment in light of the proliferation and complexity of bilateral agreements and their updates. They recognised the

public sector investment. They suggested that the OECD explore options to make this process more inclusive, including by launching a knowledge-sharing platform on investment issues, involving emerging economies and co-operating with other international organisations. Ministers called on the OECD to analyse how sustainability and Responsible Business Conduct (RBC) can be promoted through trade and investment. They asked the OECD to deliver a

increasingly oriented towards global challenges. In this context, they welcomed the [updated Innovation Strategy](#) and the focus on evidence-based innovation policy, also underlining the growing importance of investment in intangibles. Ministers called on the OECD to support enhanced collaboration between the public sector, private sector and research institutions. They agreed that successful deployment of new technologies and business models (e.g. based on big data and sensors, robotics, and nanotechnology) requires innovation-friendly regulation consistent with a digital and data driven economy, complemented by a supportive business climate, and better use of existing knowledge in order to provide innovative solutions for global challenges. One example mentioned of innovation policies to foster productivity was the importance of ensuring a well-functioning and modernised intellectual property rights (IPR) system, compatible with the fast-changing nature of innovation today, as well as new technological and cross-border developments. Some Ministers stressed the need to address the issues of excess capacity in certain industries.



Angel Gurría, OECD Secretary-General, with Helen Clark, Administrator of the United Nations Development Programme, during OECD Week 2015

need for joint efforts to share knowledge and best practices on investment, including on investor-state disputes. Given the current complex environment, dominated by more than 3 000 investment treaties, Ministers discussed how the OECD could enhance the inter-governmental and multi-stakeholder dialogue on investment treaties and on the global investment environment through the [Freedom of Investment Roundtable](#) (FOI). Some of them recognised the need for a global framework for

progress update on these issues at the December 2015 Global Strategy Group (GSG) meeting and to report to the MCM 2016.

Investment in innovation to foster productivity

Ministers suggested that additional public funding for research and development (R&D) should focus on effectively leveraging private investment, facilitating the development of innovative firms and start-ups and should be

Innovation is key to boosting long-term productivity and more needs to be done to close the gap in productivity growth between firms at the global technology frontier and others including by investing in and shaping an efficient system of knowledge creation and diffusion. Ministers highlighted in this respect both



Paulo Vizeu Pinheiro, Ambassador to the OECD, Portugal; Gabriela Ramos, Chief of Staff/G20 Sherpa, OECD; Angel Gurría, OECD Secretary-General; and Aníbal Cavaco Silva President of Portugal (left to right), March 2015

the importance of exposure to international trade, foreign direct investment and global value chains, and the capacity and incentives for the most dynamic firms in an economy to upscale, combined with the ease with which resources are reallocated away from less productive firms. Ministers acknowledged that the fast pace of technological change is creating opportunities for new, more sustainable production modes. They strongly supported the OECD's work on the "[Next Production Revolution](#)" and asked that this initiative also incorporates the analysis of changes in manufacturing and services, to better understand the digital economy and its impact on growth and jobs. Ministers encouraged the OECD to deliver an update on this work at the meeting of the Committee for Scientific and Technological Policy (CSTP) at Ministerial level in October 2015 and to report to the next MCM.

Investment in skills

Ministers stressed the importance of investing in human capital and recommended that the [Skills Strategy](#) be revised to specifically address issues arising from technology-induced change and from global value chains. They called on the OECD to look at how countries can adapt to the expected labour market demands. They stressed that continued improvements in human capital will be required not only to support individual opportunities and social cohesion, but also to drive economic growth.

Ministers welcomed further OECD work on inclusiveness and on inequality of income, wealth, health and other opportunities, and noted ongoing initiatives targeting under-represented groups, including gender equality, youth employment, ageing society and the economic integration of migrants and their families.

Ministers noted the importance of policies to boost employment and provide access to quality jobs, as well as to high-quality early childhood care and education; and the importance of strong school systems, life-long learning and vocational training strategies to ensure that people have the needed skills. Reflecting on the importance of promoting learning societies that ensure people develop a broad range of skills, Ministers considered the role of work-based learning in vocational education and training, as well as in university education, and agreed on the need to tackle skills mismatches.

Improving the business climate and promoting responsible investment

Ministers encouraged the OECD to develop options for widening adherence to the [Guidelines for Multinational Enterprises](#) (MNEs)

and called for the system of National Contact Points (NCPs) to be strengthened, including through voluntary peer reviews and the exchange of best practices. They also welcomed the Organisation's support for the work of the German G7 Presidency on Responsible Business Conduct (RBC).

On tax transparency, Ministers emphasised the need to level the playing field and avoid harmful tax competition between countries. They called for a commitment to the rapid implementation of the new [Automatic Exchange of Information](#) (AEOI) common reporting standard, and encouraged the widest possible adherence to the [Multilateral Competent Authority Agreement](#) on the Automatic Exchange of Financial Account Information (MCAA). Ministers welcomed recent signings of the MCAA by Australia, Canada, Chile, Costa Rica, El Salvador, India, Indonesia and New Zealand, which has brought the total number of signatories to 61. They looked forward to the successful delivery of the OECD/G20 [Base Erosion and Profit Shifting](#) (BEPS) initiative by end-2015 and to the adoption of mechanisms to ensure implementation and follow up, as well as OECD support to all countries in this regard. Ministers welcomed the commencement of negotiations of a multilateral instrument to implement BEPS treaty-related measures, open to all countries, which already involves the participation of over 80 countries on an equal footing, including emerging and developing countries. Ministers

also called for the broadening of the [OECD Tax Inspectors Without Borders](#) initiative.

Investing for a low-carbon economy - saving resources, greening investment

Recalling the [2014 Ministerial Statement on Climate Change](#) and committed to an ambitious, comprehensive agreement at the COP21 and its implementation thereafter, Ministers discussed how to strengthen an enabling environment to stimulate and to facilitate the transition to a low-carbon economy. They called on the OECD to continue supporting these international and national climate change efforts, among others, by developing mechanisms to evaluate and assess progress and policies. Furthermore, they stressed the importance of ensuring that all actors are mobilised to support climate action and the social dimension of climate and green investment policies are

addressed, including through the Addis Finance for Development Conference, and the adoption of the SDGs.

Aligning policies to facilitate the transition to a low-carbon economy

Ministers welcomed and shared the conclusions of the joint OECD, International Energy Agency (IEA), International Transport Forum (ITF) and Nuclear Energy Agency (NEA) Report on [Aligning Policies for the Transition to a Low-carbon Economy](#), and input to COP21, which calls for better alignment of policies outside the climate portfolio, both within and across countries, to increase the overall effectiveness and coherence of climate policies. In particular, environmentally harmful subsidies and tax expenditures favouring the production and use of fossil fuels were considered to be slowing down investment in low-carbon innovation and infrastructure and require further reform.



Abdel-Ilah Benkiran, Head of the Government of Morocco, and Angel Gurría, OECD Secretary-General, June 2015



Bilateral meeting of Joaquim Levy, Minister of Finance, Brazil, with Angel Gurría, OECD Secretary-General, during OECD Week 2015

Ministers called on the OECD to carry out further joint work on the transition to a low-carbon economy by exploring the role of tax codes, the challenges for investment, innovation strategies for breakthrough technologies and competitiveness.

Climate finance

Ministers recognised that in order to support the transition to a low-carbon climate-resilient (LCCR) economy, more financial resources can and should be mobilised by targeted taxation and by using public funds to leverage a much greater level of private climate finance and investment for infrastructure in urban, transportation, land use, water and energy systems. This calls for governments to promote an enabling environment – including financial stability – supported by carefully designed coherent, transparent and predictable policies, and complemented by economic incentives and market-based

approaches, including carbon and water pricing. Ministers acknowledged the need to measure and track progress towards the developed countries' goal of mobilising USD 100 billion per year by 2020 to address the needs of developing countries for the transition to a LCCR economy. Ministers called upon the OECD to continue the work on effective policies to tackle climate change, financing the transition, and the role of technology in addressing this global challenge.

Climate adaptation and the water-food-energy nexus

Given the crucial role of water in both climate change adaptation and the water-food-energy nexus, Ministers discussed how good water governance can help strengthen resilience and disaster risk management, as well as secure a sufficient supply of fresh water for future generations in a cost-effective and efficient way. Ministers shared the view that a pro-active, adaptive, long-term strategy, taking an integrated/cross-sectoral approach and engaging multiple stakeholders, is key. In light of this, Ministers welcomed the [OECD Principles on Water Governance](#) and invited the OECD to develop a Recommendation on water that updates and consolidates existing policy guidance on water. They also noted the OECD's support for G20 work on energy and food security, and encouraged further efforts in this regard.

Finally, Ministers welcomed the OECD's work on [green growth](#)



Ségolène Royal, Minister of Environment, France, with Angel Gurría, Secretary-General of the OECD, during OECD Week 2015



Matti Anttonen, Director General of the Department for External Economic Relations, Finland; Kan Zaw, Minister for National Planning and Economic Development, Myanmar; Lillianne Ploumen, Minister for Foreign Trade and Development Co-operation, The Netherlands; and Angel Gurría, OECD Secretary-General (left to right), at the launch of a new OECD framework to boost sustainable development, June 2015

and asked the OECD to continue supporting countries' efforts to better target green growth policies.

Trade, investment and development

Ministers extensively discussed the increasing links between trade, investment and development, agreeing to further explore their synergies and looking forward to further OECD work on the effects of global value chains on labour conditions and skills, the role of RBC and promoting sustainability via trade and investment agreements. They recognised that trade and investment are crucial for a successful implementation of the Post-2015 Development Agenda, the PFI being a welcome framework to mobilise investment. Ministers acknowledged the importance of private investment and good

governance for development, agreeing that more and better business and investment is needed for a successful implementation of the Post-2015 Development Agenda. Ministers stressed the contribution the OECD can make to an ambitious Post-2015 Development Agenda, for instance, by fostering policy coherence for sustainable development, but also by supporting developing countries' tax capacities through the Tax & Development programme.

The trade and investment nexus

Drawing on evidence from the OECD Trade in Value Added (TiVA), global value chains, Trade Facilitation Indicators (TFIs), the Service Trade Restrictions Index (STRI), as well as on countries' own experiences, Ministers acknowledged the relevance of trade openness for sustained and

inclusive growth, prosperity and job creation. Ministers recognised that the OECD plays an important role in making the costs of trade barriers visible and called on the OECD to deepen its analysis on trade and investment restrictions, and welcomed the Organisation's efforts to support co-ordinated policy action on these issues.

Ministers identified the existence of important barriers to trade, including inefficient customs procedures, long-standing obstacles to agricultural and manufacturing trade, services trade restrictions, and explicit and implicit restrictions on cross-border investment, as well as the prevalence of 'behind the border' barriers to trade. To maximise the benefits from trade and investment, Ministers highlighted the importance of removing trade and investment barriers and reaffirmed their 'standstill and rollback' commitments to resist all forms protectionism. They

also invited the Organisation to further explore TiVA-global value chain (GVC) issues, including their relationships to GDP and trade; the 'servification' of manufacturing; and the impact on employment and labour conditions, as well as measures to encourage a sustainable participation of SMEs and firms from developing countries. Ministers also encouraged the OECD to deepen its analysis on the role of RBC, including in trade and investment agreements in

and that new approaches are needed to answer the changes (GVCs, importance of services, digital economy) we see in global market. They invited the Organisation to assess the impact of the use of RBC clauses in trade and investment agreements and their alignment with the Post-2015 Development Agenda, and welcomed the OECD's continued support for regional integration efforts. Ministers encouraged OECD contributions to the 10th WTO Ministerial Conference in

welcomed the OECD contributions to the 3rd International Conference on Financing for Development in Addis Ababa, in July, and to the UN Summit to adopt the Post-2015 Development Agenda in September 2015, in New York. More broadly they called on the OECD to support governments' efforts to implement and monitor the achievement of the Sustainable Development Goals (SDGs), including by sharing its evidence-based tools and by further enriching its platforms for dialogue. In particular, they welcomed ongoing OECD work on domestic resource mobilisation; investment, including a broader use of the Policy Framework for Investment (PFI) as a valuable tool for promoting the right policy mix to spur responsible investment and support inclusive growth; and the Organisation's efforts to better measure sustainable development.



Michel Sapin, French Minister of Finance, and Angel Gurría, OECD Secretary-General, during the MCM 2015

ensuring that the benefits of global value chain participation are widely shared.

There was support for regional trade agreements, as well as bilateral and plurilateral initiatives, in parallel with multilateral Doha Development Round negotiations at the World Trade Organisation (WTO), and for the removal of barriers to investment. Ministers acknowledged that implementing Bali and finalising Doha is crucial

Nairobi and called for the timely ratification and implementation of the WTO Trade Facilitation Agreement and of all other elements of the Bali package.

The post-2015 development agenda

Ministers called for stronger efforts to eradicate poverty and precipitate a transformational shift towards a more sustainable future. In this regard, they

Ministers welcomed the role played by the OECD Development Centre as a platform for the exchange of substantive knowledge and policy experiences among OECD and non-OECD countries. They also called on the OECD to further leverage the Global Partnership for Effective Development Co-operation and other partnerships in support of the Post-2015 Agenda.

Ministers acknowledged the continued importance of Policy Coherence for Sustainable Development. They stressed that promoting RBC in this context enhances the positive contribution businesses can make to economic, environmental and social progress. They underscored the importance of outreach in

respect of the MNE guidelines in the context of the participation of companies from an ever-growing range of countries in international markets.

Ministers, recognising the important contribution made by official development assistance (ODA), reaffirmed their respective commitments. This includes the commitment to allocate a larger share of total ODA to countries most in need and to reverse the declining trend of ODA to least developed countries. They welcomed the recent progress by the Development Assistance Committee on the measurement of Total Official Support for Sustainable Development.

Ministers welcomed the OECD developing a strategic roadmap setting out a number of actions in which the Organisation can support for the implementation of the Post-2015 Agenda, including the updating of the OECD Strategy on Development.

Closing session and outcomes

At the end of the closing session, Ministers adopted the 2015 Ministerial Council Meeting Statement. They strongly encouraged the OECD to deepen its co-operation with [Key Partner countries](#) and noted the recent agreements and joint work plans with China, Brazil and Indonesia. They welcomed the OECD's contributions to international fora, in particular the [G20](#), [G7](#) and [APEC](#), on issues including strong and inclusive growth, employment, gender equality and

skills, trade, investment, taxation, anti-corruption, energy and entrepreneurship, among others. In this respect, they encouraged the Organisation to continue to support successive G20 and G7 presidencies and further leverage OECD work to inform international co-operation efforts.

Ministers welcomed the progress made by Colombia and Latvia in their accession processes, as well as the opening of accession discussions with Costa Rica and Lithuania. They recalled that applications for accession are considered individually. Members also discussed the possibility of creating an intermediate status for certain partner countries that would allow them to associate themselves more fully to key OECD activities and instruments. They noted the progress achieved through the Southeast Asia Regional Programme (SEARP). Ministers encouraged the OECD to further enrich the SEARP, in co-operation with ASEAN partners and regional organisations, such as the Economic Research Institute for ASEAN and East Asia (ERIA). They also noted

the launching of Country Programmes with Kazakhstan, Morocco and Peru; and their support for the renewal of the mandates of the [MENA-OECD](#) and the [Eurasia Competitiveness](#) programmes. They invited the OECD to consolidate its activities with [Latin American and the Caribbean](#) region and to consider the establishment of a regional programme to be launched at the MCM 2016. Ministers asked the OECD to strengthen its regional programme with Southeast Europe, to continue cooperating with Ukraine, and to further develop its work with Africa.

Ministers agreed that Chile would chair the Ministerial Council Meeting in 2016. They strongly welcomed the innovative elements of the 2015 Ministerial Council Meeting under the Chairmanship of the Netherlands (notably a more focused agenda, interactive breakout groups, a scenario-based policy discussion and closer links to the OECD Forum). They called on the Secretariat to continue exploring these innovative elements in future Ministerial Council Meetings. ■



Luis Guillermo Solís Rivera, President of Costa Rica, with Angel Gurría, OECD Secretary-General, June 2015

Global Strategy Group 2015

Chair's summary

The Global Strategy Group (GSG) is the OECD's high-level forum on global and strategic issues. It brings together senior officials from member and Key Partner countries to discuss global megatrends and how the Organisation can support countries in dealing with future challenges and opportunities. It meets once a year and also serves to support preparations of the forthcoming OECD Ministerial Council Meeting (MCM). The 2015 GSG meeting took place in Paris on 2-3 December, under the theme Megatrends, Multilateralism and the OECD's Future Role in a Changing World.

Delegates welcomed the third meeting of the Global Strategy Group (GSG), agreeing that the Group provides a useful forum in which to discuss issues of economic, social, environmental and political importance for members and Key Partners, as well as to offer guidance for the OECD's future work. The increased participation of G20 Sherpas and other high-level officials was also a welcomed development that would serve to better align the Organisation's work with the global governance agenda.

Delegates expressed solidarity with the citizens and governments of France and Turkey with a moment's silence being held in light of recent terrorist attacks.

The Chair¹ invited delegates to reflect on policies that could help governments address the root causes of rising extremism and terrorism that touch upon many national policies

(integration, social services, education, trust in institutions, economic opportunities, etc.) The Chair noted that the capacity of the multilateral system to shape solutions to global issues was very much in the GSG spotlight, given the string of international events held in 2015, including the recent SDG summit, the ongoing COP21 discussions and the upcoming WTO Ministerial.

To inform their deliberations on the impact of global trends on the multilateral system, delegates were shown a short video, which drew upon the Megatrends analytical framework – *People, Productivity, Planet, and (Geo)Polity* – first utilised at the 2014 GSG meeting, and provided further insights about the drivers of global change.

Setting the scene, the Secretary-General recalled the outcomes of MCM 2015 and relayed the key elements of his “21 for 21” proposal to consolidate and

transform the OECD as the go-to institution for policy advice on growth, development and well-being. He outlined the OECD's cutting-edge New Approaches to Economic Challenges (NAEC) and Inclusive Growth (IG) initiatives. The Secretary-General stressed the imperative to strengthen the OECD's global relevance and impact, including through broadening its membership, strengthening the links with Key Partners, and actively supporting G20, G7, APEC, and the Pacific Alliance dialogue processes, among others. He also highlighted the OECD's COP21 contributions on mitigation, adaptation and energy taxation, as well as its recent landmark analysis of climate finance flows.

Session 1 – Better Policies in a Changing Multilateral System

Delegates were addressed in plenary format by two guest

1. The GSG meeting was chaired by Mr Ulrik Vestergaard Knudsen (Denmark).



Family photo of the Global Strategy Group

speakers: Mr Mogens Lykketoft, President of the United Nations General Assembly, focused his intervention on the evolution of the multilateral system. He hailed the adoption of the Sustainable Development Goals (SDGs), and the results of the COP21, as potentially transformative agendas for multilateralism. Mr Lykketoft called for a new, stronger multilateral decision-making process that reflects the rise of new powers and carefully balances considerations on effectiveness and legitimacy. He underscored the unique capabilities and strengths of the OECD, which will be fundamental to deliver on the SDGs, and invited the OECD to strengthen its relationship and engagement with the UN system including

with a possible presence in New York.

Mr Eric Beinhocker, Executive Director of The Institute for New Economic Thinking, Oxford University, argued for the need to develop a new growth model, and identified three criteria for its development: 1. robustness, adopting a growth model that does not lead to repeated crises; 2. inclusiveness, pursuing growth that is fair and where people are able to fulfil their human potential; and, 3. sustainability, ensuring that our efforts fit within the constraints of a finite planet.

After discussions in plenary, the Chair observed that some members mentioned the call for new models of growth, but that the issues remained

challenging. Mr Beinhocker observed that productivity and inclusion are tightly linked, referring to the approach as “inclusive productivity”. He noted that societies can support inclusion and catalyse growth by cultivating networks of skills, assets and knowledge, alongside investments in education and health. He suggested this as a potential area of work for the OECD.

