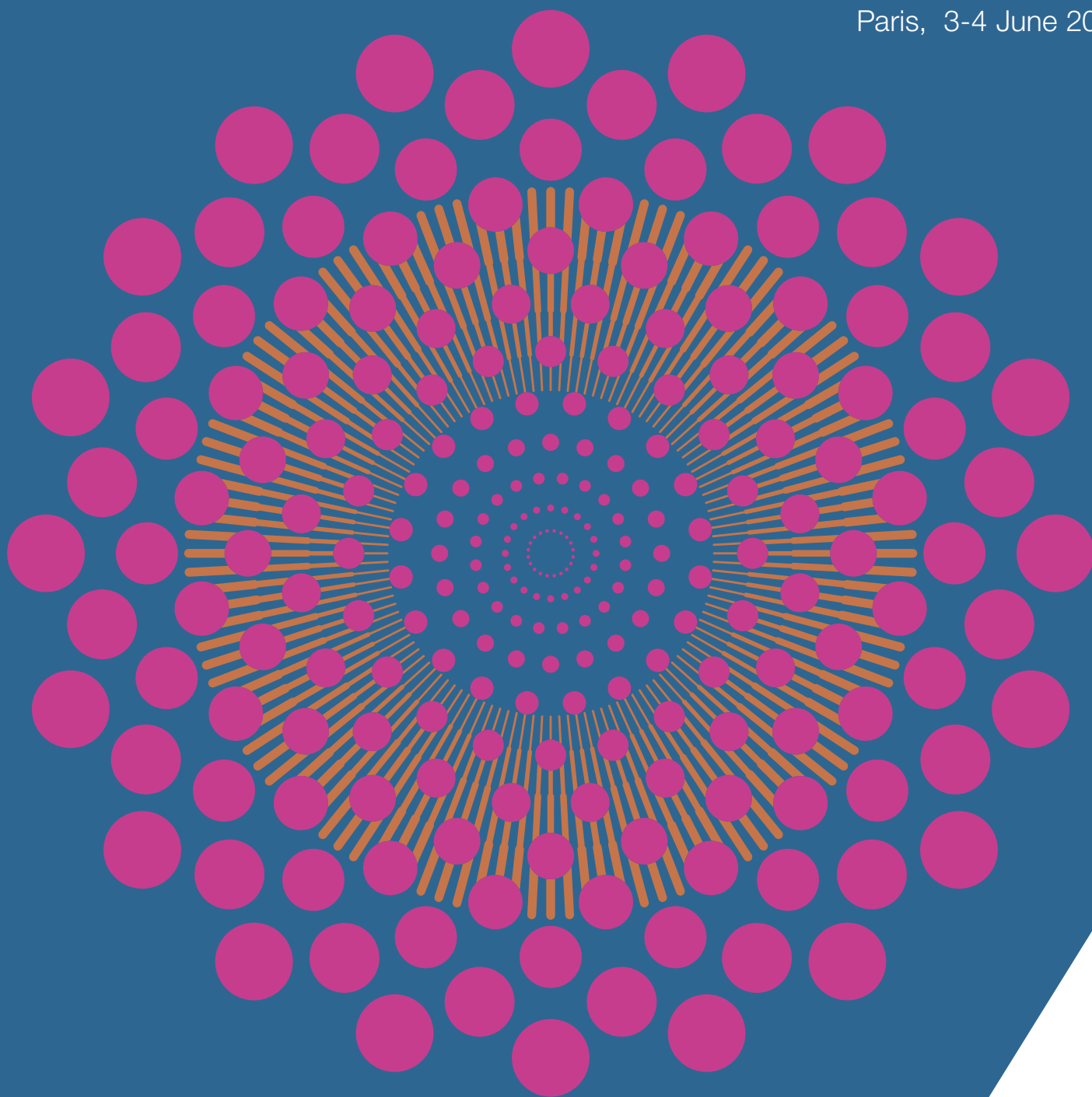


Meeting of the OECD Council at Ministerial Level

Paris, 3-4 June 2015



STRATEGIC ORIENTATIONS OF THE SECRETARY-GENERAL

**Strategic Orientations
of the Secretary-General
2015 and beyond**



1. **This document sets out my strategic orientations for the Organisation for Economic Co-operation and Development (OECD).** They should be seen in the context of my Proposal for the Consolidation and Further Transformation of the OECD to 2021 and build on the outcomes of the 2014 Ministerial Council Meeting, as well as the discussions leading up to the approval by the Council of the Programme of Work and Budget 2015-2016. They also draw on my discussions with leaders, senior government officials, parliamentarians, Ambassadors, and representatives from the private sector and civil society.
2. **My overarching objective has always been, and will remain, to make this Organisation the go-to institution for policy advice on promoting growth, development and well-being in our Member countries and worldwide.** The following priorities have, therefore, been developed with a view to helping Member and Partner countries face the challenges and seize the opportunities presented to them.
3. **The outlook for the global economy has brightened somewhat in recent months.** Lower oil prices and a host of monetary stimulus measures have meant that for most countries GDP growth forecasts are stronger than expected. These favourable tailwinds create an opportunity for the euro area and Japan to get back to stronger growth rates. In the United States, the cyclical recovery continues, supported by the impact of lower oil prices on household spending power and despite the impact of the sharp appreciation of the dollar on net exports. At the same time, oil exporting countries are experiencing weaker growth. Over the next two years, India is set to grow faster than China, where growth is slowing towards the official target of around 7%. While stronger than a few months ago, projected growth rates remain too low to fully repair labour markets.
4. **Downside risks and difficult policy challenges persist.** This includes ongoing political instability in a number of regions, including in Russia and Ukraine. Moreover, abnormally low inflation and interest rates create a growing risk of financial instability, with risk taking and leverage being driven by liquidity considerations rather than by fundamentals. While central bank policies remain the centrepiece of the recovery, the exclusive reliance on monetary policy to manage macroeconomic demand should be avoided to mitigate these risks. A more balanced approach to policy is required with fiscal and, especially, structural policies providing synergistic support to monetary policy.