Building on the innovative meeting formats successfully piloted at the 2014 GSG meeting and the MCM 2015, delegates engaged in interactive discussions by means of parallel breakout groups. These discussions were further divided into two segments, covering respectively “new actors and

challenges” (Segment A), and “the OECD’s evolving role” (Segment B). The discussions that unfolded drew attention to specific issues around the four Megatrends:

People: Many delegates called for a structural and ambitious response on migration, and for the OECD to step up its long-standing policy work on migration, notably on integration issues, adaptable and well-tailored measures to ease labour market access, measures to promote the upgrading (and recognition) of migrants’ skills and to take a hard look at children’s status and vulnerability. They recognised that the OECD’s comparative advantage was to promote discussion on the best policy approaches and to benchmark policies to manage migration and ensure the benefits it brings. Delegates highlighted issues such as rising inequalities, climate change and resource scarcity that also feed into the migration challenge, as well as ageing populations, for which immigration could be part of the solution. It was mentioned that the OECD cannot deal with issues related to short-term managing of migratory movements but that its strength was the policy dimension of migration and the integration of migrants. Some delegates also suggested the development of OECD principles for better economic and social integration.

Productivity: Delegates highlighted the paradox of productivity slowdowns in some economies and lack of

productivity convergence in leading emerging markets despite transformative technological advances. Delegates recognised the OECD’s important work on trade and investment. They called on the OECD to build upon its recent research pointing to a breakdown in the knowledge “diffusion machine” and to prepare a report on the productivity-inequality nexus for the MCM 2016. They also looked forward to the presentation of the *Next Production Revolution* report at the next MCM. Some delegates also called for further work to be carried out on global value chains (GVCs), knowledge-based capital (KBC) and the digital economy. There were also calls for the OECD to carry out work around improved measures for productivity, in light of our modern, service-driven economies.

Planet: There was broad recognition of the importance of reaching a new global deal at COP21 that reaffirms the collective commitment to reduce greenhouse gas emissions, to meet the agreed goal to limit the increase in global average temperature to less than 2°C. Delegates welcomed the OECD’s work to support the global climate change agenda and the OECD’s capacity to articulate the business case for fighting climate change. At the same time, the Group called for greater efforts on climate change financing, including on green bonds, adaptation and mitigation. They also identified the monitoring of adherence to COP21 commitments and green

financing as an area where the OECD can add value, in addition to its work on green growth. Delegates remarked that the business case for the transition to a low-carbon economy, and the economic benefits and opportunities it can bring (including through technological innovation) need to be made clearer and the OECD has much to contribute in this area.

(Geo)Polity: Delegates pointed out that in an increasingly more globalised world, policy challenges increasingly need a co-ordinated global response. They agreed strongly on the continuing pivotal role of the state, and of state-centred multilateralism, even if the rise of new actors made the picture more nuanced than previously. Some delegates called for finding new avenues to enhance the “voice” of cities, civil society, regional bodies and the private sector in these discussions. In this respect, delegates identified the need to pursue more flexible methods of co-operation, including using alternatives to the consensus-based approach, where appropriate and where necessary to secure meaningful agreement (“sophisticated multilateralism”). They stressed, however, the importance of balancing the political legitimacy of multilateralism on the one hand, with operational focus and agility on the other. In the case of the OECD, the work on taxes, and the variable geometry that was developed through the Global Forum on Tax Transparency and for the

BEPS project were recognised as useful experiences to explore further for other policy areas.

On the basis of the discussion in the breakout groups, the Chair observed that most members found that Megatrends under the headings “People” and “Productivity” were those where the OECD may focus its attention. At the same time, it was important to recognise the interconnected nature of all the 4Ps. The challenge was to find a good balance between core OECD issues and strengths, including in reaching out to new partners and institutions, including the United Nations, and evolving priorities. Furthermore, the breakout group discussions underlined the twin challenges of boosting productivity and fostering inclusion. Members discussed the importance of the relation between “Productivity” and “Inclusion”, welcomed the MCM 2016 addressing these interlinked issues and called on the OECD to carry out further work in this field.

Delegates observed that the OECD has an important role as a global standard-setter with an increasingly global reach, and as a platform for discussions of multilateral issues like investment, inclusive growth, productivity and migration. There was broad agreement on the need to be responsive to the evolving policy priorities of members and partner countries. Delegates made a call to prioritise the main issues where the OECD should be focusing its work in the upcoming years, so as to increase impact.

To stimulate debate among delegates, the Chair made repeated use of an electronic polling device. Responses were anonymous and the results were presented in aggregate form. Two questions were posed before guest speakers took the floor: *Do you agree that State power is fading in dealing with global Megatrends?* (63% of delegates agreed); and *Do you think that policy makers need to adopt a broader, more inclusive approach to productivity growth?* (87% of delegates agreed).

Session 2 – Rethinking Global Economic Co-operation: Strengthening Trade and Investment, and Looking Beyond the COP21

Mr Bernard Hoekman, Director of Research on Global Economics: Trade, Investment and Development at the European University Institute, delivered the first keynote intervention over dinner. He shared his views on measures to strengthen the multilateral trading system and to raise cross-border investment flows. He noted the limited ambition for the 10th WTO Ministerial in Nairobi, where, he suggested, countries could establish a roadmap based on inclusive, informal deliberation informed by a value chain approach. He stressed that the OECD could play a key role to support this process, in co-operation with institutions like the World Bank and UNCTAD.

Mr Simon Buckle, Head of the Climate, Biodiversity and

Water Division in the OECD Environment Directorate, delivered the second keynote intervention of the evening. Noting that our economies are hard-wired to fossil fuels, he stressed that countries’ pledged contributions to emissions reductions after 2020 (the Intended Nationally Determined Contributions) do not put us on a credible pathway to limiting global warming to 2°C. He also stressed the need to accelerate efforts to decarbonise through carbon pricing, eliminating subsidies for fossil fuels and creating the conditions in which low-carbon technologies and innovation can thrive.

Over dinner, delegates stressed the importance of striving for a free and fair regime for international trade and investment. Delegates highlighted the OECD’s capacity to build public support for free trade and investment using its evidence-based approach, but also considering the trade-offs and necessary transition policies to support people affected. They discussed the impact of the increasing number of regional trade agreements and commended the OECD’s work to “decode the trade genome” and invited the OECD to further expand its Trade in Value Added, GVCs, Services Trade Restrictiveness Index and Trade Facilitation Indicators databases and work streams so that even more targeted policy recommendations can be gleaned, and to support multilateral discussions taking place around related issues. Several members underlined

the OECD's role in analysing the way forward for the multilateral trade system after the WTO's 10th Ministerial meeting in Nairobi, not least in the light of a possible enhanced conclusion of plurilateral agreements.

Turning to climate change, delegates reiterated their strong call for an ambitious global deal at COP21 and stressed the important political momentum that is evident for the first time since COP15 in Copenhagen 2009. They welcomed the OECD's work in this domain, and recognised the need to join forces with the international community to advance the transition to a low-carbon economy. Taking as a basis the Aligning Policies project, they underscored the importance of having forward-looking advice on climate policies, including on the financial and economic incentives to establish a low-carbon economy.

During dinner, the Chair revealed the results of additional electronic polling taken at the conclusion of Session One. Four questions were posed: *Have we reached a peak in the globalisation process with respect to trade?* (71% of delegates disagreed); *Do you believe the global trade slowdown will continue in the immediate future?* (65% of delegates agreed); *Do you believe that a new agreement at COP21 will significantly help slow down climate change?* (52% of delegates agreed; 44% of delegates disagreed); and *Do you think growth in private investment for renewables will grow significantly in the next decade?* (94% of delegates agreed).

Session 3 – The OECD's Contribution to the Global Economic Co-operation and Development Agenda

Delegates' reflections were informed by keynote interventions from the following: Ms Gabriela Ramos, Special Counsellor to the OECD Secretary-General, Chief of Staff and Sherpa to the G20 and G7; Mr Lars-Hendrik Röller, Economic and Financial Policy Advisor to the German Chancellor and G7/G20 Sherpa (2015 G7 Presidency); Ms Ayşe Sinirlioğlu, Ambassador, Deputy Undersecretary for Economic Affairs and Turkey's G20 Sherpa; and Mr Wang Wen, Executive Dean, Chongyang Institute for Financial Studies, Renmin University of China.

The keynote speakers pointed to the short-run challenges facing the G7, G20 and the multilateral system more generally. These challenges include reviving growth, investment and trade, and responding to the longer-term Megatrends discussed at the GSG. They highlighted the shift in the centre of gravity of the international agenda towards more long-term and structural issues like productivity and structural reforms, but also inequality, inclusiveness, responsible business conduct, tax evasion and avoidance, climate change and finance, health (in the G7) and fairer globalisation in general. They indicated that security issues, including cybersecurity, refugees, terrorism, are also high on the international agenda.

The OECD's key role in supporting successive G20 Presidencies, providing analytical evidence and policy advice was widely acknowledged. The OECD is a trusted strategic advisor to the Groups, and has helped the G7/G20 Presidencies increase the level of ambition. Delegates also noted that through co-operation with the G20, the OECD is significantly leveraging its impact. They pointed to the value of the GSG itself, as a platform for broader engagement on G20 issues, with emphasis on global economic ones.

Delegates welcomed the main outcomes of the Antalya G20 Summit, and congratulated Turkey on their successful Presidency in 2015. The OECD's contributions were highlighted as central, including monitoring the implementation of National Growth Strategies; monitoring the implementation of the "25 by 25" gender target; developing the G20 Skills Strategy and the G20 Framework for Promoting Job Quality; achieving the Youth target; updating the G20/OECD Principles on Corporate Governance and the High Level Principles on SME Financing; delivering on the BEPS Action Plan, and monitoring progress towards the implementation of Automatic Exchange of Information (AEOI) standard and of EOI on request. Several delegates raised the possibility of further contributions on anti-corruption, foreign bribery, integrity, and public procurement. It was recognised that the OECD is the only

international institution with strong policy expertise on migration and integration issues, and with the capacity to launch a platform for countries to discuss these policies.

Professor Wang Wen and the Chinese delegate informed delegates about the 4 “Is” priorities of the Chinese G20 Presidency, which seeks an innovative, invigorated, inclusive, and interconnected global economy. They emphasised the importance of engaging with the OECD on G20 issues, and reiterated their expectation that the Organisation will support the Chinese Presidency in 2016.

The Group welcomed the successful outcomes from the G7 Schloss Elmau Summit, noting in particular the OECD’s contributions on higher standards in global supply chains and on boosting women’s entrepreneurship to drive innovation, growth and jobs, and looked forward to an equally successful G7 in 2016 under the chairmanship of Japan.

Delegates welcomed the outcomes of the 3rd International

Conference on Financing for Development in Addis Ababa and the Summit for the adoption of the post-2015 agenda in New York. Acknowledging the universality of the SDGs, delegates looked forward to the presentation of the OECD’s strategic response to support their implementation in developing and developed countries alike.

In his closing remarks, the Secretary-General reiterated that MCM 2016 will focus on inclusion and productivity. The Secretary-General welcomed calls for further synergies with the UN and highlighted that “thinking outside of the box” is what OECD’s members need, what its Key Partners demand, and what the global economy requires to prosper.

Bringing the GSG to a close, the Chair stressed that the GSG 2015 had focused operatively on how the OECD can adapt to Megatrends and on the changes of the multilateral system (new actors such as cities, companies, NGO’s, social media etc.) He recalled that one of the key functions of the GSG is to provide strategic direction to

the OECD and to assure that the Organisation stays ahead of the curve, and the GSG 2015 marked a step further in discussion of Megatrends with a more operational approach. Thus, the meeting served to prepare a more strategic policy discussion at the 2016 MCM. Furthermore, the GSG 2015 successfully tested new innovative formats and concepts that can be used for future MCMs. The GSG also provides a platform for broader engagement in G20’s discussions on global economic issues. Going forward, he invited the GSG to focus on the OECD’s unique possibility to play a role in implementing and monitoring multilateral decisions on the SDG’s, trade, climate issues etc.

Delegates welcomed the Chair’s summary from the 2015 GSG meeting and the information on the preparations for the 2016 Ministerial Council Meeting, to be held on 1-2 June 2016, under the Chairmanship of Chile, and agreed that the Global Strategy Group should meet again in the fall of 2016. ■

KEY ACTIVITIES



Secretary-General's Activity in 2015

Overview

In 2015, the OECD Secretary-General carried out a very intense schedule of meetings and missions in order to advance the relevance and visibility of the Organisation. He participated in leading international summits and events, carried out several official visits to member and partner countries, and engaged with many Leaders and key stakeholders through hundreds of formal and informal meetings. The principal focus of the Secretary-General's activity during 2015 was to provide support and timely and targeted policy advice to OECD member and partner countries in their efforts to confront the enduring social and economic legacies of the global crisis and promote "better policies for better lives".

The Secretary-General carried out 52 trips abroad in 2015 to promote the work of the Organisation. This included his participation in the main international summits that took place throughout the year, particularly the G7 and G20 Leaders' summits, in Schloss Elmau and Antalya, the Addis Ababa Conference on Development Finance, the Sustainable Development Goals Summit in New York and the COP21 Paris meeting. The OECD contributed very actively to all these events. In the course of 2015, the Secretary-General held 65 formal meetings with Heads of State and Government, 27 meetings with Heads of International Organisations and 224 meetings with ministers, not to mention his numerous informal interactions with Leaders in the margins of international events and regular phone call conversations with them. He also met top representatives from other branches of government, particularly parliamentarians, as well as top representatives from the business

community, unions and civil society, totalling over 770 formal bilateral meetings over the course of the year.

The Leaders' Programme brought 19 Heads of State or Government to the OECD, firmly establishing the Organisation as a "go-to" destination for world Leaders. Visitors included, among others, President Barack Obama of the United States, President François Hollande of France, Prime Minister Li Keqiang of China and UN Secretary-General Ban Ki-moon. In addition to the Secretary-General's bilateral engagement, the Secretariat and delegations also benefited from these visits through a programme of public lectures. Many of the activities undertaken by the Secretary-General in Paris in 2015 derived from his regular management of the OECD Secretariat and the governance of the Organisation.

The Organisation's media presence and coverage also remained consistently high. In 2015, the Secretary-General was quoted in over 1 035 articles and authored 31 op-eds. He launched 56 flagship OECD publications (up from 45 in 2014) in 25 countries and gave 363 speeches (up from 279 in 2014).

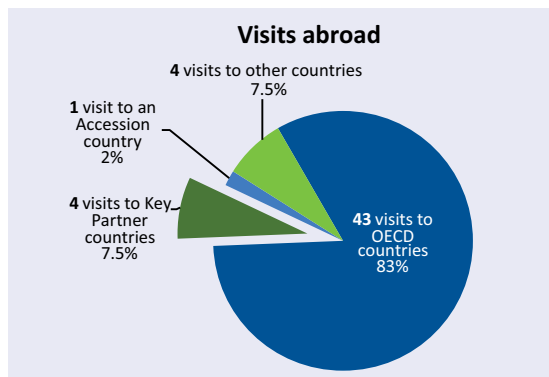
Activity abroad

Of the Secretary-General's 52 visits abroad, 43 were made to OECD member countries. The rest included one visit to an accession country, four to Key Partner countries and four to other non-member countries. This means that the Secretary-General made an average of one trip every week, including holidays, and that four out of five visits were to OECD members.

Throughout the year, the Secretary-General visited 24 OECD member countries, more than two-thirds of the Organisation's membership. He made five visits to Germany, four each to Mexico and Turkey, three each to Belgium and the United Kingdom, two each to Italy, Korea, the Netherlands, Switzerland and the United States, and one each to Chile, Estonia, Finland, Greece, Iceland, Ireland, Japan, Luxembourg, Poland, Portugal, the Slovak Republic, Slovenia, Spain and Sweden.

During every visit, the Secretary-General presented relevant OECD work and was regularly received by Leaders and key members of government. The main purpose of these trips was to advance the OECD's advisory role in the respective countries, present relevant OECD work linked to each country's reform agenda, and increase the Organisation's profile. In particular, 12 OECD Better Policies reports produced by the Cabinet were presented by the Secretary-General in 2015, coinciding with his visits and meetings with Leaders.

Secretary-General's visits abroad



The Secretary-General also represented the OECD and presented the Organisation's latest work at important international events hosted by member and partner countries. These included, among others, the annual World Economic Forum in Davos, the IMF/World Bank meetings held in Washington and Lima, the G7 summit in Schloss Elmau, the G20 Summit in Antalya and the United Nations Sustainable Development Summit in New York. He also participated at important OECD Ministerial meetings and conferences taking place abroad, in particular in October, when he attended the OECD Forum on Well-being organised by the Statistics Directorate in Guadalajara, the OECD Science, Technology and Innovation Ministerial organised by the Directorate for Science, Technology and Innovation in Daejeon and the OECD Public Governance Ministerial organised by the Directorate for Public Governance and Territorial Development in Helsinki.

During his visits, the Secretary-General met key ministers and Leaders, including the following: Australia's Prime Minister Malcom Turnbull; Belgium's King Philippe and Prime Minister Charles Michel; Brazil's President Dilma Rousseff; Canada's Prime Minister Justin Trudeau; Chile's President Michelle Bachelet; China's President Xi Jinping; Colombia's President Juan Manuel Santos; Egypt's President Abdel Fattah al-Sissi; Estonia's Prime Minister Taavi Rõivas; Finland's Prime Minister Alexander Stubb; France's President François Hollande; Germany's Chancellor Angela Merkel; Greece's Prime Minister Alexis Tsipras; Iceland's President Ólafur Ragnar Grímsson; India's Prime Minister Narendra Modi; Ireland's Taoiseach (Prime Minister) Enda Kenny; Italy's Prime Minister Matteo Renzi; Iraq's President Fuad Masum; Japan's Prime Minister Shinzō Abe; Kazakhstan's Prime Minister Karim Massimov; Korea's President Park Geun-hye; Latvia's President Andris Bērziņš and Prime Minister Laimdota Straujuma; Lithuania's President Dalia Grybauskaitė; Luxembourg's Prime Minister Xavier Bettel; Mexico's President Enrique Peña Nieto; the Netherlands' Prime Minister Mark Rutte; Peru's President Ollanta Humala;

Morocco's Head of the Government Abdel-Ilah Benkiran; Portugal's Prime Minister Pedro Passos Coelho; Slovenia's President Borut Pahor and Prime Minister Miro Cerar; Spain's King Felipe VI and President of the Government Mariano Rajoy; Sweden's Prime Minister Stefan Löfven; Tunisia's President Beji Caid Essebsi and Head of the Government Habib Essid; Turkey's President Recep Tayyip Erdoğan; Ukraine's President Petro Poroshenko; and the United Kingdom's Prime Minister David Cameron.

The Secretary-General met regularly with members of parliament in the countries he visited, and attended the annual Parliamentary Assembly Debate of the Council of Europe in Strasbourg. He also met with representatives from the private sector, trade unions and civil society during his trips abroad. Most of his visits featured public events in which the Secretary-General had an opportunity to address broader audiences and share the OECD's main messages with the general public.

In 2015, the OECD strengthened its ties with the G20 further. The Secretary-General was invited to participate in all high-level G20 meetings of the Turkish Presidency, including the four meetings of Finance Ministers and Central Bank Governors, the B20 and L20 Summits, the meetings of Trade and Employment Ministers, and the G20 Antalya Summit in November.

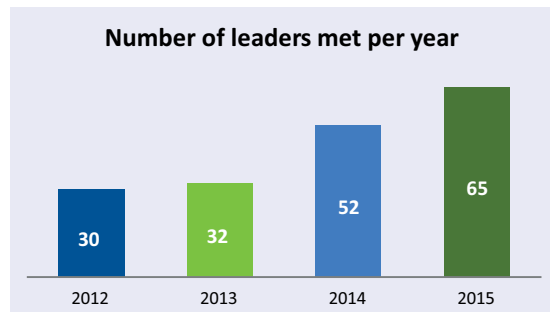
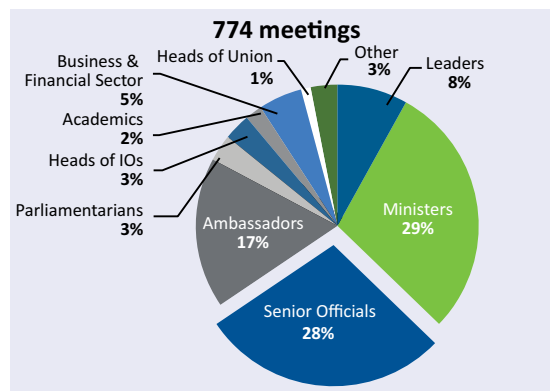
During 2015, the Secretary-General also visited four Key Partner countries, Brazil, Indonesia, the People's Republic of China and South Africa. To support the Secretary-General's activities, the Deputy Secretaries-General also visited the Key Partner countries on a number of occasions. During his visits, the Secretary-General presented specific work carried out by the OECD on these economies, including economic surveys, regulatory reviews and Better Policies Series. He also visited Ethiopia, Latvia, Peru, the Philippines and Tunisia.

Activity in Paris

During 2015, the Secretary-General received 19 Leaders visiting Paris. During OECD Week alone, the Organisation was visited by four Heads of State

or Government (Netherlands, France, Lithuania and Costa Rica) and four deputy prime ministers (Korea, Slovakia, Slovenia and Switzerland), as well as 47 ministers, over 80 vice-ministers and state secretaries and more than 2 000 participants from 70 countries. The Secretary-General also participated at the annual meeting of the OECD Global Strategy Group, on 2-3 December.

Secretary-General's bilateral meetings



Throughout the year, the Secretary-General also delivered keynote remarks and participated in other important events hosted at the OECD, including various conferences, global fora and high-level committee meetings like the Round Table on Sustainable Development, the OECD Global Parliamentary Network (GPN) Meeting, the Annual Conference of the Institute for new Economic Thinking (INET), the Committee Chairs Lunch ahead of the Ministerial Council Meeting (MCM), the Development Centre annual Latin American Forum, the 3rd Global Forum on Responsible Business Conduct, the 6th International Tax Dialogue Global Conference,

the International Conference for the Economic Recovery and Development of Mali, the New World Forum, and the OECD Eurasia Week 2015, to mention just a few. He also launched major OECD initiatives in Paris, including the new Centre for Opportunity and Equality (COPE), the first edition of the *OECD Business and Finance Outlook* and the Organisation's work on the refugee crisis in Europe.

A great part of the Secretary-General's activities during 2015 was also devoted to the regular exercise of his management and strategic direction duties within the Secretariat, as well as his chairing of the OECD Council and interaction with delegations. During the course of the year, the Secretary-General held 59 bilateral meetings with OECD delegations. He chaired 19 sessions of the OECD Council, three Heads of Delegation meetings, nine meetings of the MCM Bureau, seven regular meetings with Ambassadors Chairs of Standing Committees and eight meetings of the Group of OECD Directors. He also held 62 preparatory meetings on substance and activities with different units of the Organisation, had 60 regular meetings with OECD directors and held 40 regular senior management meetings, as well as hundreds of management meetings on OECD housekeeping issues.

Communication and visibility

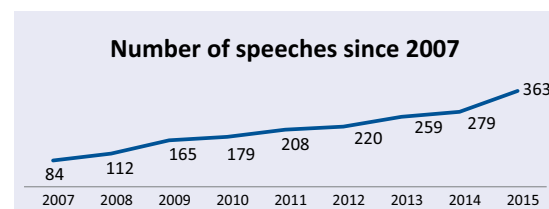
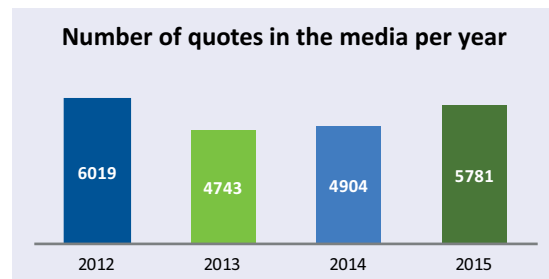
The past year was an exciting and challenging one for the OECD. The Organisation took centre stage in continuing its efforts to advance "better policies for better lives", and communications played a critical role in achieving this goal. The Secretary-General was at the forefront of these enhanced outreach efforts and kept a busy activity in terms of his public intervention and media appearances.

During 2015, the Secretary-General gave 190 sit-down interviews, 76 in Paris (45 from the OECD studio) and 114 while on mission, not including many ad hoc interviews and press points. He launched Outlooks, flagship publications and reports in Belgium, Chile, Estonia, France, Germany, Iceland, Indonesia, Ireland, Italy, Japan,

Korea, Luxembourg, Mexico, Netherlands, People's Republic of China, Peru, Portugal, Slovenia, South Africa, Spain, Sweden, Tunisia, Turkey, the United Kingdom and the United States.

During the year, the Secretary-General delivered 363 speeches, was quoted 5 781 times in the media and in more than 1 035 original articles. Social media also allows the OECD to amplify its stories online by reaching broader audiences and joining global conversations on key issues. Throughout 2015, social media outreach continued to grow on all platforms, including on the Secretary-General's Twitter account, providing the opportunity to take innovative approaches to promoting the work of the Organisation. ■

Secretary-General's speeches and media coverage



New Approaches to Economic Challenges (NAEC)

The New Approaches to Economic Challenges (NAEC) initiative was launched at the 2012 Ministerial Council Meeting (MCM) to draw lessons from the crisis, with the aim of catalysing a process of continuous improvement of OECD analytical frameworks and policy advice. The objective of NAEC is to develop a strategic agenda for inclusive and sustainable growth.

To do so, NAEC first reflected on the lessons from the crisis, identifying areas where the OECD's analytical frameworks needed to be adjusted and examining the potential for mainstreaming new economic tools and approaches in OECD analysis. It promoted a multi-dimensional approach to policy, investigating in-depth policy trade-offs and complementarities and taking a hard look at governance and institutional challenges. A Synthesis outlining new policy perspectives and approaches was launched at the 2015 MCM.

This Synthesis called for greater focus on well-being and its distribution, better integration of the financial sector in macro modelling and for analysis of the global economy as a complex adaptive system. It also called for the adoption of a longer-term perspective considering how economies are embedded in institutions shaped by history, social norms and political choices. The Synthesis also called on the OECD to develop and use new instruments and tools, and to supplement its analysis with inter-disciplinary insights.

The OECD is currently mainstreaming these new approaches, and a NAEC Mainstreaming Report is analysing how this is currently happening. This helps re-enforce efforts to address the challenges policymakers are confronted with, which conventional analyses often struggle to explain. But further improvements are needed to better understand financial market dynamics, the environment-inequality nexus and the consequences of digitalisation on the economy and society.

The initiative is overseen by Chief of Staff and Sherpa Gabriela Ramos and co-ordinated by Mathilde Mesnard, but the work engages many directorates and committees across the OECD. The NAEC Group comprises representatives from OECD member and partner countries, policy committees, as well as BIAC and TUAC, and is chaired by the OECD Secretary-General.

A NAEC Seminar Series provides a space for fresh thinking and facilitates discussion on innovative research that can provide inspiration for new policy ideas and approaches.

For more information see: www.oecd.org/naec; Twitter: [@gabramosp](https://twitter.com/gabramosp)

■ Key publications

- NAEC framework paper and NAEC mandate
- *Final NAEC Synthesis: New Approaches to Economic Challenges*
- *New Approaches to Economic Challenges (NAEC) Mainstreaming Report*

■ Key events

- 6th meeting of the NAEC Group, Paris, 5 March 2015
- 7th meeting of the NAEC Group, Paris, 12 January 2016

All on Board for Inclusive Growth

Launched in 2012 in the midst of the crisis, the OECD's All on Board for Inclusive Growth Initiative was set up in response to the Ministerial mandate for the New Approaches to Economic Challenges (NAEC) initiative to “develop a strategic policy agenda for inclusive growth”. The initial two-year effort produced a multidimensional approach to assess, promote and monitor inclusive growth. It delivered the *OECD Framework for Inclusive Growth, All on Board: Making Inclusive Growth Happen*, and *Making Inclusive Growth Happen in China*, produced as an input to China's 13th Five-Year Plan.

In 2015, the Initiative pursued work along four main pillars: methodological, sectoral, national and regional. Within this context, the multidimensional leaving standard metric (MDLS) was refined and extended to cover a broader geographical range including Key Partner countries as well as regions and cities, and analysis was done to assess the impact of policies on inequalities. To support this work, the OECD Centre on Opportunities and Equalities (COPE) was launched in October 2015 as a new platform for conducting research on the trends, causes and consequences of inequalities.

Continued efforts to mainstream inclusive growth across the OECD were pursued in 2015. A regional consultation in Southeast Asia took place in June 2015 in collaboration with the United Nations Economic Commission for Asia and the Pacific and the Asian Development Bank.

New streams of work were also launched to look at the interactions between declining productivity growth and rising inequalities. A report, *The Productivity-Inclusiveness Nexus*, will be delivered to the 2016 MCM offering an analysis on the linkages between productivity, inequality and well-being outcomes, focusing among others on the role of technological change and digitalisation. Meanwhile, inclusive growth work will continue to be mainstreamed into policy fields across the Organisation, including on labour markets, finance, education, SMEs, governance and urban development, with attention to some vulnerable groups, including children and immigrants.

Under the leadership of the United States Permanent Representative, a Group of Friends of Inclusive Growth was established in 2015 to foster knowledge interaction and engage further with other stakeholders, including cities and businesses. This has given impetus to the recently launched Inclusive Growth in Cities Campaign, which has already been adhered to by 47 mayors from around the world. These majors signed on to the **New York Proposal for Inclusive Growth in Cities**, a political commitment to fight inequalities by promoting education systems, labour markets, housing and transport systems that benefit all.

The initiative is overseen by Gabriela Ramos, Chief of Staff and Sherpa, and co-ordinated by Lamia Kamal-Chaoui, Senior Advisor.

For more information see: www.oecd.org/inclusive-growth; Twitter: [@gabramosp](https://twitter.com/gabramosp)

■ Key publications

- *All on Board: Making Inclusive Growth Happen in China*
- *In it Together: Why Less Inequality Benefits All*

■ Key events

- OECD/NDRC launch event of *Making Inclusive Growth Happen in China*, Beijing, March 2015
- Launch of the OECD Centre on Opportunities and Equalities, Paris, October 2015
- Launch of the Ambassadors' Group of Friends of Inclusive Growth, Paris, October 2015
- Launch of the OECD/Ford Inclusive Growth in Cities Campaign, New York, March 2016

Generation Next: How to Prevent Ageing Unequally

The horizontal project *Generation Next: How to Prevent Ageing Unequally* builds on work on demographics ageing, employment and health carried out by the Meeting of the Employment, Labour and Social Affairs Committee (ELSAC) and the Health Committee since the early 1990s. It responds to the strong interest in further analysing the effects of, as well as policy strategies to cope with, population ageing and rising income inequality. The project is advancing well and progress reports are presented regularly to the lead committees as well as to the OECD Council and the NAEC Group. In addition, a seminar series on ageing and inequality was launched in 2015.

The project's preliminary findings show that the life expectancy of a 25-year-old today varies substantially depending on their education level. University-educated males in this age group live ten years longer than those with low education levels; for women the difference is eight years. Health and employment disadvantages build up over the lifespan. A worker in bad health with low education, for example, earns 11% less over their lifetime than a similar worker with good health. When the impact of unemployment is added, these losses reach 27% for a person with low levels of education, 22% for a person with medium education and 15% for a person with high education. As part of the project, the first official OECD estimates of longevity by gender and educational attainment will be developed.

New work on the cost and affordability of long-term care shows wide variations across countries. Most people in OECD countries with moderate or severe needs cannot afford to pay for formal care services from their income. If they do not have access to effective social protection, informal care from their families and friends, or assets that they can use to fund care, these people will not get the care they need.

Work on the policy foresight model is also progressing well. This model will forecast health and economic characteristics and calculate pension benefits and spending. It can be used to explore outcomes such as life expectancy, average and cumulative earnings after age 50, workforce participation, outcomes of six chronic diseases and four health and behavioural risk factors. Pilot models for the United States, Italy, Belgium and Sweden, will focus on outcomes and policy mechanisms to prevent ageing unequally.

■ Key publications

- *OECD Insights: Ageing – Debate the Issues*

The Updated Innovation Strategy

First released in 2010, the OECD Innovation Strategy was updated in 2015. A synthesis report was provided for the 2015 MCM, and a full report was delivered to the ministerial-level meeting of the Committee for Scientific and Technological Policy in October 2015. The report, *The Innovation Imperative: Contributing to Productivity, Growth and Well-being*, sets out a concrete agenda to strengthen innovation performance. It extends the previous Strategy by considering how, in addition to strengthening growth, innovation can make growth more sustainable and inclusive. Moreover, the new Strategy is focused on implementation, exploring how innovation can be applied in specific national contexts, and how it can support key areas of public policy like health, the environment, the public sector, or the promotion of inclusive growth.

The Strategy sets five priorities for policy makers that provide the basis for a comprehensive and action-oriented approach to innovation. Governments play a key role in fostering a sound environment for innovation; in investing in education, research and infrastructure; in helping overcome key barriers; and in ensuring that innovation contributes to key goals of public policy. The priorities are:

- Strengthen investment in innovation and foster business dynamism.
- Invest in and shape an efficient system of knowledge creation and diffusion.
- Seize the benefits of the digital economy.
- Foster talent and skills and optimise their use.
- Improve the governance and implementation of policies for innovation.

The release of the revised Innovation Strategy emphasized that innovation is now a core issue across many areas of public policy, ranging from climate change, health, the public sector and education to agriculture, energy and regional policy, to mention just a few. The OECD is also undertaking country-specific OECD Reviews of Innovation Policy, with reports recently completed for Sweden and Malaysia. The innovation dimension is also featuring prominently in recent OECD Economic Surveys. Ongoing work aims to further improve measurement, through a Blue Sky Conference focused on new indicators in September 2016; to explore the role of R&D tax incentives, in close co-operation with the European Union; to tackle the role of digitalisation in the economy and society; and to foster greater international co-operation and diffusion. This work is also contributing to ongoing analysis of productivity and inclusive growth. Moreover, the OECD and the World Bank have developed an Innovation Policy Platform to facilitate sharing of experiences and good practices.

The Strategy is co-ordinated by the Directorate for Science, Technology and Innovation and draws on the work of 14 other OECD directorates.

For more information see: www.oecd.org/innovation and www.innovationpolicyplatform.org

New Sources of Growth: Knowledge-Based Capital Project

Investment in knowledge-based capital (KBC) and participation in global value chains (GVCs) are key features of 21st century economies, providing new sources of growth and shaping firm and industry dynamics. Over the past year, three important aspects of KBC and GVCs have been addressed:

Intellectual Property (IP): With growing investment in KBC, the economic impact of IP rights has expanded throughout OECD economies. IP's influence is now economy-wide. Today, a mobile phone may have as many as 3 000 different patents. Consequently, IP rights have become a mainstream framework condition that has a broad effect on innovation. However, more economic evidence is needed to ensure that current IP systems continue to encourage innovation in today's landscape of greater connectivity, globalisation, and digitisation of creative and scientific works.

Data and data analytics: Both data and data analytics have become essential drivers of innovation. Governments must redefine 21st century infrastructure to include not only broadband networks, but also data itself. Policies are also needed to encourage investments in data, promote data sharing and reuse, and reduce barriers to cross-border data flows that could disrupt GVCs. Policy also needs to strike the right balance between, on the one hand, the social benefits of enhanced reuse and sharing of data and analytics and, on the other, concerns about privacy and intellectual property rights.

GVCs, innovation and employment: New analysis finds that offshoring does not necessarily lead to job losses among workers performing routine tasks. Indeed, in the case of manufacturing some types of offshoring are linked to more employment in routine-intensive jobs at home. The results also show that innovation and employment go hand-in-hand: industries with higher patenting activity are characterised by higher employment levels. Higher ICT intensity also means more jobs, but not for all occupations. For example, routine-intensive jobs get displaced when ICT intensity increases, although the extent varies across industries and countries.

These findings underline the need to rely on coordinated policies to foster growth and productivity in a GVC context, and to account for structural differences across industries. Over 2016, the project will continue to investigate the relationship between investment in KBC, jobs, skills and participation in GVCs, with results feeding into the 2017 edition of the *OECD Skills Outlook*.

■ Key publications

- *Enquiries into Intellectual Property's Economic Impact*
- *Data Driven Innovation: Big Data for Growth and Well-being*
- *STI Policy Note: Routine Jobs, Employment and Technological Innovation in Global Value Chains*

The Skills Strategy

Endorsed by Ministers at the 2012 Ministerial Council Meeting, the OECD Skills Strategy aims to strengthen skills systems through the coherent development, activation and effective use of skills to promote economic prosperity and social cohesion. Education and skills development are an investment in the future. But policies and practices also need to encourage people to supply their skills to the labour market and ensure they are used effectively.

The Strategy has now “gone national” to develop tailored skills strategies for countries built on comparative OECD evidence, tools and policy insights. Each national project is designed to foster a whole-of-government approach, and incorporates interactive workshops engaging relevant stakeholders to identify strengths and challenges of the current national skills system, explore policy options and develop an action plan.

In addition, the 2016 OECD Skills Summit, jointly organised by OECD and the Government of Norway, will bring together ministers to exchange best practices on building effective skills strategies. Insights from country experience will also be incorporated in the updated OECD Skills Strategy, to be presented to the 2017 MCM.

The *OECD Skills Outlook 2015* addressed youth skills and employability, while the 2017 edition will cover skills and global value chains. The OECD is also carrying out a comparative assessment, as well as individual reviews, of how countries are anticipating and responding to changing skill needs. A comparative report will be published in March 2016, and an international database is also being developed.

The Skills Strategy is overseen by the OECD Chief of Staff and co-ordinated by the Directorate for Education and Skills working with the Directorate for Employment, Labour and Social Affairs (ELS), the Directorate for Science, Technology and Innovation, the Economics Department, the Public Governance Directorate, the Centre for Tax Policy and Administration, the Local Economic and Employment Development Programme and the Development Centre. Work on anticipating and responding to changing skill needs is co-ordinated by ELS.

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

■ Key publications

- *OECD Skills Outlook 2015: Youth, Skills and Employability*
- *Adults, Computers and Problem Solving: What's the Problem?*
- *OECD Skills Strategy Diagnostic Reports: Korea and Spain, Peru* (forthcoming)
- *Second Results from the Survey of Adult Skills (PIAAC)* (forthcoming)
- *Getting Skills Right: Assessing and Anticipating Skill Needs* (forthcoming)

■ Key events

- The Skills Summit 2016, Bergen, 29-30 June 2016

Implementing the Green Growth Strategy

The Green Growth Strategy is driven by the premise – mandated by the June 2009 Ministerial Council Meeting – that “green” and “growth” must go hand-in-hand. It aims to support governments’ efforts to foster economic growth and development while ensuring that natural assets continue to provide the resources and environmental services on which our well-being relies. To help prevent costly environmental degradation and better manage natural resources, governments must catalyse investment and innovation in clean technologies and infrastructure. Such measures will help underpin sustained growth and give rise to new economic opportunities.

Effective green growth strategies require an economy-wide transition, and the OECD Green Growth Strategy aims to help governments identify policies to achieve the most efficient shift to a greener growth path across all relevant work areas reflected in the OECD work programme. The OECD has made good progress in mainstreaming green growth into its work, including its routine country policy surveillance exercises: Economic Surveys, Environmental Performance Reviews, Innovation Reviews and Investment Policy Reviews. The Organisation has also extended its analysis to address the particular challenges and opportunities faced by developing countries. Efforts are being made to ensure that committees are working together so that recommendations on investment and finance, taxation, reform of fossil fuel support measures, trade, and, across key sectors such as energy, transport, agriculture and water, deliver a consistent green growth message.

The annual Green Growth and Sustainable Development (GGSD) Forum is the most important green growth event in the OECD’s calendar as it provides a dedicated space to address horizontal issues and advance the green growth work programme. In December 2015, the theme of the event was, Enabling the Next Industrial Revolution: Systems Innovation for Green Growth.

The title of the next GGSD Forum (9-10 November 2016) will be: Urban Green Growth, Spatial Planning and Land Use. Policy coherence between land-use planning and environment policy is an area of increasing focus. Many spatial planning and land-use interventions fail to account for environmental consequences, such as those related to urban sprawl and flood-zone development. The Forum will evaluate the environmental and economic outcomes of these policies, and explore how innovative approaches to land-use regulation and environmental policy instruments could support green growth at different levels of governance.

The implementation of the Green Growth Strategy is co-ordinated by the Green Growth and Global Relations Division, and overseen by Deputy Secretary-General Rintaro Tamaki.

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

The OECD Gender Initiative

Gender equality has many dimensions – fairness and equity, but also economic empowerment. Cultural, educational, political and socio-economic factors play a role and need to be addressed together to reduce gender gaps. The OECD Gender Initiative follows a comprehensive approach, involving a large range of OECD directorates and their respective committees, working parties and governing boards.