5. **At the global level, additional efforts to re-fire the cylinders of the global growth engine – trade, investment and credit – will be necessary.** Trade is growing at a similar rate to economic activity, compared to twice as much before the crisis. Global investment remains weak and flows of foreign direct investment (FDI) remain 40% below their pre-crisis levels. Reviving SME investment is an essential element to foster new sources of growth. Yet, six years after the crisis, SMEs in many countries continue to struggle to secure financing. As banks deleverage further due to business and regulatory requirements, the risk of reduced bank lending is fast becoming the “new normal”. Moreover, despite abundant liquidity, channelling capital into long-term investment such as infrastructure has proven difficult.
6. **At the national level, many governments face the challenge of promoting growth in an inclusive and sustainable way, as well as addressing low levels of trust among citizens. The year will also offer opportunities to address some of the most pressing international challenges of this century,** if meaningful agreements can be reached at the third International Conference on Financing for Development (Addis Ababa), the UN Summit for the adoption of the Post-2015 development agenda (New York), and the UNFCCC Summit (COP 21) to be held in Paris.

7. In this context, my top strategic objectives for 2015-16 are to:

- **Promote an inclusive growth agenda** that will help tackle unemployment and ensure that the benefits of growth are shared equally by improving the horizontality of our work and mainstreaming New Approaches to Economic Challenges (NAEC) into the work of the Organisation.
- **Further develop the OECD productivity and competitiveness agenda, drawing on work on the Next Production Revolution and innovation**, to help Member and Partner countries deliver inclusive growth in the modern global economy.
- **Strengthen our contribution to a rules-based international economic system** by maximising the impact of our existing standards and by identifying areas where we could help Members and Partner countries develop new ones.
- **Continue to enhance the global character of our Organisation** through our work with emerging economies and developing countries and supporting Members in their reflections about the further opening of the OECD to new Members and partners.
- **Continue supporting the global agenda** and international collective policy action, through the G20 and specific contributions to relevant issues such as international development and climate change.
- **Continuing to deliver value for money to Members, further strengthening the Organisation's corporate services and capabilities** and more clearly demonstrating the benefits the OECD brings to its Members.