The OECD Gender Recommendation – adopted by all members and several non-members – sets out policy principles to achieve greater gender equality in education, employment, and entrepreneurship and stipulates monitoring of progress on gender equality. A report will be presented at the 2017 Ministerial Council Meeting (MCM). The OECD Gender Recommendation was complemented by the 2015 OECD Recommendation of the Council on Gender Equality in Public Life which provides governments, parliaments and judiciaries with actionable guidelines to implement gender equality and gender mainstreaming initiatives. Several OECD Economic Surveys have also included chapters on gender equality.

The OECD also played a leading role in developing the “25 by 25” commitment by G20 leaders at their 2014 Brisbane summit, which aims to reduce the gender gap in labour force participation by a quarter by 2025. Similarly, the OECD was instrumental in establishing the common principles to boost women’s entrepreneurship agreed by G7 Leaders at their 2015 summit in Germany.

The OECD recently released its new Gender Portal with around 80 gender-related indicators on employment, education, entrepreneurship, and health and development. These draw from existing databases, including the OECD Family Database (FDB) and the Social Institutions and Gender Index (SIGI). A wide range of publications and working papers on gender is also available, such as those of the GENDERNET – the internationally recognised source of authoritative data and analysis on official development assistance in support of gender equality and women’s rights; the OECD Regional Initiatives on Governance and Competitiveness in the Middle East and North Africa; or the Centre for Entrepreneurship’s work on barriers to female employment.

Ongoing work includes the preparation of indicators on young men and women in Science, Technology, Engineering and Mathematics (STEM) subjects for *Education at a Glance 2016*. Gender-specific information will also be available in *Entrepreneurship at a Glance 2016* and the *OECD Science, Technology and Industry Scoreboard 2016*. A *Gender Review of Mexico* is underway, as is a report on sharing paid and unpaid work in couple families.

The Gender Initiative is co-ordinated by the Directorate for Employment, Labour and Social Affairs.

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

The Strategy on Development and Contributions to the SDGs

The past year was a crucial one for global efforts on sustainable development. The 2030 Agenda for Sustainable Development reflected a major agreement by the international community to work towards a transformative agenda, based on a coherent framework that integrates the economic, social and environmental dimensions of sustainable development. The OECD Strategy on Development, endorsed in 2012, provides a solid foundation to inform and prepare the Organisation for alignment with the 2030 Agenda, in three main areas:

A sharper focus on policy coherence: New tools are being developed corresponding to the Sustainable Development Goals (SDGs) Target 17 to “enhance policy coherence for sustainable development,” providing practical support to governments interested in adapting their institutional mechanisms and policy-making processes in a way that considers policy interactions, contextual factors and the effects of policies on well-being both now and in the future. These tools are works in progress and will include thematic modules on food security, illicit financial flows and green growth – the three priority areas for policy coherence identified by the Strategy. Other initiatives in this regard also include the update of the Policy Framework for Investment (PFI); the work on Base Erosion and Profit Shifting (BEPS); initiatives to advance Responsible Business Conduct; the Programme for International Student Assessment (PISA) for development; and new capacity building efforts to support climate finance.

Innovative ways of generating and sharing knowledge. Another key pillar of the Strategy is Multi-dimensional Country Reviews (MDCRs) in Côte d’Ivoire, Kazakhstan, Myanmar, Morocco, Peru, the Philippines, Senegal and Uruguay, and the Policy Dialogue initiatives on Natural Resource-Based Development, Global Value Chains, and Production Transformation and Development. The Knowledge Sharing Alliance (KSA) has taken a more strategic focus helping to advance the OECD’s “inclusive” knowledge-sharing dialogue on three flagship horizontal initiatives: New Approaches to Economic Challenges (NAEC), Inclusive Growth, and Aligning Policies for a Low-carbon Economy.

Contribute to global agendas and processes. The OECD has also provided input to United Nations-led processes to develop global indicators for the SDGs. Ongoing work to define Total Official Support for Sustainable Development (TOSSD) will help capture public efforts to measure development finance including and going beyond official development assistance. Other OECD efforts also seek to help governments mobilise taxes, investments, blended finance, remittances and philanthropy, all with a view to help achieve the SDGs.

The results of the Strategy on Development mainstreaming efforts are currently being reviewed based on a Monitoring Framework and will be presented to members in the first half of 2016.

For more information see: www.oecd.org/development/oecd-strategy-on-development.htm

Aligning Policies for the Transition to a Low-carbon Economy

Launched in 2014, the Aligning Policies for the Transition to a Low-carbon Economy Project brought together the expertise of the OECD, the International Energy Agency (IEA), the International Transport Forum (ITF) and the Nuclear Energy Agency (NEA) to identify where government policies hinder their efforts to reduce carbon emissions. The Project provided the first “whole-of-government” approach to evaluating the main misalignments standing in the way of a more ambitious climate policy. It also elaborated an analytical approach that could be tailored to country circumstances.

In 2015, the Project successfully delivered a report, *Aligning Policies for a Low-carbon Economy*, to the OECD Ministerial Council Meeting. The report presented the first broad diagnosis of misalignments with climate goals in areas essential to the transition to a lowcarbon economy. It pointed to a number of misalignments in policy domains, such as finance, taxation, trade policies, innovation and adaptation, as well as in three specific sectors: electricity, urban mobility and landuse.

The report was released in July on the occasion of the Secretary-General's climate change lecture in London. Later in the year, the report was one of the OECD's flagship contributions to the COP21 climate negotiations in Paris. Three side events dedicated to policy alignment were held at COP21, involving panellists from the Project's four partner agencies and the Business and Industry Advisory Committee (BIAC), as well as ASEAN, Brazil, China, Mexico and Sweden, and a number of multinational companies.

While the Project has now completed its work, Deputy Secretary-General Rintaro Tamaki is leading efforts to ensure that its results are mainstreamed across the Organisation. For example, the Environment Directorate has tabled an ambitious climate policy proposal to the Environment Policy Committee (EPOC), which refers to policy alignment as a principle to consider the effectiveness of climate mitigation policies. In addition, the Economics Department has indicated an intention to broaden the climate and green growth part of its country surveys.

■ Key publications

- *Aligning Policies for a Low-carbon Economy*

■ Key events

- Aligning Policies for the Transition to a Low-carbon Economy: Reconciling Environmental, Social and Economic Objectives, An expert seminar organised by the OECD and Ministry of Finance, Government of Indonesia, Bogor, 4-5 November 2015
- OECD-Cambridge Institute for Sustainability Leadership UNFCCC COP21 event, Pathways to a Low-carbon Economy, High-level panel discussion chaired by Angel Gurría, OECD Secretary-General, Paris, 9 December 2015

Migration and Integration

Migration is increasingly becoming a structural feature of OECD societies. Across the OECD, about one in five persons is either foreign-born or native-born with at least one foreign-born parent. Over the past year, the unprecedented number of asylum seekers and refugees arriving in OECD countries, particularly in Europe, has helped moved migration to the top of the international agenda.

The OECD is a leading provider of data and policy analysis on international migration trends, particularly through the annual *International Migration Outlook*. The next edition, in September 2016, will examine how migration policies respond to environmental and geopolitical shocks and analyse the local impact of migration. Through its Migration Insights webpage and Migration Policy Debates briefs, the OECD also regularly monitors developments in migration movements and policies in OECD countries.

OECD work on migration also focuses on the integration of immigrants and their children. Well-managed migration can play a positive role in the economy, contributing to innovation and economic growth. But for this to happen, immigrants must find their place in the labour market, education system and society at large. In 2015, a new report, *Settling In: Indicators of Immigrant Integration*, provided timely information on key dimensions of integration, including employment, education, income, housing, health, civic engagement and social cohesion. The report showed that labour market outcomes for recent arrivals are well below those of the native-born, even in countries that are generally perceived as successful in integrating immigrants. Major gaps also remain in educational outcomes, despite overall improvements for many immigrant children and for those with immigrant parents.

The booklet *Making Integration Work: Refugees and others in need of international protection* highlights key challenges in integrating refugees and compares practices and policies in place across OECD countries. It was released in January 2016 at a joint OECD-UNHCR high-level conference on the integration of refugees. This event marked the start of enhanced co-operation with the United Nations' refugee agency as part of the OECD's on-going efforts to help countries understand and respond to the refugee crisis. To the same end, the OECD is offering member countries a fast-track assessment of key bottlenecks and possible actions to better integrate refugees.

The OECD's work on migration is led by the International Migration Division in the Directorate for Employment, Labour and Social Affairs. A number of other directorates have been involved in the response to the refugee crisis, including the Economics Department, the Directorate for Financial and Enterprise Affairs, the Directorate for Education and Skills, the Public Governance Directorate, the Development Co-operation Directorate and the OECD Development Centre.

For more information see: www.oecd.org/migration and www.oecd.org/migration-insights

Trade and Investment, Global Value Chains

Global value chains (GVCs) have become a dominant feature of the world economy, with the production of goods and services increasingly involving tasks and inputs from multiple locations at the most competitive costs and quality. This fragmentation of production across borders highlights the need for countries to have open, predictable and transparent trade and investment regimes, as tariff and non-tariff barriers impact foreign suppliers and domestic producers alike.

To begin providing the evidence to respond to policy questions raised by the growing importance of GVCs, the OECD and the World Trade Organisation embarked on an initiative to measure Trade in Value Added (TiVA) terms to provide a more accurate view of the underlying economic importance of trade. Originally launched in 2013, the TiVA database now includes indicators for 61 economies across 34 industries.

The TiVA data reveal that almost 65% of trade today is in intermediate goods and services, which means that success in international markets depends as much on accessing quality inputs as it does on the capacity to export. OECD analysis highlights the importance of improving customs and border procedures through trade facilitation measures, estimating that by implementing the already agreed Trade Facilitation Agreements (TFAs), some countries would reduce trade costs for business by up to 17.5%.

Governments can also support GVCs by reforming services sectors that underpin the co-ordinated flow of goods and services along value chains. The OECD Services Trade Restrictiveness Index highlights that significant restrictions to the free movement of services exist in all countries, but also that no single country is always the most restrictive or the least restrictive in all sectors. Efficient services sectors are also essential to manufacturing competitiveness.

The OECD has recently begun to combine TiVA with employment and occupational data to further explore the implications of GVCs for productivity and jobs. Preliminary work shows that the number of jobs that depend on international trade has never been higher. GVCs have also sharpened the interdependencies between trade and investment, and enhanced their complementary effects. New work at the OECD will seek to identify opportunities for greater coherence in trade and investment regimes in order to inform efforts to drive productivity, inclusive growth, and better jobs for more people.

For more information see: www.oecd.org/trade/global-value-chains.htm

■ Key publications

- *OECD Trade Policy Papers: Participation of Developing Countries in Global Value Chains*
- *G20 Report on Inclusive GVCs: Policy options in trade and complementary areas for GVC Integration by SMEs and LIDCs*
- *GVCs, Jobs and Routine Content of Occupations* (forthcoming)

International Collaboration on Taxation

With tax high on the global political agenda, the OECD has continued to equip governments from around the world with the tools to tackle tax evasion and avoidance more effectively.

At the G20 Summit in Antalya, Turkey, we delivered the OECD/G20 Base Erosion and Profit Shifting (BEPS) a set of comprehensive measures agreed by 44 countries to address tax avoidance. These policy tools, which countries and institutions such as the EU have already begun to implement, will curtail the gaps and mismatches in the international tax system that allow multinational enterprises to shift profits to low and no-tax jurisdictions, away from where the economic activity and value creation actually takes place. An inclusive framework is being established for the next phase of the Project, allowing interested countries and jurisdictions to take part on an equal footing, and ensuring a level playing field under the new rules.

With the strong support of the G20, implementation of our tax transparency standards has also been strengthened, with a record 134 members in the Global Forum on Transparency and Exchange of Information for Tax Purposes, and 100 jurisdictions committed to the new standard for automatic exchange of financial account information. This work will be further enhanced, in particular on beneficial ownership to address emerging risks. The Global Forum closely monitors jurisdictions to ensure they meet their commitments.

The 4th Tax and Crime conference of the OECD's Oslo Dialogue also took place in 2015, to promote inter-agency and cross-border co-operation to tackle illicit financial flows, including tax evasion, corruption, and money laundering. The Oslo Dialogue includes practical guidance such as the 2015 publication on Improving Co-operation Between Tax and Anti-Money Laundering Authorities and the OECD's International Academy for Tax Crime Investigation. Officials from more than 40 countries have received state-of-the-art training in the latest investigative tools, as well as access to a global alumni network of investigators, prosecutors and judges.

With effective tax systems critical for domestic resource mobilisation, the OECD also expanded coverage of its regional Revenue Statistics and in July 2015 entered a partnership with UNDP to grow our Tax Inspectors Without Borders (TIWB) initiative, which is a key OECD contribution to the Financing for Development effort in the context of the SDGs and the 2030 Agenda approved by the international community at the UN. TIWB provides tax administrations with hands-on support, deploying experts to work alongside local officials on complex international tax audit cases. Pilot projects saw significant returns in terms of expertise transferred as well as additional revenues identified.

For more information see: www.oecd.org/ctp/beps.htm, www.oecd.org/tax/transparency, and www.oecd.org/tax/taxinspectors.htm

OECD Better Life Initiative

For many decades, gross domestic product (GDP) has been the main indicator used by national and international institutions to define and measure progress. But this focus on economic growth fails to capture many of the factors that affect people's lives. Launched in 2011 and part of international efforts to go beyond GDP, the OECD Better Life Initiative introduces an OECD framework to analyse well-being and societal progress.

The *How's Life?* report brings together international comparable measures of well-being based on people's material conditions and quality of life in eleven dimensions: income and wealth, jobs and earnings, housing conditions, health status, work and life balance, education and skills, social connections, civic engagement and governance, environmental quality, personal security and subjective well-being. The third edition of *How's Life?*, released in October 2015, places a special focus on child well-being. Presented at the 5th OECD World Forum on Statistics, Knowledge and Policy in Guadalajara, Mexico, the report shows that child poverty rates have risen in two-thirds of OECD countries, and that in most OECD countries, the poverty rate for children is higher than for the population in general. The report also introduces new measures to capture some of the natural, human, social and economic resources that play a role in supporting well-being over time. Other themes covered include volunteering and regional inequalities.

The OECD Better Life Index is an interactive online platform that invites the public to visualise well-being outcomes in OECD countries and beyond according to criteria that are most important to them. The platform has so far attracted over 8 million visits from over 180 countries. The top five countries by number of visits are the United States, Mexico, France, Canada and the United Kingdom. In 2014, a new feature was added allowing users to compare and share their index with other people who have created indexes, as well as see the number of responses by country, age and gender, and what topics people think are most important. Over 100 000 people have shared their views on what makes for a better life, with life satisfaction, health and education topping the list. The OECD Better Life Index is now available in seven languages with the Italian version for World Expo Milan added to the existing English, French, German, Portuguese, Russian and Spanish versions.

The work on measuring well-being is led by the Statistics Directorate.

For more information see: www.oecd.org/statistics/better-life-initiative.htm

The OECD Better Life Index is co-ordinated by the Directorate for Public Affairs and Communication.

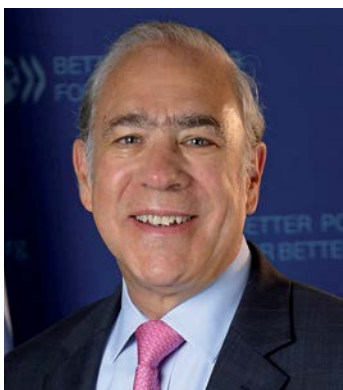
For more information on the Index see: www.oecdbetterlifeindex.org

To compare responses from around the world see: www.oecdbetterlifeindex.org/responses

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“We have already taken great strides towards positioning the OECD as the go-to institution for policy advice on promoting growth, development and well-being. However, this organisational transformation is still work in progress: we have to make the OECD even more useful and relevant to its members and partner countries.”

Angel Gurría,
OECD Secretary-General

The Office of the Secretary-General (OSG) supports the Secretary-General in delivering his strategic vision for the Organisation. Led by the Chief of Staff and Sherpa, and the Deputy Chief of Staff, OSG works to increase the relevance, visibility and impact of the Organisation.

OSG ensures that the OECD remains at the cutting edge of policy analysis and delivers timely and targeted policy advice. It does so by supervising and advancing strategic objectives, together with the Deputy Secretaries-General, and by co-ordinating and creating synergies in the work carried out by the Organisation's different directorates and bodies. In order to be at the forefront of policy developments and to support reform processes in member and partner countries, OSG directly oversees the New Approaches to Economic Challenges (NAEC) and Inclusive Growth initiatives, and houses the G20/G7 Sherpa unit. Likewise, OSG and the Deputy Secretaries-General provide general oversight to horizontal projects and the mainstreaming of horizontal themes throughout the OECD Secretariat.

The Office of the Secretary-General also houses the Strategic Foresight and Policy Coherence for Development units and the Roundtable on Sustainable Development. By supervising the work of the Global Relations Secretariat and the Legal Directorate, OSG is at the forefront of the Organisation's outreach strategy, leading and monitoring accession processes as well as co-operation with Key Partners and non-members. OSG also works closely with the Council and Executive Committee Secretariat to manage interaction with Ambassadors to the OECD and to prepare Council meetings, the annual Ministerial Council Meeting and the Global Strategy Group. OSG also works with the Internal Audit and Evaluation unit to ensure that the Organisation maintains its relevance, strategy and good management. Likewise, OSG co-ordinates closely with the Executive Directorate on the general management of OECD operations, corporate services and housekeeping issues, as well as with the Public Affairs and Communications Directorate to guarantee consistency and impact in the Organisation's messages, external

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communications and outreach to different stakeholders. In summary, through oversight of directorates, OSG ensures strategic direction and coherence in the Secretariat's work.

In 2015 OSG supported the Secretary-General's 52 foreign missions and 770 full-fledged bilateral meetings as well as many other activities and public and private engagements with high-level interlocutors. This involved the preparation of more than 1 500 briefing notes, 363 speeches and the processing of more than 500 e-mails per day, as well as the production of 12 *Better Policies* reports and 41 country-specific *Policy Briefs*. OSG also organised numerous visits and events at the OECD headquarters at the highest political level, including 19 visits by Heads of State, Government or International Organisations under the Leaders' Programme and several leading thinkers that participated in the "Coffees of the Secretary-General" series. ■

■ Key publications

Better Policies series in 2015:

- Colombia: Policy Priorities for Inclusive Development
- Tunisia: A Reform Agenda to Support Competitiveness and Inclusive Growth
- Greece: Better Policies for Inclusive Growth
- European Union: Structural Reforms in Europe – Achievements and Homework
- Slovenia: The growth effects of structural reform
- Mexico: Policy priorities to boost productivity
- Chile: Policy Priorities for Stronger and more Equitable Growth
- France: Education
- France: Evaluation Loi Macron
- Korea: Policy priorities for a dynamic, inclusive and creative economy
- Canada: Better Policies Series

The 41 *Policy Briefs* produced in 2015 on countries include Brazil, France, Iceland, Indonesia, Ireland, Israel, Japan, Slovenia, South Africa, Sweden and the United States.

Sherpa Office and Global Governance Unit



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“Eight years after the crisis, against a backdrop of financial instability, escalating geopolitical risks and terrorism threats, rising populism and societies under stress, the common goal of delivering strong, sustainable, balanced and inclusive growth remains elusive. Strong collective action in the G20 is needed, and the OECD will continue to leverage its analytical and policy strengths to support the Group in shaping the global response to these challenges.”

Gabriela Ramos,
OECD Chief of Staff
and G20 Sherpa

The OECD engages the G20, G7, Deauville Partnership and Asia-Pacific Economic Co-operation (APEC) by leveraging its highly valued, evidence-based analysis, policy recommendations and standards. The Sherpa Office provides strategic direction and support for the effective participation of the Secretary-General, and the Chief of Staff and Sherpa throughout the engagement process. The OECD Chief Economist represents OECD in the G20 Finance Track.

The OECD supported the 2015 Turkish G20 Presidency – and its focus on inclusiveness, investment and implementation – by preparing the “15 by 25” target on youth unemployment and the G20 Skills Strategy to counter inequality, as well as by delivering on the need for a more transparent, effective and fairer international tax architecture through the G20/OECD BEPS Action Plan.

In 2016, the OECD is supporting the Chinese G20 Presidency, including through the preparation of a G20 Blueprint for Innovative Growth, identifying priorities for structural reforms and reforms to international financial architecture. Additionally, the OECD is supporting China’s priorities in trade and international investment, tax transparency, green finance and anti-corruption. It is also supporting the preparation of the G20 Action Plan to define how work across G20 tracks can be better aligned with the 2030 Agenda for Sustainable Development.

In July 2015, China’s Premier Li Keqiang visited the OECD, marking a new milestone in our collaborative partnership. In this context, the OECD and China’s Ministry of Foreign Affairs developed the OECD-China G20 Skills Development Programme, designed to facilitate mutual learning and promote exchange on relevant policy issues.

The OECD is also working closely with the Peruvian 2016 APEC Chairmanship, on issues like skills formation, regional integration, SMEs and the regional food market. It also continues to engage with APEC on work to develop an APEC Services Index.

www.oecd.org/g20

In addition, the OECD is supporting the 2016 Japanese G7 Presidency in its priority areas of trade, gender equality and health, and continues to support governance and reform in Middle East and North African countries in the context of the G7 Deauville Partnership. ■

■ Key publications

- *OECD Secretary-General Report to the G20 Leaders*
- *Quantifying the Implementation of G20 Members' Growth Strategies since the Brisbane Summit* (OECD and IMF)
- *G20/OECD Report on G20 Investment Strategies*
- *G20/OECD Skills Strategy Policies for Developing and Using Skills for the 21st Century* (OECD with inputs from ILO)
- *Inclusive Global Value Chains: Policy Options in Trade and Complementary Areas for GVC Integration by Small and Medium Enterprises and Low-income Developing Countries* (OECD and World Bank Group)
- *G20/OECD Principles of Corporate Governance*
- *G20/OECD High Level Principles on SME Financing*
- *The OECD's Approach to Capital Flow Management Measures Used with a Macro-prudential Intent* (OECD Report to G20 Finance Ministers and Central Bank Governors)

■ Key events

- G20 Leaders Summit, Antalya, November 2015
- G7 Leaders Summit, Schloss Elmau, June 2015
- G20 Finance Ministers and Central Bank Governors Meetings, February/April/September/October 2015
- G20 Sherpa meetings, December 2014 and March/June/October/November 2015
- 5th Annual OECD/G20 High-Level Anti-Corruption Conference, Istanbul, March 2015
- G20/OECD Corporate Governance Forum, Istanbul, April 2015
- Deauville Partnership Senior Officials Meeting, Paris, May 2015
- OECD/G20 Stocktaking Seminar on SMEs and Low Income Developing Countries in Global Value Chains, Paris, June 2015
- G20/OECD Global Forum for International Investment, Istanbul, October 2015

Development Co-operation Directorate



Mario Pezzini

Director *ad-interim*

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“The Development Co-operation Directorate continues to refine and improve the international understanding and effectiveness of development finance, while also contributing important insights that are sharpening the contribution of the OECD to global goals for the environment, and for more inclusive, prosperous, resilient and peaceful societies.”

The Development Co-operation Directorate (DCD) delivers better development co-operation. It tracks and analyses data to inform the smart use of development finance; advises on policies to advance sustainable development; and shapes practices to improve the effectiveness of providers as well as the capacity and enabling environment in developing countries. DCD supports the Development Assistance Committee (DAC).

DCD harnesses OECD resources on behalf of development. Making the most of the global reach of the Organisation, and of its members' collective strengths, it co-ordinates OECD inputs, experience and knowledge to deliver results where they are most needed. An example is the annual *Development Co-operation Report*, which draws on contributions from experts across OECD and the wider development community.

Agreements reached by the DAC have continued to add clarity, relevance and strength to the official development assistance (ODA) measure. These efforts were recognised at the [3rd International Conference on Financing for Development](#) in Addis Ababa, whose outcome document also refers to important work on a new measure – [total official support for sustainable development](#) (TOSSD) – “to offer a comprehensive view of how all countries [...] are taking action to fund all dimensions of sustainable development – economic, social, and environmental.” Finally, the Addis Ababa outcome document takes note of the OECD's [Tax Inspectors Without Borders](#), which is contributing to improving countries' capacity to finance their own development.

To improve the coherence and consistency of data on development finance, DAC members agreed in February 2016 on clear definitions of when and how aid can be used for peace and security, promoting the aims of the 2030 Agenda, in particular SDG 16. ■

■ Areas of focus

- Aid effectiveness: www.oecd.org/dac/effectiveness
- Aid for trade: www.oecd.org/dac/aft
- DAC global relations: www.oecd.org/dac/dac-global-relations
- Environment and development: www.oecd.org/dac/environment-development
- Evaluation of development programmes: www.oecd.org/dac/evaluation
- Financing sustainable development: www.oecd.org/dac/financing-sustainable-development
- Gender equality and development: www.oecd.org/dac/gender-development
- Governance and peace: www.oecd.org/dac/governance-peace
- Peer reviews of DAC members: www.oecd.org/dac/peer-reviews
- Statistics for development (PARIS21): www.paris21.org

■ Key publications

- *Aid for Trade at a Glance 2015: Reducing Trade Costs for Inclusive, Sustainable Growth*
- *Development Co-operation Report 2015: Making Partnerships Effective Coalitions for Action*
- OECD Development Co-operation Peer Reviews of Austria, Belgium, Germany, New Zealand, Portugal and Spain
- *Multilateral Aid 2015: Enabling Better Partnerships in the Post-2015 Era*
- *Road Map for a Country-led Data Revolution (PARIS21)*

■ Key events

- The 5th Global Review of Aid for Trade, Geneva, 30 June - 2 July 2015
- Global launch of Tax Inspectors Without Borders, Addis Ababa, 13 July 2015
- Arab-DAC Dialogue on Development, Vienna, 18 January 2016
- DAC High-Level Meeting, Paris, 18-19 February 2016
- DAC Prize 2015, Paris, 9 March 2016
- Global Forum on Development: From Commitment to Actual Implementation of the Sustainable Development Goals (SDGs): Policies, data and financing, Paris, 31 March 2016

Economics Department



Catherine Mann

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“Policy coherence across a broad range of reform objectives such as product market competition, labour mobility and financial market robustness is critical to create an environment conducive to innovation and resource reallocation, which are crucial to reverse the widespread slowdown in productivity and the rise in inequality.”

The Economics Department (ECO) carries out multilateral, country specific and structural policy surveillance and research on OECD member countries as well as the Accession and Key Partner countries.

As growth remains elusive and needs to become stronger, more sustainable and inclusive, ECO focuses its policy advice on promoting mutually reinforcing demand management and structural policies aimed at boosting long-term growth and well-being. In the context of the New Approaches to Economic Challenges (NAEC) and prioritising inclusive growth, ECO has continued to undertake new work on productivity, as well as understanding the complementarities and trade-offs between structural policies, aggregate demand and income distribution. Additional efforts have focused on providing policy advice on climate change mitigation and green growth and understanding the consequences of multinational tax planning.

Over the past 12 months, ECO published 24 country surveys. ECO's launch of *Economic Policy Reforms 2016: Going for Growth* at the G20 meeting in China in February 2016 firmly maintained the OECD's structural reform message at the centre of the G20 agenda. The policy papers series, begun in 2012, saw four new releases with studies on finance and inclusive growth, structural reforms and income distribution, achieving prudent debt targets using fiscal rules and the effects of pro-growth policies on the economic stability of firms, workers and households. The Economics Department published 94 working papers in 2015. ■

www.oecd.org/eco

■ Areas of focus

- Economic Outlook: www.oecd.org/eco/economicoutlook.htm
- Country economic surveys: www.oecd.org/eco/surveys
- Cross-country structural policy analysis and advice: www.oecd.org/eco/goingforgrowth.htm
- Productivity and long-term growth: www.oecd.org/eco/growth
- Public finance and fiscal policy: www.oecd.org/eco/public-finance
- Labour markets, human capital and inequality: www.oecd.org/eco/labour
- Economic policies to foster green growth: www.oecd.org/eco/greeneco
- Monetary and financial issues: www.oecd.org/eco/monetary
- Finance and inclusive growth: www.oecd.org/eco/finance-growth-inequality.htm
- Economic resilience: www.oecd.org/eco/economic-resilience.htm
- Structural reforms and income distribution: www.oecd.org/eco/labour/structural-reforms-and-income-distribution.htm
- Achieving prudent debt targets using fiscal rules: www.oecd.org/eco/achieving-prudent-debt-targets-using-fiscal-rules.htm
- Effects of pro-growth policies on the economic stability of firms, workers and households: www.oecd.org/eco/labour/do-pro-growth-policies-generate-economic-instability-for-households.htm
- Economics Department policy papers: www.oecd.org/eco/policy-papers.htm
- Economics Department working papers: www.oecd.org/eco/economicsdepartmentworkingpapers.htm
- Economics Department policy notes: www.oecd.org/eco/monetary/policy-notes.htm

■ Key publications

- *Economic Policy Reforms 2015: Going for Growth*
- *OECD Economic Outlook*
- *OECD Economic Outlook Interim Reports*, September 2015 and March 2016
- *OECD Economic Surveys* (member countries and selected non-member economies)
- *OECD Journal: Economic Studies*

■ Key events

- Launch of *Economic Policy Reforms 2016: Going for Growth*, Shanghai, 26 February 2016
- Launch of *OECD Interim Economic Outlook* for major world economies, Paris, 16 September 2015 and 18 February 2016
- Launch of *OECD Economic Outlook*, Paris, 3 June and 9 November 2015
- Launch of *The Future of Productivity*, Mexico City, 6 July 2015 and Peterson Institute for International Economics, Washington, DC, 9 July 2015
- Launch of *Finance and Inclusive Growth*, Bloomberg event, London, 17 June 2015
- Launch of *Achieving Prudent Debt Targets Using Fiscal Rules*, Les Rencontres Economiques – Le Cercle des Economistes, Aix en Provence, 3 July 2015
- Launch of *The Next Production Revolution* at the Confederation of Danish Industry, Copenhagen, 27 February 2015
- Promotion of OECD work on India, India road show, 15-21 February 2015

Directorate for Education and Skills



Andreas Schleicher

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“Our aspiration is to help every learner, every parent, every teacher and every policy maker see that only the sky is the limit to improving education – and that improving education is the key to a better and fairer society.”

The Directorate for Education and Skills (EDU) aims to help countries achieve two overarching goals: strengthen employability, social participation and inclusive growth; and improve the effectiveness and efficiency of institutions to make reform happen.

Initial results from the sixth cycle of PISA will be released in two volumes in December: one on student performance in science, reading and mathematics, and a second on school and system characteristics. Three additional volumes, on student well-being, financial literacy and collaborative problem solving, will be published in 2017. A PISA report entitled *Low-Performing Students: Why They Fall Behind and How To Help Them Succeed* was published in February 2016. Two further thematic reports based on analysis from PISA 2012 will be published looking at opportunities to learn mathematics, and effective teaching and learning strategies.

A report on *Supporting Teacher Professionalism: Insights from TALIS 2013* was published in February 2016, and further TALIS 2013 thematic reports on school leadership and on linkages between PISA and TALIS data will be published in 2016.

The second round of the Survey of Adult Skills (PIAAC) will be launched in June, with data from nine additional countries. *Education at a Glance: OECD Indicators* will be published in September 2016. This annual compendium offers a snapshot of the state of education in more than 40 countries.

The Directorate will also begin work on the Future of Education and Skills: Education 2030 and launch a new study on child well-being and early learning.

The Directorate's projects are overseen by the Education Policy Committee. ■

www.oecd.org/edu

■ Areas of focus

- Centre for Educational Research and Innovation (CERI): www.oecd.org/edu/ceri
- Education GPS (interactive data visualisation website): <http://gpseducation.oecd.org>
- Education at Glance: OECD indicators: www.oecd.org/edu/eag.htm
- Educationtoday blog: www.oecdeducationtoday.blogspot.com
- Survey of Adult Skills (PIAAC): www.oecd.org/site/piaac
- OECD Skills Strategy: www.oecd.org/skills
- Programme for International Student Assessment (PISA): www.pisa.oecd.org
- Programme on Institutional Management in Higher Education (IMHE): www.oecd.org/edu/imhe
- Teaching and Learning International Survey (TALIS): www.oecd.org/edu/school/talis

■ Key publications

- *Trends Shaping Education 2016*
- *Low-Performing Students: Why They Fall Behind and How To Help Them Succeed*
- *Supporting Teacher Professionalism: Insights from TALIS 2013*
- *Teaching Excellence through Professional Learning and Policy Reform: Lessons from Around the World*
- *Mathematics Exposed: Widening Opportunities to Learn and Use Mathematics* (forthcoming)
- *Exploring Patterns in Teaching and Learning: Analysis of the TALIS-PISA Link Data* (forthcoming)
- *Governing Education in a Complex World*
- *Innovative Learning Environments Handbook* (forthcoming)
- *The Survey of Adult Skills: Reader's Companion* (forthcoming)
- *Second Results from the Survey of Adult Skills (PIAAC)* (forthcoming)
- *Education at a Glance: OECD Indicators 2016* (forthcoming)
- *PISA 2015 Assessment and Analytical Framework*
- *PISA 2015 Results Volume I: Student Performance in Science, Reading and Mathematics* (forthcoming)
- *PISA 2015 Results Volume II: School and System Characteristics* (forthcoming)
- *School Leadership and Professional Learning* (forthcoming)

■ Key events

- The 6th International Summit on the Teaching Profession 2016, Berlin, 3-4 March 2016
- The Skills Summit 2016, Bergen, 29-30 June 2016
- International launch of *Education at a Glance: 2016 Indicators*, 13 September 2016
- Global Education Industry Summit, Jerusalem, 26-27 September 2016
- International launch of the 2015 PISA results, 6 December 2016

Directorate for Employment, Labour and Social Affairs



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“While further progress is needed to address often still high and persistent joblessness, policy makers must confront at least three medium to long-term structural forces that are shaping the world of work: demographic change, globalisation and technology, especially the digital revolution. Around the world, policies need to promote incentives for workers and employers to take advantage of new opportunities, while fostering comprehensive skills strategies, and adapting taxes, benefits and social protection schemes to the changing world of work.”

The OECD Directorate for Employment, Labour and Social Affairs (ELS) leads the Organisation's work on employment, social policies, international migration and health. It oversees work on interrelated policy areas that help countries boost employment and skills, and improve social welfare and health outcomes in a context of population ageing, globalisation and rapid technological change.

At their meeting in January, labour ministers called on the OECD to renew its Jobs Strategy to fully reflect the lessons learned from the crisis and to address key challenges associated with inequalities, rapid demographic change, and the impact of technological changes on labour demand, work organisation and social protection. As part of the Inclusive Growth Initiative, the OECD Centre for Opportunity and Equality was launched to provide a platform for research on inequalities and a forum for policy discussion. *In It Together: Why Less Inequality Benefits All*, published in May 2015, provided compelling evidence that addressing high and often increasing income inequality is critical to promoting social cohesion but also sustaining strong economic growth. OECD countries also adopted new Recommendations on Ageing and Employment Policies and on Integrated Mental Health, Skills and Work policy.

In July, *Indicators of Immigrant Integration 2015: Settling In*, provided the first-ever comparative analysis of integration of migrants and their children, while a series of Migration Policy Debate briefs reviewed key policy issues to address the current humanitarian refugee crisis.

Health at a Glance 2015 presented the latest comparable trends on health and health systems, as well as recent trends in pharmaceutical spending. *Tackling Harmful Alcohol Use* provided new insights on best options for addressing harmful alcohol use. Many countries are also benefiting from targeted advice on how to reform their health systems to improve their effectiveness and fiscal sustainability. ■

■ Areas of focus

- Employment policies and data: www.oecd.org/els/emp
- Families and children: www.oecd.org/els/family
- Health policies and data: www.oecd.org/els/health-systems
- International migration policies and data: www.oecd.org/els/mig
- Pension systems: www.oecd.org/els/public-pensions
- Social policies and data: www.oecd.org/els/soc, https://twitter.com/OECD_Social

■ Key publications

- *OECD Employment Outlook 2015*
- *Health at a Glance 2015*
- *OECD International Migration Outlook 2015*
- *Indicators of Immigrant Integration 2015: Settling In*
- *In It Together: Why Less Inequality Benefits All*
- *OECD Reviews of Health Systems*
- *Pensions at a Glance 2015*
- *Tackling harmful alcohol use: the economics of public health*
- *Getting Skills Right* (forthcoming)
- *Ageing and Employment Policies* (forthcoming)
- *Society at a Glance 2016* (forthcoming)
- *Health at a Glance: Europe 2016 and Asia Pacific 2016* (forthcoming)
- *Health Workforce Policies in OECD Countries* (forthcoming)
- *Recruiting Immigrant Workers: Europe 2016* (forthcoming)

■ Key events

- OECD Labour and Employment Ministerial Meeting, Paris, 15 January 2016
- Policy Forum on the Future of Work, Paris, 14 January 2016
- Launch of the OECD Centre for Opportunity and Equality, Paris, 26 October 2015
- UNHCR-OECD joint-high level conference on the integration of beneficiaries of international protection, Paris, 28 January 2016
- OECD Health Ministerial Meeting, Paris, January 2017

Centre for Entrepreneurship, SMEs and Local Development



Miriam Koreen

Director *ad interim*

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“By tackling market failures affecting SMEs and entrepreneurs, we can unleash their ability to invest, innovate and contribute to productivity, growth and inclusive societies. Working at the local level with companies and economic, employment and skills institutions is key to fostering a better use of talents and to driving more resilient economies.”

The Centre for Entrepreneurship, SMEs and Local Development (CFE) helps countries design and implement effective policies for local economic and employment development, small and medium-sized enterprises (SMEs) and entrepreneurship, and tourism. It produces peer reviews at the national and local levels and contributes to OECD initiatives on New Approaches to Economic Challenges (NAEC), Inclusive Growth and Skills, among others.

In 2015, CFE developed the G20/OECD High-Level Principles on SME Financing, building on analysis by the Working Party on SMEs and Entrepreneurship (WPSMEE) and the Committee on Financial Markets (CMF). G20 Leaders welcomed the Principles and called for the development of effective approaches for their implementation. The 2016 edition of the OECD's *Financing SMEs and Entrepreneurs* scoreboard covered 37 countries and included new indicators on alternative financial instruments. In response to a growing demand by governments for tools to foster SME growth and productivity, the WPSMEE is piloting a project to benchmark policies for stronger SME performance. In addition, SME policy reviews are under way for Canada, Israel and Kazakhstan.

The Local Economic and Employment Development (LEED) Programme contributed to G20 Principles for Effective Public Employment Services. The OECD Reviews on Local Job Creation have now reached 15 countries, and a third *Missing Entrepreneurs* report was released. To support capacity building, LEED opened an office in Venice as part of its Trento Centre for Local Development. In 2016, data collection on countries' capacities to contribute to creating more and better jobs will continue, and be published in the 2nd edition of *Job Creation and Local Economic Development*.

The Tourism Committee produced reports on policies to support growth and quality jobs the tourism, which fed into the 2015 T20 meeting. The CFE worked closely with the International Transport Forum to prepare the 2015 Summit on Transport, Trade and Tourism. A National Tourism Policy Review of Mexico is under way, and *OECD Tourism Trends and Policies 2016* includes chapters on transport as a key enabler of tourism and policies for the tourism sharing economy. ■

www.oecd.org/cfe

■ 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/industry/tourism

■ Key publications

- *Financing SMEs and Entrepreneurs 2016: An OECD Scoreboard*
- *G20/OECD High-Level Principles on SME Financing*
- *New Approaches to SME and Entrepreneurship Financing: Broadening the Range of Instruments*
- *Job Creation and Local Economic Development 2016* (forthcoming)
- *OECD Tourism Trends and Policies 2016*
- *OECD Studies on SMEs and Entrepreneurship: Russian Federation – Key Issues and Policies* (studies for Israel, Canada and Kazakhstan are forthcoming)
- *OECD Review on Local Job Creation: Employment and Skills Strategies in Poland* (forthcoming) (studies for Slovenia and Turkey are also forthcoming)
- *Inclusive Business Creation Good-Practice Compendium* (forthcoming)
- *OECD Tourism Papers: A Review of Effective Policies for Tourism Growth*
- *OECD Tourism Papers: Supporting Quality Jobs in Tourism*
- *Tourism Policy Review of Mexico* (forthcoming)
- *OECD Tourism Papers on Innovative Financing Approaches for Tourism SMEs* (forthcoming)
- *OECD Tourism Papers on Large-Scale Events as Catalysts for Tourism* (forthcoming)

■ Key events

- Launch of *Financing SMEs and Entrepreneurs 2016: An OECD Scoreboard*, Washington, DC, 14 April 2016
- 12th Annual Meeting of the OECD LEED Forum on Partnerships and Local Development, Venice, 18-19 April 2016
- Workshop to review the Policy Framework for Tourism Marketing and Promotion, Copenhagen, 8-9 June 2016
- 8th Annual Expert Meeting of the Employment and Skills Strategies in Southeast Asia Initiative, OECD Southeast Asia Regional Policy Network on Education and Skills, Cebu, 11-12 October 2016
- 14th Global Forum on Tourism Statistics, Venice, 23-25 November 2016

Environment Directorate



Simon Upton

Director

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“If the last 12 months were all about getting pen to paper, 2016 must centre on countries setting about implementation that gets the environment back on track. Great leadership has been shown to produce the Paris Climate Agreement and new SDGs. We will welcome many of these leaders back to Paris to the OECD Ministers' Meeting in September where we'll explore policies, tools and actions that work better for the economy and the environment.”