INCLUSIVENESS AT THE HEART OF THE OECD: BETTER POLICIES FOR BETTER LIVES

A Multidimensional Approach to Policy Making: New Approaches to Economic Challenges

8. **The OECD's New Approaches to Economic Challenges (NAEC) initiative has served to underline the increased complexity, uncertainty and interconnectedness of the global economy.** It has demonstrated the need for a new growth narrative; one that is more sustainable, more inclusive and focused on people's well-being. As part of the NAEC initiative, the OECD is gradually implementing a new "whole-of-OECD" approach to policy analysis that is multidimensional, inclusive and interconnected. It represents a fundamental change in the way the Organisation works, engages with Member and Partner countries and offers advice and recommendations.

9. **The NAEC initiative will also reinforce some of the OECD's existing approaches. Structural policies, for example, will continue to be the mainstay of the Organisation.** All the more so, in light of the little room for manoeuvre for fiscal and monetary policy in some countries. As more countries acknowledge the importance of "Going Structural", the OECD will support them in the implementation of their reform agendas by also "Going National", providing them with country specific advice and recommendations that take into account policy trade-offs and complementarities. As part of these efforts, the Organisation will continue to support government efforts with the *Better Policies Series*, *Getting It Right* brochures and country specific policy reviews, leveraging our multidisciplinary.

10. **At the same time, the OECD will continue to transform by developing new instruments and tools, improving modelling and finding new ways to support Members and Partner countries.** Since its creation, the OECD has gathered and analysed data, and provided concrete policy recommendations. As

the Organisation continues to increase its capabilities to better understand the interconnectedness of policy issues, the next step is to develop a unifying analytical framework that allows us to provide countries with a single, comprehensive approach to quantifying the impact of policy reforms, drawing on the Organisation's horizontal and multidisciplinary approach and the targeted policy advice and Better Policies Series. In particular, the OECD will work on an Integrated Policy Assessment project that will bring together OECD models and research findings and augment them, as needed, to provide policymakers with evidence-based research to support integrated policy designs and quantitative assessment.

11. **The UN post-2015 development agenda also provides the OECD with an opportunity to apply this 'multidimensional lens' to its work with Member and Partner countries** in the context of the Sustainable Development Goals (SDGs).

12. **Strategic foresight (SF) will play an important role in ensuring that our advice continues to be relevant and inclusive going forward.** Over the past year, the Global Strategy Group and directorates have begun to use strategic foresight to better understand policy challenges and identify possible policy solution spaces. Through the new OECD Governmental Foresight Community, the Organisation has also begun to address Member and Partner countries' demands for policy-relevant foresight. For example, a co-ordinated horizon scanning system is being established to support the OECD megatrends analysis. The Organisation is also beginning to mainstream the use of exploratory scenarios to better account for uncertainty alongside long-term conditional projections. This work will support a proactive agenda to explore emerging global policy challenges and engage in strategic knowledge sharing to help translate global and national visions into actionable policies to promote *better lives*.

Sharing the Benefits of Prosperity

13. **The Inclusive Growth (IG) initiative will be the linchpin for the OECD's horizontal analysis and advice on well-being, and respond to the challenge of inequalities.** The Inclusive Growth multidimensional framework takes into account the fact that inequalities go beyond income, affecting jobs, health and other non-monetary outcomes and explores new ways of combining strong growth with a better distribution of the benefits. The policy implication of this approach is that it places a great deal of importance on the effects that individual structural policies have on specific social groups, such as the poor or the middle-class. The objective is to identify synergies between pro-growth and inclusiveness policies and ensures consistency and complementarities when trade-offs emerge. Moving forward, the OECD will build on the findings from the preliminary phase of the Inclusive Growth initiative. A synthesis report on the Inclusive Growth initiative will be delivered at the 2016 Ministerial Council Meeting (MCM). The report will elaborate on a strategy for mainstreaming the results of the work in the measurement, analysis, and policy recommendation activities carried out across the Organisation. It will also produce *Recommendations on Policies to Promote Inclusive Growth*.