The Environment Directorate helps countries design and implement effective policies to address environmental problems and sustainably manage natural resources. 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.

Following the 2015 MCM Mandate to “continue supporting international climate change negotiations, including through further joint work with the IEA, ITF and NEA,” the OECD produced various reports and campaigns to inform negotiations ahead of the COP21 meeting, most notably: *Aligning Policies for a Low-carbon Economy*; *Climate Change Mitigation – Policies and Progress*; *Support Measures for Fossil Fuels*; and *Taxing Energy Use*. The report on *Climate Finance in 2013-14 and the USD 100 Billion Goal* provided an up-to-date estimate of public and private climate finance at a critical phase of the COP21 negotiations.

The OECD benefited from an extensive presence throughout COP21 with a permanent pavilion (co-branded with IEA, ITF and NEA) hosting 43 side-events. Other high-level events were held around Paris. The OECD released the 2015 edition of *Environment at a Glance* and scaled up work on water sustainability and governance with reports on: *Drying Wells, Rising Stakes: Towards Sustainable Agriculture Groundwater Use*; *Water Governance in Cities*; and *Securing Water, Sustaining Growth* (with the Global Water Partnership). Reports on water quality and groundwater allocation are forthcoming. In 2016, we will also see the launch of a campaign on biodiversity ahead of the Convention on Biological Diversity COP13 in Mexico in December. ■

www.oecd.org/environment

■ Areas of focus

- Biodiversity: www.oecd.org/environment/resources/biodiversity.htm
- Climate change: www.oecd.org/environment/cc
- Environmental country reviews: www.oecd.org/environment/country-reviews
- Environmental data and indicators: www.oecd.org/environment/indicators-modelling-outlooks
- Environmental modelling and outlooks: www.oecd.org/environment/indicators-modelling-outlooks
- Environmental policies tools and evaluation: www.oecd.org/environment/tools-evaluation
- Environmental policy and technical innovation: www.oecd.org/environment/consumption-innovation/innovation.htm
- Household consumption: www.oecd.org/environment/consumption-innovation/households.htm
- Green growth: www.oecd.org/greengrowth
- Resource productivity and waste: www.oecd.org/environment/waste
- Water: www.oecd.org/water
- Safety of chemicals, pesticides, biotechnology and nanomaterials: www.oecd.org/chemicalsafety

■ Key publications

- *Biodiversity Offsets: Effective Design and Implementation* (forthcoming)
- *Green Investment Banks: Scaling-up Private Investments in Green Infrastructure* (forthcoming)
- *Green Bonds: Mobilising the Debt Capital Markets for a Low-Carbon Transition* (forthcoming)
- *Environment at a Glance 2015*
- *Aligning Policies for a Low-carbon Economy*
- *Climate Finance in 2013-14 and the USD 100 Billion Goal*
- *Climate Change Mitigation: Policies and Progress*
- *The Economic Consequences of Climate Change*
- *Climate Change Risks and Adaptation: Linking Policy and Economics*
- *Materials Resources, Productivity and the Environment*
- *Nanomaterials in Waste Streams – Current Knowledge on Risks and Impacts*
- OECD Environmental Performance Reviews: Brazil 2015, The Netherlands 2015, Chile 2016, France 2016

■ Key events

- 3rd Green Investment Financing Forum, Tokyo, 13-14 October 2016
- World Water Week: Water for Sustainable Growth, Stockholm, 27 August-2 September 2016
- Meeting of the Environment Policy Committee at Ministerial Level, Paris, 28-29 September 2016
- Global Forum on Environment and Economic Growth, Paris, 24-25 October 2016
- Green Growth and Sustainable Development Forum – Spatial planning, land use and urban green growth, Paris, 8-9 November 2016
- Convention on Biological Diversity – CBD COP13, Mexico City, 4-7 December 2016

Directorate for Financial and Enterprise Affairs



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“Our mission is to help governments adopt the best policies to foster open markets and responsible business in support of inclusive growth and society.”

The Directorate for Financial and Enterprise Affairs (DAF) helps governments improve domestic policies and global rules that shape markets and business conduct. It works in the fields of anti-corruption, corporate governance, competition, investment, financial markets, insurance, private pensions and responsible business conduct.

The OECD released updates of three global standards in 2015: the Policy Framework for Investment; the G20/OECD Principles of Corporate Governance; and the Guidelines for Corporate Governance of SOEs. As the OECD marks 40 years of the OECD Guidelines for Multinational Enterprises in 2016, tailored guidance is being released to help enterprises build responsible supply chains in specific sectors: agriculture; extractives; garments and footwear; and finance.

The OECD reinforced its role as a leader in the international fight against corruption with the 2016 Anti-Bribery Ministerial and launch of the fourth phase of implementing the OECD Anti-Bribery Convention. Contributions to COP21 on investment in clean energy, corporate climate change disclosure, and fiduciary duty are being followed-up in 2016. The OECD is conducting targeted work with Greece and Mexico on identifying and implementing pro-competitive policy reforms.

The inaugural edition of the *OECD Business and Finance Outlook* looked at doing business in the low growth and low interest rate environment and at the build-up of risks in the financial sector. The 2016 edition will focus on doing business in a fragmented world.

The Directorate contributes to G20 work in areas such as long-term investment, investment protectionism, responsible business conduct, anti-corruption, financial inclusion, and clean energy, in addition to playing an important role in the creation of the G20 Trade and Investment Working Group. ■

www.oecd.org/daf

■ Areas of focus

- Anti-Bribery Convention: www.oecd.org/daf/nocorruption
- Competition: www.oecd.org/competition
- Due diligence guidance in the mining and minerals sector: www.oecd.org/daf/investment/mining
- OECD Guidelines for Multinational Enterprises, Responsible Business Conduct: <http://mneguidelines.oecd.org>
- Investment for green growth: www.oecd.org/daf/inv/mne/green.htm
- Financial education and consumer protection: www.oecd.org/daf/fin/financial-education
- Financial markets, insurance and pensions: www.oecd.org/daf/fin
- Foreign direct investment statistics: www.oecd.org/investment/statistics.htm
- Institutional investors and long-term investment: www.oecd.org/finance/lti
- Policy Framework for Investment: www.oecd.org/investment/pfi.htm
- G20/OECD Principles of Corporate Governance: [www.oecd.org/daf/ca.principles-corporate-governance.htm](http://www.oecd.org/daf/ca/principles-corporate-governance.htm)
- State-owned enterprises in the marketplace: www.oecd.org/daf/ca/soemarket.htm

■ Key publications

- *OECD Business and Finance Outlook*
- *OECD Pensions Outlook*
- *Corporate Governance and Business Integrity: A Stocktaking of Corporate Practices*
- *Disaster Risk Financing: A Global Survey of Practices and Challenges*
- *OECD Investment Policy Reviews: Nigeria, Philippines, Ukraine, Viet Nam*
- *Climate Change Disclosure in G20 Countries: Stocktaking of Corporate Reporting Schemes*
- *OECD/FAO Guidance for Responsible Agricultural Supply Chains*
- *OECD Guidelines for Responsible Supply Chains in the Garment and Footwear Sector*
- *OECD Guidance for Meaningful Stakeholder Engagement in the Extractive Sector*

■ Key events

- OECD Conference on Improving Women's Access to Leadership, Paris, 8 March 2016
- OECD Anti-Bribery Ministerial Meeting, Paris, 16 March 2016
- Latin American and Caribbean Competition Forum, Mexico City, 12-13 April 2016
- OECD Forum on Integrity, Paris, 19-20 April 2016
- OECD Global Symposium on Financial Resilience Throughout Life, Amsterdam, 20-21 April 2016
- OECD Global Forum on Responsible Business Conduct, Paris, 8-9 June 2016
- Launch of the 2016 OECD Business and Finance Outlook, Paris, 9 June 2016
- International Anti-Corruption Practitioners Conference, Paris, 14-16 June 2016

Directorate for Public Governance and Territorial Development



Rolf Alter

Director

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“The public sector is a critical driver of economic productivity and social inclusiveness. How effectively government does its job goes a long way to determining overall well-being. Unfortunately, measuring the performance of the public sector remains a challenge, and more evidence is warranted. We need to understand better what works across our public sectors so that we can help governments become more productive in providing the services that affect people’s lives and that support business activity.”

The Directorate for Public Governance and Territorial Development (GOV) provides data, analysis and good practice for improving public policy making and strengthening citizens’ trust in government.

The public sector is vital to all aspects of well-being. An effective and accountable public service is essential to support the businesses that create jobs, equip young people with the skills they need for fulfilling careers, and provide the health and social services that citizens expect throughout their lives. In October 2015, OECD and non-OECD Ministers met in Helsinki to craft a new vision for the public sector to help countries meet the challenge of inclusive growth. It focuses first and foremost on providing citizens with access to opportunities to build the future they want. This requires the public sector to be more engaged, open, resilient, inclusive and innovative. OECD supports this effort through pioneering data collection, as presented in *The State of Public Finances* (published in November 2015) and *Government at a Glance 2015*, good practice guidance such as the OECD Recommendations on Water Governance and on Gender Equality in Public Life, and policy reviews including the *Regulatory Policy Outlook* and *Financing Democracy*.

OECD governance principles and experience continue to be in high demand among non-member economies. For example, GOV work on regulatory reform and public-private partnerships are key pillars of the OECD Southeast Asia Regional Programme, while urbanisation is a prominent area of OECD collaboration with China. The OECD also works on public governance issues with UN Habitat, the European Commission, the Inter-American Development Bank and many other international bodies. ■

www.oecd.org/gov

■ Areas of focus

- Budgeting and public expenditures: www.oecd.org/gov/budget
- Fighting corruption in the public sector: www.oecd.org/gov/ethics
- Government at a Glance: www.oecd.org/gov/govataglance.htm
- How's Life in Your Region: www.oecd.org/governance/regional-policy/how-is-life-in-your-region.htm
- Observatory of Public Sector Innovation: www.oecd.org/governance/observatory-public-sector-innovation/home
- 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
- Regulatory policy: www.oecd.org/gov/regref
- Regional, urban and rural development: www.oecd.org/gov/regional
- Risk management: www.oecd.org/gov/risk
- SIGMA (Support for Improvement in Governance and Management): www.oecd.org/gov/sigma
- Trust in Government: www.oecd.org/gov/trust-in-government.htm
- Water Governance: www.oecd.org/gov/regional-policy/watergovernanceprogramme.htm

■ Key publications

- *Government at a Glance 2015*
- *State of Public Finances: Strategies for Budgetary Consolidation and Reform in OECD Countries*
- *Regulatory Policy Outlook*
- *Water Governance in Cities*
- *Financing Democracy*
- *The Changing Face of Strategic Crisis Management*
- *OECD Recommendation of the Council on Gender Equality in Public Life*
- *Integrity Framework for Public Investment*
- *Committing to Effective Whistleblower Protection* (forthcoming)
- *Counterfeit and Pirated Trade: The Current Picture* (forthcoming)
- *Regions at a Glance 2016* (forthcoming)
- *OECD Regional Outlook 2016* (forthcoming)

■ Key events

- Annual Meeting of OECD Senior Budget Officials, Rome, 11-12 June 2015
- E-Leaders Meeting, Tokyo, 29-30 September 2015
- 6th OECD Roundtable of Mayors and Ministers, Mexico City, 16 October 2015
- Meeting at Ministerial Level on Public Governance for Inclusive Growth, Helsinki, 27-28 October 2015
- Meeting of the Network of Senior Officials from Centres of Government, Helsinki, 28-30 October 2015
- OECD Water Governance Initiative, Paris, 2-3 November 2015
- OECD High Level Risk Forum, Washington, DC, 8-10 December 2015
- Infrastructure Governance Symposium, Paris, 29 February 2016
- Integrity Forum, Fighting the Hidden Tariff: Global Trade Without Corruption, Paris, 19-20 April 2016

Directorate for Science, Technology and Innovation



Andrew Wyckoff

Director

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“Stronger innovation performance – including the use of digital technologies and infrastructure – is essential to boosting productivity growth and job creation, and reducing the cost of addressing global challenges like climate change. We need to be creative and bold to make technological changes and scientific discoveries work for people, for our planet and for greater prosperity.”

The Directorate for Science, Technology and Innovation (STI) develops evidence-based policy advice on the contribution of science, technology and innovation to economic growth and well-being. In its conceptual, analytical and statistical work, STI focuses on identifying new sources of growth and the drivers of productivity, the changing nature of international trade, the evolution of the digital economy and the dynamics of innovation.

The slowdown in productivity over the past decade has added to concerns about the long-term economic outlook. The OECD's recent work on “The Future of Productivity” shows that the gap between high productivity firms and the rest has been increasing over time, suggesting that there are barriers to the diffusion of new innovations.

Productivity is largely driven by innovation and technological change. *The Innovation Imperative* builds on the first OECD Innovation Strategy. It highlights the importance of concentrating innovation policies on effective skills strategies, an open and competitive business environment, sustained public investment, increased access and participation in the digital economy, and sound governance and implementation.

Ministers from OECD and emerging economies agreed to a joint declaration at the OECD's recent ministerial level meeting on science and technology in Daejeon, Korea. Ministers asked the OECD to strengthen its advice on science and technology policies, notably on open science, impact assessment and international co-operation, and to continue improving its statistics and measurement systems.

The *OECD Science, Technology and Industry Scoreboard 2015* was released, providing over 200 indicators on OECD and major non-OECD economies. The past year also saw the release of the 7th edition of the *Frascati Manual*, which has provided the international standard for measuring research and development since 1963. ■

www.oecd.org/sti

■ Areas of focus

- Big data: www.oecd.org/sti/ieconomy/data-driven-innovation.htm
- Broadband and telecom: www.oecd.org/sti/broadband
- Digital economy: www.oecd.org/sti/ieconomy
- Firm dynamics: www.oecd.org/sti/dynemp.htm
- Global value chains (GVCs): www.oecd.org/sti/ind/global-value-chains.htm
- Inclusive Innovation: <http://oe.cd/inclusive>
- Industry: www.oecd.org/sti/ind
- Innovation: www.oecd.org/sti/inno
- Science and technology: www.oecd.org/sti/sci-tech
- Trade in Value Added (TiVA): www.oecd.org/trade/valueadded

■ Key publications

- *OECD Science, Technology and Industry Scoreboard 2015: Innovation for Growth and Society*
- *The Innovation Imperative: Contributing to Productivity, Growth and Well-being*
- *The Frascati Manual*
- *OECD Digital Economy Outlook 2015*
- *Data-driven Innovation: Big Data for Growth and Well-being*

■ Key events

- Creating Our Common Future through Science, Technology and Innovation, Ministerial meeting, Daejeon, October 2015
- Intellectual Property Statistics for Decision Makers, Vienna, November 2015

Statistics Directorate



Martine Durand

Chief Statistician and Director of Statistics

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“Data will be central to achieving the SDGs. The OECD is renowned as an authoritative source for a vast array of economic, social, environmental and development-related statistics and is a pioneer in developing broader measures of well-being and progress. We have been at the forefront of global innovations in statistical methods, systems and dissemination. Our data and methods will be key to help the world realise the 2030 Agenda for Sustainable Development.”

The Statistics Directorate (STD) collects and analyses economic and social statistics from member and partner countries, making them as internationally comparable as possible. Our focus areas include national accounts, prices, purchasing power parities, trade, business, labour, and well-being statistics. We are developing new, highly policy-relevant measures, including on green growth, trust and job quality. We are also improving the quality and coverage of data on productivity, making them more granular and highlighting the role of intellectual property. STD co-ordinates all OECD statistical activities and the development of OECD statistical information systems.

To achieve inclusive growth, we need to know whether economic growth benefits people's well-being. For this, and building on our interactive Better Life Index and the biennial *How's Life?* report, STD has developed a measurement framework of multidimensional living standards that integrates income with other dimensions of quality of life that matter for well-being, including jobs, health, education and income inequality. STD has also developed new databases of inequalities in wealth and health outcomes and of house prices.

To explore households' economic well-being in greater detail, STD has launched a new Household Dashboard of material conditions, as well as an interactive Compare Your Income tool that assesses differences between people's perceptions of income inequality and the reality.

The OECD's Trade in Value Added (TiVA) database, updated in October 2015, has transformed the way policy makers look at trade and global value chains (GVCs). Work continues to expand coverage to more developing countries through a TiVA network of regional partners developed by STD, to address the role of small and medium-sized enterprises in GVCs, and to explore the relationship between trade, investment and GVCs.

Drawing on all this work, STD has been actively contributing to the UN-led effort to build a global indicator framework for the Sustainable Development Goals. ■

www.oecd.org/std

■ Areas of focus

- Composite leading indicators and business tendency surveys: www.oecd.org/std/leading-indicators
- Entrepreneurship indicators and business statistics: www.oecd.org/std/business-stats
- Productivity statistics: www.oecd.org/std/productivity-stats
- OECD Better Life Initiative: www.oecd.org/betterlifeinitiative
- Measuring well-being and progress: www.oecd.org/measuringprogress
- Inclusive growth: www.oecd.org/std/inclusivegrowth-theoecdmeasurementframework.htm
- Gender equality: www.oecd.org/gender
- Green growth: www.oecd.org/greengrowth
- Labour statistics: www.oecd.org/std/labour-stats
- International trade and balance of payments: www.oecd.org/std/its
- Measuring Trade in Value Added (TiVA): www.oecd.org/trade/valueadded
- National accounts and financial statistics: www.oecd.org/std/na; www.oecd.org/std/fin-stats
- Prices and purchasing power parities: www.oecd.org/std/prices-ppp

■ Key publications

- *How's Life? 2015 Measuring Well-being*
- *Well-being in Israel: A Framework of Statistical Indicators*
- *OECD Compendium of Productivity Indicators 2016*
- *OECD Factbook 2015: Economic, Environmental and Social Statistics*
- *Entrepreneurship at a Glance 2015*
- *National Accounts at a Glance 2015*

■ Key events

- SDMX Global Conference, Bangkok, 28-30 September 2015
- 5th OECD World Forum: Transforming Policy, Changing Lives, Guadalajara, 13-15 October 2015
- Workshop on Access to New Data Sources for Statistics, Paris, 17-18 December 2015

Centre for Tax Policy and Administration



Pascal Saint-Amans

Director

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“Working together with our members and countries representing different levels of development, the OECD has made major advances to put an end to tax evasion and avoidance, ensuring a stronger and fairer international tax system. 2015 was marked by a historic agreement to make fundamental changes to the global tax rules. Our goal in 2016 will be to assist countries with the implementation of these new commitments. Only then, through policy implementation, will people’s lives truly start improving.”

The Centre for Tax Policy and Administration (CTPA) is the hub for the OECD’s tax work, supporting the Committee on Fiscal Affairs. Its work covers international and domestic issues, across direct and indirect taxes. The CTPA’s work builds on strong relationships with OECD members and the engagement of a large number of non-OECD, G20 and developing countries, as well as input from business, labour and civil society. This ensures our solutions are fit for the modern, globalised economy.

Tax policy is a foundation of OECD work, with its role in ensuring a sustainable environment that supports balanced economic growth. For more than 50 years, the OECD has also led the development of the global tax rules – addressing tax barriers to trade and investment while ensuring that tax evasion and avoidance do not undermine countries’ tax systems. Today, the Global Forum on Transparency and Exchange of Information has more than 130 member jurisdictions, which work to ensure they meet their commitments to the international tax transparency standards established by the OECD. The Base Erosion and Profit Shifting (BEPS) Project saw all OECD and G20 countries commit in 2015 to the implementation of measures that will ensure we realign taxation with the location of economic activities and value creation. The next phase of the BEPS Project will be open to all interested countries and jurisdictions through an inclusive framework. With renewed focus on the importance of domestic resource mobilisation for achieving development goals, the framework is central to supporting countries to build better tax systems.

Of growing interest in recent years is the work under the OECD Oslo Dialogue enhancing inter-agency and international co-operation on tax issues and financial crimes. Finally, our Forum on Tax Administration brings together Tax Commissioners to ensure new policies are effectively implemented by sharing experiences and best practice. ■

www.oecd.org/ctp

■ Areas of focus

- Automatic exchange of information: www.oecd.org/tax/automatic-exchange
- Base Erosion and Profit Shifting: www.oecd.org/ctp/beps.htm
- Consumption tax: www.oecd.org/ctp/consumption
- Forum on Tax Administration: www.oecd.org/tax/forum-on-tax-administration
- Global Forum on Tax Transparency and Exchange of Information for Tax Purposes: www.oecd.org/tax/transparency
- Global relations in taxation: www.oecd.org/ctp/tax-global
- Tax and crime: www.oecd.org/ctp/crime
- Tax and development: www.oecd.org/ctp/tax-global/taxanddevelopment.htm
- Tax policy and statistics: www.oecd.org/ctp/tax-policy
- Tax treaties: www.oecd.org/ctp/treaties
- Transfer pricing: www.oecd.org/ctp/transfer-pricing
- Tax Inspectors Without Borders: www.oecd.org/tax/taxinspectors.htm

■ Key publications

- *Global Forum on Transparency and Exchange of Information for Tax Purposes: Peer Reviews*
- *OECD/G20 Base Erosion and Profit Shifting: 2015 Final Reports*
- *OECD International VAT/GST Guidelines*
- *Revenue Statistics 2016 covering OECD, LAC, Asian and African countries*
- *Tax Administration 2015*
- *Taxation of SMEs in OECD and G20 Countries*
- *Taxing Energy Use 2015: OECD and Selected Partner Economies*
- *Taxing Wages 2016 covering OECD and LAC countries*

■ Key events

- 6th International Tax Dialogue Conference, Paris, 1-3 July 2015
- Launch of Tax Inspectors Without Borders, Addis Ababa, 13 July 2015
- Webcast launch of the final OECD/G20 Base Erosion and Profit Shifting reports, Paris, 5 October 2015
- 8th Global Forum on Transparency and Exchange of Information for Tax Purposes, Bridgetown, 30 October 2015
- 20th Annual Global Forum on Tax Treaties, Paris, 3-4 November 2015
- 3rd Meeting of the Global Forum on VAT, Paris, 5-6 November 2015
- Annual Meeting of the Global Forum on Transfer Pricing, Paris, 2-3 March 2016
- Task Force on Tax and Development: BEPS and Developing Countries, Paris, 4 March 2016
- Forum on Tax Administration, Beijing, 11-13 May 2016
- Inaugural BEPS Inclusive Framework meeting, Kyoto, 30 June-1 July 2016

Trade and Agriculture Directorate



Ken Ash

Director of Trade and Agriculture
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“Twenty-first century issues are challenging the multilateral trade system, while traditional ones remain unresolved. The OECD provides the analysis to support progress on key issues such as digital trade, services and coherence between trade and investment policies. We also continue to define the parameters of a positive food and agriculture policy agenda to shift the emphasis away from short-term measures supporting income and prices to long-term investments in innovation, competitiveness, and sustainable productivity growth.”

The Trade and Agriculture Directorate (TAD) provides support for a strong, rules-based multilateral trading system, and helps governments develop 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.

The OECD's work on Trade in Value Added (TiVA) and global value chains (GVCs) is showing where income is created as goods and services cross borders multiple times. Services, in particular, play a vital role in well-functioning GVCs, and the OECD Services Trade Restrictiveness Index reveals that even modest reforms could increase exports by up to 7% and lower import prices by 10% in some sectors and countries. The OECD Trade Facilitation Indicators, in turn, show that trade costs could be reduced by up to 17.5% in some countries if governments implement the WTO Trade Facilitation Agreement. Our 2015 *Inventory of Fossil Fuel Support Measures* identified outdated measures supporting fossil fuel production and consumption worth USD 160 billion to 200 billion a year.

The OECD also provides analysis and advice to help governments advance their farm, food and fisheries policies and to continue improving agricultural knowledge and innovation. The 2016 *OECD Agricultural Policy Monitoring and Evaluation Report* will provide an assessment of agriculture policy across OECD member countries and key emerging economies. The *OECD-FAO Agricultural Outlook 2016-2024* will present projections of commodity market developments, including a special feature on Africa. Recent fisheries and aquaculture policy issues have also been addressed in the 2015 *OECD Review of Fisheries* and the work on *Fishing for Development*. ■

www.oecd.org/tad

■ Areas of focus

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

■ Key publications

- *The Impact of Services Trade Restrictiveness on Trade Flows*, OECD Trade Policy Paper 178
- *Participation of Developing Countries in Global Value Chains*, OECD Trade Policy Paper 179
- *Emerging Policy Issues: Localisation Barriers to Trade*, OECD Trade Policy Paper 180
- *Alternative Futures for Global Food and Agriculture*
- *Fishing for Development*
- *Adapting Agriculture to Climate Change*, OECD Food, Agriculture and Fisheries Paper 85
- *OECD Review of Fisheries: Country Statistics 2015*
- *Innovation, Agricultural Productivity and Sustainability in China* (forthcoming)
- *OECD-FAO Agricultural Outlook 2016-2025* (forthcoming)
- *Agricultural Policies: Monitoring and Evaluation 2016* (forthcoming)

■ Key events

- Workshop, Coherent Policies for Climate Smart Agriculture 2015, Jeju Island, 17-18 June 2015
- APEC Dialogue, Services SMEs in the Digital Economy: Opportunities and Policy Constraints, Cebu, 28 August 2015
- Launch of the OECD-IEA Fossil Fuel Support Inventory 2015, Paris, 21 September, 2015
- OECD-ASEAN Regional Conference on Agricultural Policies to Promote Food Security and Agro-Forestry Productivity 2015, Seoul, 12-13 October 2015
- Joint COPARMEX, COMCE, BIAC, and OECD conference, Keeping Markets Open: Challenges and Opportunities for Trade and Investment in Latin America, Mexico City, 15 October 2015
- OECD Global Forum on Trade 2015, Paris, 3 November 2015
- OECD Global Forum on Agriculture 2016, Paris, 2 February 2016
- OECD Meeting of Agriculture Ministers 2016, Paris, 7-8 April 2016

Public Affairs and Communications Directorate



Anthony Gooch

Director

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“Reaching out and engaging with a global audience of policy makers, policy shapers and citizens, PAC works to maximize the impact of OECD work in today’s interconnected world.”

The role of the Public Affairs and Communications Directorate (PAC) is to strengthen the OECD’s impact and influence on key audiences. It strategically orchestrates external communications in line with the Secretary-General’s orientations, mainstreams communications across the Organisation, and provides support and advice on communication issues. PAC also fosters dialogue with a wide range of policy shapers, such as parliamentarians, business, labour, civil society, the media and the wider public.

2015 was an unprecedented year for communications at the OECD, breaking records for dissemination and front-page coverage, including around key international events and processes such as: the high-profile OECD/G20 work on tax, the UN’s Sustainable Development Goals, and the COP21 climate talks in Paris. The OECD featured in 60 front-page articles in major global newspapers and in more than 30 000 print and online articles; OECD.org received 18 million visits; and the OECD iLibrary notched up almost 14 million downloads. On Twitter, the number of followers rose to more than 900 000, while data visualisations attracted 3 million views. By year-end, the new Data Portal was earning a million views a month.

PAC also strengthened its engagement with policy shapers and citizens. The Better Life Index continued to perform strongly, registering almost 2.2 million visits in 2015, with over 100 000 people sharing their views on well-being with the OECD. The 2015 OECD Forum Investing in the Future: People, Planet, Prosperity brought together Ministers, CEOs and thought leaders from across civil society for debate around the most pressing issues on the global agenda, in front of an informed audience of over 2 000 people. The OECD Global Parliamentary Network continued to ensure strong engagement with legislators, around challenging areas of policy reform. The February OECD Parliamentary Days attracted a record turnout of 124 MPs.

PAC also continued to engage strongly with regional and local audiences, through its four centres around the world which cover Central and Eastern Europe, Latin America and the Caribbean, Asia and North America. ■

www.oecd.org

■ Areas of focus

- Centres abroad: www.oecd.org/centres; Berlin: www.facebook.com/OECDStatistik and www.twitter.com/OECDStatistik; Mexico: www.twitter.com/ocdeen espanol; Tokyo: www.facebook.com/OECD.Tokyo and www.twitter.com/OECDTokyo; Washington: www.facebook.com/OECDWashington and www.twitter.com/OECD_Washington
- Civil society: www.oecd.org/civilsociety
- OECD iLibrary, dissemination and knowledge: www.oecd-ilibrary.org
- Images and videos: www.flickr.com/OECD; www.youtube.com/OECD
- The OECD Data Portal: <http://data.oecd.org>
- Media relations: www.oecd.org/media
- OECD Forum: www.oecdforum.org
- Parliamentary relations: www.oecd.org/parliamentarians
- Publishing activities: www.oecd.org/publishing
- Social media: www.facebook.com/TheOECD; www.twitter.com/OECD;
- Better Life Index: www.oecdbetterlifeindex.org

■ Key publications

- *OECD Observer*, quarterly: www.oecdobserver.org
- OECD Policy Briefs: www.oecd.org/policy-briefs
- *OECD Yearbook 2016*: www.oecd.org/yearbook
- OECD Insights series: <http://oe.cd/1hQ>
- OECD Insights Blog: <http://oecdinsights.org>
- *OECD Factbook*: www.oecd.org/publications/factbook
- *Secretary-General's Report to Ministers 2016*
- OECD Civil Society Newsletter

■ Key events

- OECD Forum 2015: Investing in the Future: People, Planet, Prosperity, Paris, 2-3 June 2015
- Journées européennes du patrimoine, Paris, 19-20 September 2015
- OECD Parliamentary Days, Paris, 25-27 February 2015
- OECD Forum 2016: Productive Economies, Inclusive Societies, Paris, 31 May-1 June 2016

Global Relations Secretariat



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 Director
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“The OECD facilitates the sharing of policy experiences with and between countries at different stages of development, so that they can develop a common understanding of joint challenges and implement best policy solutions. The participation of partner countries in OECD work is very welcome, as it helps bring new perspectives, increasing the relevance of global policy debates.”

The Global Relations Secretariat (GRS) promotes the OECD’s global reach and impact by strengthening the Organisation’s relations with emerging and developing countries around the globe. It fosters the active involvement of the Key Partners, Brazil, China, India, Indonesia and South Africa, as well as other important partners, in the OECD’s work programme.

The OECD’s Global Relations efforts are at the core of the Organisation’s strategic response to the UN’s 2030 Agenda for Sustainable Development. Accordingly, the GRS continues to strengthen partner countries’ engagement with the Organisation, especially its Key Partners and others seeking closer relations with the OECD to support their ambitious reform plans.

Joint priority-setting mechanisms have been put in place with several partner countries (Brazil, China, Indonesia, Kazakhstan, Morocco, Peru and Ukraine), so we can develop a whole-of-government view of opportunities for mutually beneficial engagement.

Complementing this bilateral approach, Regional Programmes increase the OECD’s policy impact among large groups of countries, encouraging regional dialogue, exchange of good practices and adherence to OECD legal instruments. A new Regional Programme for Latin America and the Caribbean (LAC) will be launched at the 2016 MCM. Other Regional Programmes include Southeast Asia, the Middle East and North Africa, Eurasia and Southeast Europe. Co-operation is also developing with Sub-Saharan African countries. In all these regional activities, priorities are decided jointly with partner countries, so the work can be tailored to the region’s specific policy needs. ■

www.oecd.org/globalrelations

■ Areas of focus

- OECD Global Relations, Key Partners, regional programmes and Global Fora: www.oecd.org/globalrelations
- Africa: www.oecd.org/africa
- Brazil: www.oecd.org/brazil; www.oecd.org/latin-america
- China (People's Republic of): www.oecd.org/china
- Eurasia: www.oecd.org/globalrelations/eurasia.htm
- India: www.oecd.org/india
- Indonesia: www.oecd.org/indonesia
- Latin America: www.oecd.org/latin-america
- Middle East and North Africa: www.oecd.org/mena
- South Africa: www.oecd.org/southafrica
- Southeast Asia: www.oecd.org/globalrelations/seaprogramme.htm
- Southeast Europe: www.oecd.org/investmentcompact

■ Key publications

- *Competitiveness in South East Europe: A Policy Outlook*
- SME Policy Index series:
 - *Eastern Partner Countries 2016: Assessing the Implementation of the Small Business Act for Europe*
 - *Western Balkans and Turkey 2016: Assessing the Implementation of the Small Business Act for Europe*
 - *The Mediterranean Middle East and North Africa 2014: Implementation of the Small Business Act for Europe*
- *Women in Business 2014: Accelerating Entrepreneurship in the Middle East and North Africa Region*

■ OECD Brochures

- Active with Africa (also available in French)
- Active with Brazil (also available in Portuguese)
- Active with the People's Republic of China (also available in Chinese)
- Active with India
- Active with Indonesia (also available in Bahasa)
- Active with Latin America and the Caribbean (also available in Spanish)
- Active with the Middle East and North Africa (also available in Arabic and French)
- Active with Southeast Asia
- MENA-OECD Competitiveness Programme: Promoting Women's Economic Opportunity in the Middle East and North Africa
- Competitiveness in South East Europe: Key Messages Brochure

Executive Directorate



Anthony Rottier

Director

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“Corporate services underpin the Organisation’s ability to deliver outputs and plan for the future. In 2015, we continued to strengthen the Organisation’s capacity to deliver value for money to its members through the implementation of a comprehensive Value for Money (V4M) Action Plan and consolidating new organisational arrangements for corporate services. These initiatives, and others, reflect the OECD’s strong management practices and standards, and determination to keep the OECD as a leader among international organisations in this regard.”

The Executive Directorate (EXD) advises the Secretary-General on management policies and practices, along with ensuring that the OECD stays at the forefront of corporate management best practices. EXD delivers a full range of high-quality corporate services to staff, members and delegates, including human and financial resource management, digital knowledge and information management, as well as conference, language, security and operations services that enable the Organisation to carry out its work efficiently and effectively.

In 2015, EXD consolidated new organisational arrangements, reducing the number of services from five to four and strengthening the focus on information and knowledge management. These changes facilitate collaboration across EXD, and better position the Directorate, and the OECD, to benefit from the progressive digitalisation of many aspects of the Organisation’s work. The year was also marked by the signing of a lease for a new building, which will allow the Organisation to accommodate expected growth over the coming years. The Organisation has now consolidated office space to an unprecedented degree.

In 2015, the OECD continued to strengthen its capacity to deliver value for money to its members through the progressive implementation of the recommendations in the Action Plan resulting from the Value for Money (V4M) Project. Conducted in 2013-14, this project will have a recurring effect on practices and processes at the OECD. ■

Internal Audit and Evaluation



Lucy Elliott

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“Internal Audit and In-depth Evaluation play a key role in supporting the OECD’s mission through their forward-looking recommendations and identification of good practices, and their advice to the Secretary-General on internal governance, risk management, control, monitoring and evaluation, all of which contributes to reinforcing the internal governance, accountability and performance of the Organisation.”

Internal Audits provide objective and independent assurance to the Secretary-General over internal governance, risk management and control within the OECD secretariat. In-depth Evaluation provides systematic, arm’s length assessments of the relevance, effectiveness and efficiency of the OECD’s substantive committees *inter alia* to inform Council decisions on mandate appropriateness and renewal.

In 2015, In-depth Evaluation covered 12 committees and three “Part II” programmes, including evaluations and monitoring of implementation of recommendations, while continuing to enrich a repository of good-practice cases aimed at contributing to replicating success and promoting learning across the Organisation. Furthermore, agreement was reached in Council on a third cycle of In-depth Evaluation designed to reflect the changing needs and strategic priorities of the Organisation, to be launched as of 2017.

Internal Audit carried out an External Quality Assessment, as required by the Institute of Internal Auditors, which concluded that it “Generally Conforms” with the Institute’s Standards, the highest rating. This year also saw the implementation of the first year of Internal Audit’s four-year strategy, auditing closer to the substance of the OECD’s work and to provide more assurance at a corporate level. An example of the impact of this is the OECD’s adoption of a corporate dimension to staffing and financial considerations associated with the Human Resources contract conversion policy in order to manage potential emerging risks around retention of staff.

Internal Audit and Evaluation provided advice to management in the areas of internal governance, risk management, control, monitoring and evaluation processes. ■

www.oecd.org/about/whodoeswhat/internal-audit-evaluation.htm

Directorate for Legal Affairs



Nicola Bonucci
 Director for Legal Affairs and
 Accession Co-ordinator
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“The Anti-Bribery Convention produced a legislative ‘revolution’ around the world. Anti-bribery legislation has been passed in countries where bribes once could be written off as a tax deduction. But enforcement is wanting even when accounting for differences in culture, history, and legal tradition.”

The Directorate for Legal Affairs advises on all legal, institutional and procedural aspects of the Organisation’s activities and supports directorates in the development of their outputs. It represents the Organisation in legal proceedings and provides support on contracts, co-operation and financing agreements, intellectual property and financial and human resources reforms.

The Directorate played a central role in negotiating the legal arrangements to secure new office space and to update the funding arrangements with the EU. It supported the implementation of the DELTA Programme to render data open, accessible and free. It also continued to advocate for the protection for international organisations’ names and acronyms on the internet.

On matters of substance, support was extensive to the Base Erosion and Profit Shifting Project (BEPS), notably on the development of a multilateral instrument to modify bilateral tax treaties. The Directorate also represented the OECD in various international fora focusing on the fight against corruption, including in the G20 context. These fields will remain key in the coming months, together with the work on general due diligence guidance for responsible business conduct.

Throughout 2015, the team mobilised to co-ordinate accession discussions with four candidate countries at different stages in the process. Finally, the Directorate assisted with the significant relations maintained with non-members, in particular with their adherence to OECD legal instruments and with co-operation arrangements, and was very active in the negotiation of Privileges and Immunities Agreements to facilitate the work of the OECD and protect its independence. ■

www.oecd.org/legal

Council and Executive Committee Secretariat



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Director

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“The Council Secretariat will continue to serve as one of the interfaces between members and the Secretariat, to prepare the decisions that will shape the future of the OECD. In a time of difficult economic situations with members, the OECD potential value-added is higher than ever. We dedicate our work and skills to the successful implementation of our recommendations, for the benefit of our fellow citizens.”

The Council Secretariat serves the Council and the Executive Committee, the Heads of Delegation meetings, the Global Strategy Group and the Ministerial Council Meeting (MCM).

The Council Secretariat advises the Secretary-General on the general policy of the Organisation and provides advice and assistance on institutional, policy and procedural aspects of the Council's activities. It also serves as a liaison among standing committees as well as between the Secretariat and member delegations in the management of the Council's work programme. The Council Secretariat's dialogue with directorates facilitates their engagement with members.

Within the available resources and while serving new bodies, the Council Secretariat is continuing to upgrade its service to Council, its chair and the Executive Committee, moving higher up in the value chain by collecting timely information from different networks, with a view to ensuring better co-ordination, earlier identification and resolution of possible issues, as well as easier programming. The launch of the eCouncil platform in 2014 has dramatically improved the document process for the preparation of the Executive Committee and Council: it enhances co-ordination and streamlines document and meeting preparations. In 2016, efforts will also continue to better structure processes within the Secretariat and support institutional relations. With this in mind, the Council Secretariat has worked on new developments in eCouncil and is launching specific spaces for the preparation of the External Relations Committee and for the Budget Committee. ■

Strategic Foresight



Angela Wilkinson
Counsellor for Strategic Foresight

“There is always a risk that the global future will become a battlefield of ideological or elite power contests. The OECD’s Strategic Foresight is an essential contribution to economic diplomacy. The positive impacts of policy-relevant foresight are now found everywhere.”

Strategic foresight helps societies thrive in an era characterised by turbulence, uncertainty, novel developments and ambiguous change. It enables the OECD’s new narrative of progress to be translated into inclusive and actionable policies. By opening up the international policy process to new ideas about shifting global realities, it supports policy makers to design for disruption and to collaborate on new and better future possibilities.

The upgrade in strategic foresight continues to work its way throughout the OECD Secretariat. It combines open, systems thinking with integrated analysis.