14. **The next steps of the IG initiative will take place around the following four pillars:**

- **Pillar I:** Refining and strengthening the methodological elements of the Inclusive Growth Policy Framework. This will include progressively incorporating other non-income dimensions that matter for well-being (e.g. education and environment) into the OECD measure of progress, as well as incorporating new countries into the analysis and testing the robustness of the IG Policy Framework.
- **Pillar II:** Taking action to mainstream the Inclusive Growth Policy Framework across the work of the OECD.

- **Pillar III:** Testing and applying the Inclusive Growth Policy Framework at the national level in OECD and Partner countries, further to requests from governments.
- **Pillar IV:** Further analysing how the Inclusive Growth Policy Framework resonates at the regional level and what adjustments are necessary to the IG Framework to most effectively address regional specificities.

15. **Addressing inequalities is central to promoting inclusive growth.** Today, the richest 10% of the population in the OECD earn 9.8 times more than the poorest 10%. The gap in financial assets is even wider: households in the top wealth quintile have a mean value of financial wealth that is more than 70 times the value of those in the first quintile. In emerging economies, the income gap is even greater. Future work, for example, could look at the challenges facing the middle classes as their labour market position worsens and public services become more targeted. In addition, a substantive report on inequality in Key Partner countries will be prepared. The OECD is seeking to establish a Hub on Opportunities and Equality, which would build upon the insights of longstanding OECD work on inequalities to document, analyse and share policies to promote inclusive growth. Further work will also be carried out on the linkages between inequalities and growth, and on the effects of increased market competition on inequality. These efforts will also benefit from on-going work on social cohesion, social protection and youth inclusion in developing and emerging economies undertaken by the Development Centre.

16. **The Inclusive Growth Framework will continue to be refined by analytical work from a comprehensive set of policy initiatives to promote employment, inclusiveness and well-being.** This includes work on youth unemployment and building inclusive labour markets, for both younger and older workers, in particular via effective active labour market policies. The work on job quality, part of the NAEC initiative, already provides a framework for measuring job quality along three key dimensions: i) earnings quality; ii) employment security; and iii) quality of the work environment. These efforts will identify the key policy levers for improving job quality with a view to the development of a New OECD Jobs Strategy. Further work on innovation and inclusive growth should also be explored.

17. **Our Ageing (Un)Equally horizontal project responds to the growing divide in the well-being of older people, putting significant pressure on welfare systems and jeopardising the effectiveness of reforms.** OECD work on pensions policy, including private pensions systems, mental health and financial education for retirement planning will continue. In addition, the Organisation will continue work on the sustainability of health systems and deliver an interim report on how to tackle health inequalities as people age, and associated policy principles covering three pillars: rewarding work, changing employer practices and improving employability. In the area of health, the Organisation will continue work on the governance of personal health data, with a view to developing a Recommendation to develop privacy-protective policies, including secondary use of data for public health research and statistical purposes. In respect of mental health, the OECD will develop a Charter that will offer an integrated policy approach to promoting better mental health and employment outcomes.

18. **Migrants offer so much to economies, and yet the crisis, difficulties with their integration, and emerging challenges make migration a sensitive and complex issue.** In this context, the OECD will respond to the call from Ministers at the 2014 High-Level Policy Forum on Migration for the OECD to develop principles on how best to promote an economic and social integration of immigrants and their children. This will be complemented by in-depth analysis on the economic impact of migration in developing countries and on the interrelation between migration, other public policies and development.

19. **Pioneering OECD work to promote gender equality will also continue.** Gender equality in public life is an important challenge for countries around the world. As well as continuing to roll out the OECD Gender Initiative, over the course of the year the Organisation will work on tools to help countries

provide equal access for both men and women in public and economic opportunities, including by leveraging the unique insights from work on Social Institutions and Gender (SIGI).

20. **Education and skills are vital to promote employment and boost productivity.** Through the Programme for International Student Assessment (PISA) and the Programme for International Assessment of Adult Competencies (PIAAC) the OECD will remain at the forefront of measuring and comparing educational outcomes related to cognitive skills. However, more work is needed around soft skills, emotional skills and education for citizenship. PISA will continue to expand to developing countries. In turn, PIAAC will see the second and third round of assessments, as well as further analysis of the results of the first round.