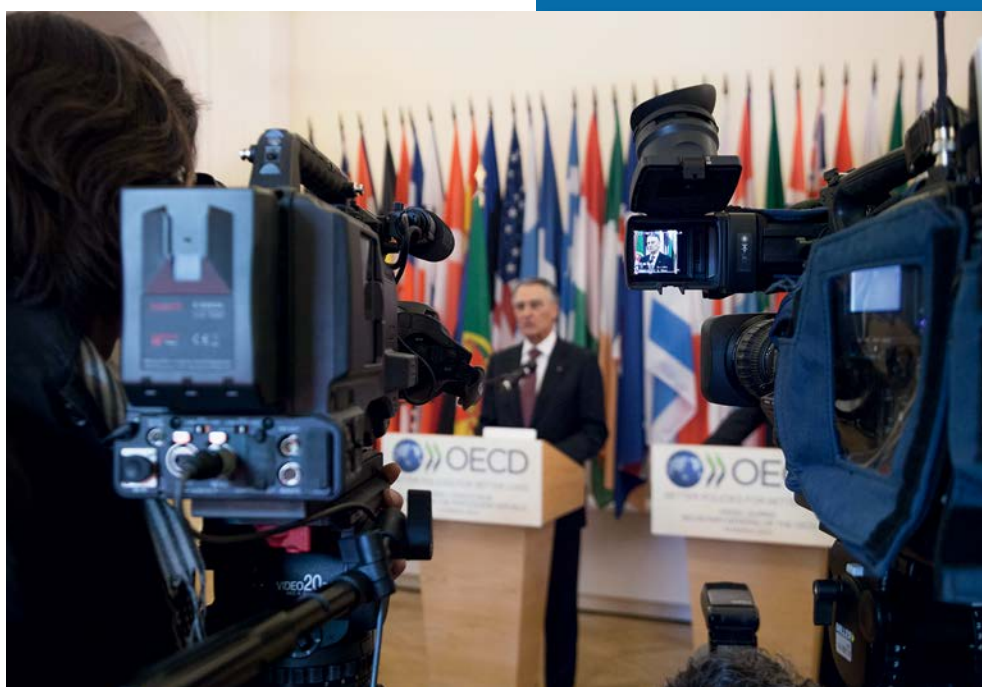
The visible aspects of the upgrade could be seen in piloting the use of foresight to support high-level policy dialogues. These include the global scenario-based policy discussion over lunch at the Ministerial Council Meeting in 2015 and the discussion of megatrends during the Global Strategy Group in December 2015.

Less visible is the sustained effort in new skills, new systems and infrastructures. These include a new co-ordinated horizon-scanning system, which can support any committee and directorate in exchanging and using foresight in their work planning and programme. This system feeds into OECD megatrends analysis, new strategic initiatives such as the Next Production Revolution, and supports new member services such as long-term visioning and national strategic planning.

The OECD Government Foresight Community (GFC) network, which was established in 2013 to connect foresight champions and practitioners, now has over 70 members from almost all OECD member countries. It uses a mix of online and face-to-face engagement to facilitate strategic knowledge exchange on megatrends and global scenarios. It has collated case studies on policy relevant foresight and is co-producing a new OECD guide on principles for effective practices.

In summary, the upgrade is moving mainstream and remains an essential element in realising the OECD ambition to be a global policy pathfinder. ■

SPECIAL BODIES AND OTHER SPECIAL ENTITIES



OECD Development Centre



Mario Pezzini
Director

The OECD Development Centre (DEV) was established in 1962 as a special platform for analysis, knowledge-sharing and evidence-based policy dialogue where developing countries, emerging economies and OECD countries interact on an equal footing. The inclusive nature of its membership, coupled with its intellectual independence, helps to find innovative policy solutions to pressing development challenges. Since 2015, six countries – China, Ghana, Kazakhstan, Slovenia, Tunisia, and Uruguay – have joined DEV, which now counts 50 members – 26 OECD and 24 non-OECD countries. The Centre also counts on the participation of the European Union.

DEV carries out a combination of policy-oriented research on a wide spectrum of policies and engages with governmental and non-governmental stakeholders through policy dialogue and knowledge sharing. Thanks to the global representativeness of its Governing Board and its multidisciplinary and inclusive approach, the Centre assists governments in advancing their policy agendas to achieve inclusive societies and competitive economies, as well as shedding light on new perspectives on development and regional and national analysis. Key to these efforts are the policy dialogue initiatives on natural resource-based development and on global value chains and production transformation, as well as networks engaging foundations (NETfwd), multinational enterprises (EMnet), and heads of communication in development co-operation agencies (DevCom).

Thus, the Centre offers a vehicle for thinking through the Sustainable Development Goals (SDGs) and plays a crucial role in supporting countries in the search for new strategies towards stronger, more balanced, sustainable and inclusive growth. The Governing Board identified its Multi-dimensional Country Reviews (MDCRs) as an important tool to support the implementation of the 2030 Agenda for Sustainable Development. The Centre contributes to closing data gaps and developing methodologies and capacities to improve the international SDG monitoring. Examples include: data on gender equality (Social Institutions and Gender Index); indicators on policy coherence for migration and development (KNOMAD Dashboard); indicators and reviews on well-being in developing countries; social protection system reviews; and Revenue Statistics in Africa, Asia, and Latin America & the Caribbean. ■

For more information see: www.oecd.org/dev; Twitter: [@OECD_Centre](https://twitter.com/OECD_Centre); www.africaneconomicoutlook.org; www.latameconomy.org; www.genderindex.org

International Energy Agency



Fatih Birol
Executive Director

The International Energy Agency (IEA) works to ensure reliable, affordable and clean energy for its 29 member countries and beyond. Its work revolves around the “4 Es” of sound energy policy: energy security, environmental sustainability, economic development and engagement worldwide.

Dynamism best describes 2015 at the IEA. A new Executive Director started in September, bringing changes in strategy with the aim of “modernising” the IEA. At the 2015 Ministerial meeting IEA Ministers supported new mandates to enable the Agency to adapt to changing forces in the energy sector and reinforce its position as the global energy authority by:

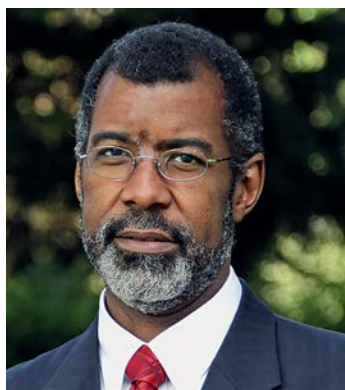
- Enhancing engagement with major emerging economies;
- Strengthening and broadening commitment to energy security;
- Increasing the focus on clean energy technology, including energy efficiency; and
- Ensuring the IEA's long-term financial health.

The IEA strengthened co-operation with key emerging economies, culminating with activation of Association with: China, Indonesia and Thailand. Association is the first step in a progressive relationship that will have an evolving nature and serve as a basis for higher levels of co-operation in the future. The IEA has also advanced its relationship with India and is confident it will soon become an IEA Association country. In November, Mexico began the accession process to become an IEA member.

The IEA also had unprecedented engagement in COP21, bringing to the heart of the negotiations its authoritative greenhouse gas statistics, clean energy policy and market analysis, an IEA Ministerial Statement on Energy and Climate Change, and 2°C scenarios that highlighted that ambitious climate goals remain within reach. ■

For more information see: www.iea.org

Nuclear Energy Agency



William Magwood
NEA Director-General

Nuclear Energy Agency (NEA) member countries account for 86% of global nuclear energy generating capacity. Through international co-operation, the NEA helps its 31 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 input to government decisions on nuclear energy policy and to broader OECD policy analyses in areas such as energy, green growth and climate change.

NEA activities cover nuclear safety and regulation, radioactive waste management, radiological protection, nuclear science and data, nuclear development and the fuel cycle, and legal affairs. The NEA also acts as the technical secretariat of the Multinational Design Evaluation Programme (MDEP), the International Framework for Nuclear Energy Co-operation (IFNEC) and the Generation IV International Forum (GIF).

In 2015, the NEA worked with GIF member countries to extend the landmark Generation IV Nuclear Energy Systems Agreement for an additional ten years. Through this unique agreement, signatories may collaborate on R&D for next-generation nuclear energy technologies. Most GIF countries have signed the extension and the remaining countries are expected to adhere to the renewed agreement in 2016.

In the past year, the NEA took over management of the International Framework for Nuclear Energy Co-operation (IFNEC), which is a forum that brings 64 countries together to discuss and study challenging issues associated with the deployment of new nuclear plants in both highly developed nuclear countries and in new entrant countries.

Also in 2015, the NEA launched Nuclear Innovation 2050 (NI2050), which is based on the likelihood that global efforts to reduce carbon emissions will require the expanded use of nuclear energy. To meet long-term environmental goals, countries may need to apply advanced technologies for energy production, the decommissioning of retired plants and the management of radioactive waste. The NI2050 process is designed to reach global consensus on the priority R&D requirements. ■

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

Special Entities



Financial Action Task Force



David Lewis
Executive Secretary

The Financial Action Task Force (FATF) brings together governments to assess risks, set standards and evaluate countries' efforts to counter money laundering, the financing of terrorism, and the proliferation of weapons of mass destruction. Created by the G7 in Paris in 1989, the FATF today comprises 37 members. It works closely with the UN, World Bank, IMF and others including the OECD. Through nine regional bodies it brings together 198 jurisdictions to make this a global endeavour. The FATF standards are essential to combatting a wide range of serious threats, including drugs and people trafficking, fraud, cybercrime and environmental crimes. The FATF standards on beneficial ownership provide the backbone of efforts by the G8, G20 and OECD to tackle tax evasion and corruption.

The FATF is the first body to assess how effectively countries are implementing its standards. All 198 jurisdictions have committed to being assessed against them. Countries with strategic deficiencies and posing a threat to the financial system are identified and listed publicly. Since 2007 the FATF has reviewed 80 countries and publicly identified 59 of them – 46 countries have since taken action.

Terrorist financing is a priority for the FATF. The FATF conducted a review of measures in 194 jurisdictions and reported the findings to G20 Leaders in November. Since then more than 50 jurisdictions have taken action or committed to doing so. In December the FATF brought together operational experts from law enforcement agencies, financial intelligence units and security and intelligence agencies to learn lessons from recent terrorist attacks. Immediately following this the FATF President addressed an unprecedented meeting of finance ministers of the United Nations Security Council, which resulted in the adoption of Resolution 2253, targeting Islamic State of Iraq and the Levant (ISIL) and calling on countries to implement the FATF standards. ■

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

International Transport Forum



José Viegas
Secretary-General

The International Transport Forum (ITF) at the OECD is an intergovernmental organisation with 57 member countries. It acts as a strategic think tank for transport policy and organises the Annual Summit of transport ministers. It is the only global organisation covering all modes of transport.

Transport and climate change was a major focus of ITF work in 2015. In September, ITF Secretary-General José Viegas was appointed to the UN Secretary-General's High-Level Advisory Group on Sustainable Transport. The Group will present its report in November 2016.

In May 2015, the ITF's Annual Summit on Transport, Trade and Tourism brought over 1 000 delegates from around 70 countries to Leipzig, Germany. A joint declaration by ministers underlined the importance of trade and tourism as engines of economic growth and job creation, and the role of transport in ensuring their effectiveness, efficiency and sustainability.

At COP21, ITF hosted a lunch event for ministers on the theme of Towards a Low-carbon Transport Future and held two expert sessions.

Against the backdrop of ambitious targets for the reduction of road fatalities being included in the SDGs, road safety was another ITF focus. The *IRTAD Road Safety Annual Report 2015* again provided the most up-to-date road safety data and policy overview for almost 40 countries. Reports on improving the safety of motorcycles, on road infrastructure safety management and on the impact of the economic crisis on road safety were ITF's contribution to reducing the toll of 1.3 million traffic fatalities worldwide every year. The ITF also signed a memorandum of understanding with the International Automobile Federation for the creation of a global road safety network for cities.

A third priority was bilateral work on the request of countries. ITF provided the Finnish government with support for a strategic rethink of the transport provision in rural areas and the UK with a review of the Airports Commission forecasts and scenarios. For both Mexico and Chile, ITF carried out groundwork for the creation of national logistics observatories. The impact of mega-ships on port cities was another case-specific workstream.

Three ITF Roundtables were held in 2015, in Mexico City, Beijing and Paris. Reports on four projects initiated the ITF Corporate Partners – on urban mobility, autonomous driving, big data in transport and logistics performance – were launched with the Corporate Partnership Board. ■

For more information see: www.itf-oecd.org

Multilateral Organisation Performance Assessment Network



Björn Gillsäter
Head of Secretariat

The Multilateral Organisation Performance Assessment Network (MOPAN) is composed of 17 governments who share a common interest in assessing the multilateral organisations they fund. The Network generates, collects, analyses and presents relevant and credible information on the organisational and development effectiveness of the organisations. This knowledge base is intended to contribute to organisational learning within and among the organisations, their direct clients and partners, and other stakeholders. Network members use the reports for their own accountability needs and as a source of input for strategic decision-making.

In 2015, MOPAN embarked on an ambitious new round of 12 separate institutional assessments in parallel. The goal is to present the reports and findings by the end of 2016. The organisations assessed are: African Development Bank; Gavi, The Vaccine Alliance; Global Fund to Fight AIDS, Tuberculosis and Malaria; IADB; ILO; Joint United Nations Programme on HIV/AIDS; UNDP; UNEP; United Nations Human Settlements Programme; United Nations Children's Fund; United Nations Office for the Coordination of Humanitarian Affairs; and the World Bank.

The Network has also agreed on a new operational and methodological approach for its assessments – MOPAN 3.0. The key elements of this new approach are that:

- It assesses organisations in five performance areas: strategy, relationships, operations and performance management, and on their achievement of contributions to relevant, inclusive, and sustainable humanitarian and development results.
- It combines four evidence streams: document reviews, surveys, interviews, and consultations, both at headquarters level and in up to 16 countries.
- It measures performance through a framework based on 12 Key Performance Indicators.
- It applies a rating for each Key Performance Indicator for all organisations.

Members of the Network agreed to renew the hosting arrangement of the MOPAN Secretariat with the OECD until the end of 2019. ■

For more information see: www.mopanonline.org

Partnership in Statistics for Development in the 21st Century



Johannes Jütting
PARIS21 Secretariat Manager

Founded in 1999, the Partnership in Statistics for Development in the 21st Century (PARIS21) promotes the better use and production of statistics throughout the developing world. The Partnership facilitates statistical capacity development, advocates for the integration of reliable data in decision making, and co-ordinates donor support to statistics. PARIS21 was established by the United Nations, the European Commission, the OECD, the International Monetary Fund, and the World Bank.

In 2015-2016, PARIS21 developed its 2016-2020 strategy. This five-year outlook, in line with the development of the Sustainable Development Goals (SDGs), is aimed at supporting the effective use of data to lead to better policies and ultimately better lives. PARIS21 plans on responding to new and emerging demands of the evolving data ecosystem through a set of four key activities: knowledge-sharing and innovation; advocacy; co-ordination and monitoring; and technical support.

As part of this strategy, nearly 90 countries were reached through various programming activities. Amongst other things, PARIS21 developed a formalised approach to dealing with Small Island Developing States (SIDS), hosted workshops that brought together journalists and statisticians in Africa, introduced national strategies for statistical systems (NSDS) to students in four statistical training schools, trained national statistical offices (NSOs) on data visualisation, and produced an “Informing the Data Revolution” roadmap along with a promotional video.

Going forward, PARIS21 will be developing a set of tools to ensure developing countries are adequately prepared to monitor and report on SDG indicators. One such tool is the Advanced Data Planning Tool (ADAPT) which aims at improving the costing of NSDSs and reporting on SDG indicators at the country level.

By providing innovative expertise to developing countries as they adapt to the 2030 Agenda, while also being a vital actor in the greater co-ordination among various statistical and development partners, PARIS21 will continue to promote and facilitate the better use of statistics nationally, regionally and globally. ■

For more information see: www.paris21.org

Sahel and West Africa Club



Laurent Bossard
Director, Sahel and West Africa Club

The Sahel and West Africa Club (SWAC) is an international platform dedicated to regional issues in West Africa. Its members include West African regional organisations and OECD countries, and its mission is to enhance the effectiveness of regional policies and partner support. Founded in 1976, SWAC is the first official partnership between the OECD and Africa, and helps promote West African initiatives and positions in global debates.

The SWAC acts as a secretariat and an international platform for regional food security and resilience networks. These efforts have positioned the Food Crisis Prevention Network (RPCA) as an international reference for concerted action. Under the political leadership of the Economic Community of West African States (ECOWAS) and the West African Economic and Monetary Union (UEMOA), since 2013, the SWAC secretariat also facilitates the Global Alliance for Resilience (AGIR).

The SWAC's most recent flagship publication, *An Atlas of the Sahara-Sahel: Geography, Economics and Security*, proposes a new reading of the region's mobility and security challenges and explores how the countries that share the Sahara-Sahel could work together towards stabilisation and development. Based on this publication, the SWAC actively contributed to the international conference for the economic recovery and development of Mali in October 2015 at the OECD, which was co-chaired by President François Hollande of France, President Ibrahim Boubacar Keïta of Mali and OECD Secretary-General Angel Gurría.

The SWAC plays an active role in the international dialogue on stability and development of the Sahel.

Since 2015, the SWAC secretariat has managed a two-year cycle on cross-border co-operation as well as a new programme on innovative approaches to food security, focusing on transformations in agro-food value chains. SWAC partners discussed the results of this work as well as best practices of the RPCA and AGIR at the Sahel and West Africa Week in October 2015 at Expo Milano. ■

For more information see: www.oecd.org/swac, www.westafricagateway.org and www.food-security.net

Advisory Committees



Business and Industry Advisory Committee



Phil O'Reilly
Chairman



Bernhard Welschke
Secretary-General and member of
the BIAC Executive Board

The Business and Industry Advisory Committee (BIAC) speaks for business at the OECD. Established in 1962, we stand for policies that enable businesses of all sizes to contribute to growth, economic development, and prosperity. Through BIAC, national business and employers federations and their members provide expertise to the OECD and governments for competitive economies, better business, and better lives.

In line with the Chilean Presidency's focus on productivity for the 2016 OECD Ministerial Council Meeting (MCM), BIAC is addressing the following 10 business priorities for productivity, prosperity, and inclusive growth:

1. Create the policy conditions conducive to investment.
2. Address barriers to cross-border trade and investment.
3. Establish an effective process for regulatory policy and international coordination.
4. Encourage entrepreneurship.
5. Enhance access to finance.
6. Enable innovation and the digital economy.
7. Promote lifelong learning.
8. Encourage labour market flexibility and resilience.
9. Support responsible business conduct across all economies.
10. Recognise the importance of health for productive societies.

For more information see: www.biac.org; Twitter: [@biacoecd](https://twitter.com/biacoecd)

Trade Union Advisory Committee



Richard Trumka
President



John Evans
General Secretary

The Trade Union Advisory Committee to the OECD (TUAC) is the interface of the Organisation with organised labour. TUAC has 58 affiliated trade union centres in OECD countries, representing more than 66 million workers, as well as associate members in Brazil, Indonesia, the Russian Federation and South Africa. TUAC has focused on promoting inclusive and sustainable growth and more and better jobs.

TUAC calls for a comprehensive shift in policies to reduce income inequality, including through the strengthening of collective bargaining and labour rights. It supports the OECD's New Approaches to Economic Challenges (NAEC) framework and the newly created Centre for Opportunity and Equality (COPE). It closely monitors policies on investment, financial markets, corporate governance, innovation, skills, development and climate change, as well as on tax, including the implementation of the BEPS Action Plan. In co-operation with the International Trade Union Confederation (ITUC), TUAC co-ordinates inputs to the G20 and G7 processes through the Labour 20 (L20). It co-organises the L20 Summits and consultations with G20 Ministers and Leaders. As 2016 marks the 40th anniversary of the OECD Guidelines for Multinational Enterprises, TUAC continues to work on further strengthening the performance of the National Contact Points (NCPs) with its Global Union partners and maintains an up-to-date online database of trade union cases. ■

For more information see: www.tuac.org, www.tuaoecdmguidelines.org/Home.asp, www.medium.com/workers-voice-oecd and www.labour20.org; Twitter: @TUACOED

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

The OECD is a unique forum where governments work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

The OECD member countries are: 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 Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The European Union takes part in the work of the OECD.

OECD Publishing disseminates widely the results of the Organisation's statistics gathering and research on economic, social and environmental issues, as well as the conventions, guidelines and standards agreed by its members.

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