21. **The Organisation will continue to “Go National” with its Skills Strategy, as a vehicle to help countries unlock and apply OECD expertise on human capital and skills.** Three countries have worked with the OECD to deliver the diagnostic phase of their national skills strategies, two are ongoing and others, including non-Member countries, are in the pipeline. Going further, the OECD will also look at how countries anticipate and respond to changing skill needs, as well as how skills can help foster productivity, strengthen innovation and fight inequality. The so-called *skills-productivity-innovation-inequality* nexus.

22. **Regional, urban and rural policies also have significant implications for the inclusiveness of growth and well-being.** Regional disparities and disparities between cities and rural areas can be seen in many Member and Partner countries. The OECD report *How's Life in Your Region?* provides a common framework for measuring well-being at the regional level. The work on Inclusive Cities will expand the OECD work and database on measuring well-being in regions to assess well-being outcomes in the OECD urban regions and review policy options for building inclusive and resilient cities. In respect of local employment, the Flagship *OECD Job Creation and Local Economic Development Report 2014* brought together, for the first time, the main findings emerging from projects in a number of areas, such as employment, skills, entrepreneurship, social enterprises and local economic development. In the run up to the next publication in 2016, which will look at how governments can stimulate productivity and quality job creation at all levels of the economy, the Organisation will improve the horizontal nature of this work, release regular publications synthesising the results of individual country reviews and conduct systematic follow-up activities to review the implementation of recommendations.

23. **To make inclusive growth happen and ensure that reforms are accepted by citizens, it is crucial to restore trust in governments and market institutions.** Ongoing OECD work on better regulation, trust in the educational system, fairness in tax, trust in the digital economy financing democracy, integrity in lobbying, anti-corruption, responsible business conduct (RBC), as well as the OECD Observatory of Public Sector Innovation (OPSI) play a significant role in promoting transparency, open government and greater stakeholder engagement. The OECD Trust Agenda would go a step further by mapping all trust-related work taking place across the Organisation, developing practical guidelines for countries to strengthen trust, including by identifying actions throughout the policy cycle that can help strengthen trust; a report will be delivered to the 2016 MCM.

24. **The OECD will also support Members' efforts to strengthen the rule of law and good governance,** including by focusing on the contribution of justice institutions to public policy performance and addressing quality of service and access to justice issues. As part of these efforts we will also look at issues of political financing, lobbying, integrity in public procurement and ‘revolving doors’ to help governments strengthen the integrity, inclusiveness, transparency and credibility of the policymaking process.

Mainstreaming Green Growth

25. **Countries are taking steps towards green growth; yet much more determined efforts are needed to integrate environmental priorities into economic agendas to promote sustainable growth and well-being.** The OECD Report *Towards Green Growth? Tracking Progress* aims to accelerate countries' implementation of green growth policies by providing more targeted and coherent policy advice. The guidance emerging from country experience, the enriched Green Growth Strategy and lessons learnt from the OECD mainstreaming process are intended to serve as tools to this end. Going forward, the report will help target policy advice by highlighting priority areas for further analysis and opportunities to enhance mainstreaming at the OECD and beyond.

26. **In this context, the OECD will continue to mainstream green growth into the work of the Organisation.** Relevant green growth insights are now regularly included in *Economic Surveys*, *Environmental Policy Reviews*, *Innovation Policy Reviews*, *Investment Policy Reviews* and *Green Cities reports*. However, there is more to be done to achieve an integrated approach and the OECD will continue to advance its objective to ensure that green growth considerations permeate across all levels of the Organisation. The 2015 OECD Green Growth and Sustainable Development Forum will focus on the role of technology and innovation policy to promote green growth.

GROWTH, PRODUCTIVITY AND COMPETITIVENESS IN THE MODERN WORLD

27. **Growth is an essential pre-condition for employment and wealth creation. The Inclusive Growth Policy Framework will help Member and Partner countries develop policies that deliver both inclusiveness and growth.** This will include identifying, refining and compensating for those policies, which, although growth-enhancing, prove to be detrimental to inclusiveness, well-being and the environment.

Re-firing the Cylinders of the Engine of Global Growth: Trade, Investment and Financing

28. **The OECD is committed to promoting a trade environment conducive to sustainable growth.** This means resisting protectionism in all forms and rolling back trade restrictive and distortive measures. The OECD will continue to support multilateral exchanges aimed at promoting trade facilitation, including by deepening its analysis of related measures and developing specific indicators for 'Single Window' policies to monitor their performance at the national and regional level. The OECD will also continue to support the conclusion of the Doha Development Agenda of the WTO.

29. **The OECD work on Trade in Value Added (TiVA) and Global Value Chains (GVCs) will continue to analyse trade-related policy implications, notably for developing countries.** The Organisation will continue measuring the extent of countries' integration into value chains and identify trade policy and related domestic structural reform approaches that can support the integration of firms in developing countries into regional and global markets. Additional work will look at the links between GVCs, occupations, and skills at the sectoral level, and the role that different policy measures play. The OECD's work on SMEs will offer a more robust, data-driven analysis of the constraints and opportunities for SMEs, associated with successful GVC participation by developing country firms. Finally, we will also develop and improve the measurements needed to better understand the link between investment and GVCs. This includes work to measure "Real" FDI and to incorporate FDI into TiVA to assess the role of investment in creating jobs and added-value.

30. **The OECD Services Trade Restrictiveness Index (STRI) database will also be expanded and will develop targeted, actionable policy advice around three themes:** i) trade cost measures, ii) policy approaches to reduce costs, and iii) the quantification of services liberalisation scenarios. The

complementary OECD FDI Restrictiveness Index will also be expanded and used to assess the impact of investment restrictions.

31. **Investment, both public and private, remains key to more resilient, inclusive, green and sustainable growth.** However, despite record low interest rates, global investment has remained subdued. The OECD will continue to address investment and long-term financing issues, including through effective approaches to implement the new OECD Principles of Corporate Governance, the G20/OECD High-Level Principles for Long-Term Investment Financing by Institutional Investors, and on international investment rules. Going forward, at the national level, the updated OECD Policy Framework for Investment (PFI) will improve countries' framework conditions to promote and facilitate investment, as well as to foster investment and private sector expansion through country development programmes. This update will act as a springboard to quantify countries' relative performance under the PFI and develop National Investment Action Plans (NIAPs). The OECD will seek to disseminate the PFI as widely as possible, and promote its use as a tool to implement the SDGs and the Post-2015 development agenda.

32. **The OECD will also seek to improve national frameworks, investment treaties and other relevant rules in an inclusive and balanced way.** It will do so by working jointly with all interested Partners, particularly Key Partners, and consulting with key international organisations. Building on the Freedom of Investment Roundtable, this global investment dialogue will strive to foster an exchange of knowledge and best practices among policy makers, supported by OECD evidence-based analysis of the economics of cross-border investment and developments in investment rules.

33. **The OECD will promote the more effective implementation of the OECD Guidelines for Multinational Enterprises (the Guidelines) to further enhance Responsible Business Conduct (RBC).** This will include the implementation of an action plan to strengthen the National Contact Points for the Guidelines, including through robust peer monitoring and benchmarks to assess their performance. A proactive agenda will also include work on responsible supply chains in the textile and garment industries and in the agricultural sectors, and will aim to develop a long-term vision for RBCs to offer further guidance to all stakeholders. The OECD will undertake additional work on the links between trade and investment, on the contribution of RBC to the development agenda. The Guidelines are one of four elements comprising the Declaration on International Investment and Multinational Enterprise. Given the increasing interest among non-adherents in committing to standards for responsible business conduct, the Organisation will explore how the Guidelines could be opened for adherence without necessarily having to adhere to the Declaration, as a way of further encouraging Key Partners and interested countries to join this instrument.

34. **The OECD Codes of Liberalisation of Capital Movements should be reviewed** to clarify the role of the Codes as an anchor for countries' policies at times of stress; to consider the treatment of capital flow measures adopted to achieve macro-prudential objectives; and to review the governance arrangements to strengthen the Codes' implementation. Further work will also be done to improve FDI statistics and to incorporate FDI into Trade in Value-Added.

35. **Reinforcing credit availability in a sustainable way is also a priority.** The OECD will continue to revisit the relationship between finance, growth and inequality, and analyse their implications for economic policy. This applies to ongoing work on banking sector reform. SMEs and high-growth firms, in particular, are essential for job creation and future economic prosperity. Bank lending to SMEs has still not recovered to pre-crisis levels in many countries. In such circumstances, SMEs need to find alternative sources of financing.

36. **The OECD work on *New approaches to SME and entrepreneurship finance: Broadening the range of instruments* has mapped a wide range of alternative instruments,** including asset-based,

alternative debt instruments and hybrid products. Follow-up work will look at opportunities and constraints of market-based financing for SMEs. The Organisation will deliver a report on benchmarking policies for stronger SME performance, which will offer governments a new tool to assess barriers in the business environment, make meaningful comparisons across countries, assess impacts on SMEs performance, and identify and adapt good practices in SME policy design and implementation. More broadly, evidence-based policy analysis and instruments are being developed through the OECD International Network on Financial Education, now comprising more than 110 economies, to boost financial education not only in SMEs, but also across the population at large. In this context, OECD work on consumer protection will also continue.

37. **The OECD will also continue to work on ways to improve the resilience of our economies.** More specifically, it will provide a framework to identify policies, in particular structural policies that help governments to reduce their vulnerabilities to large downturns and recover faster after an adverse shock. Based on that framework, it will propose country-specific policy recommendations to improve the resilience of economies.

New sources of prosperity and growth

38. **Despite the recent economic crisis, the last fifty years have produced an unprecedented global growth dividend.** In the developing world, sustained wealth creation and public-health advances have increased average life expectancy, lifting billions out of extreme poverty. However, the crisis has reminded us that we cannot continue to rely on the same sources of growth forever. Not only does growth need to be more inclusive and green, but it also needs to come from new and sustainable sources. Over the coming years, growth will increasingly depend on improvements in multi-factor productivity, mainly driven by innovation and by investments in Knowledge Based Capital (KBC). This is particularly true for OECD Member countries that are experiencing low levels of productivity or growth rates that, nonetheless, do not translate into higher living standards.

39. **In this context, the OECD work on enabling the Next Production Revolution (NPR) will** explore new science and technology-driven developments and focus on disruptive technologies that could have far-reaching effects on productivity and economic growth. These efforts will identify the risks and opportunities created by technology developments, including through the use of foresight and scenario-building, and examine policies, including on competition, that enable countries to maximise the net benefits for their economies and societies. In addition, work on strengthening long-run productivity growth will exploit the richness of firm-level data to analyse the effects of a wide variety of policy settings on firm performance. This will be complemented by work on enhancing productivity, including how it is disseminated, the role that public policy plays in bringing about increased performance and growth, and how to explain observed differences across countries. The OECD will also seek to create a Productivity Network that would facilitate the sharing of experiences and best practices, enhance links with the global research community and foster dialogue with business and labour groups.

40. **Knowledge Based Capital and the digital economy, in particular, have the potential to play an important role in contributing to productivity and well-being.** To this end, the OECD work on the digital economy will look at how to build further capacity and develop internet policy and governance, as well as how to create enabling conditions for new jobs, skills and inclusiveness. As part of these efforts, the Organisation will deepen its analysis of the benefits of an open Internet; opportunities for new digital content, services and applications; pathways for the development of the Internet of Things; privacy in a data-driven economy; and on the skills needed for an increasingly digital world. The OECD's work on Big Data and data-driven innovation will further support these efforts. Following the update of the OECD Innovation Strategy, the OECD will also 'Go national' in support of Member and Partner countries'

innovation strategies. The OECD Ministerial on the Digital Economy will take place on 22-23 June 2016 in Mexico and will explore how the digital economy impacts innovation, growth and social prosperity.

41. **The tourism industry has shown remarkable resilience in the face of the recent crisis, playing a key role in supporting economic recovery in many OECD countries.** The OECD will continue to monitor policies and structural changes affecting the development of domestic and international tourism. It will identify innovative financing mechanisms which can support adequate and accessible financing for the creation, survival and growth of individual businesses. It will also produce its flagship publication *OECD Tourism Trends and Policies 2016*, and national and local tourism reviews.

CONTRIBUTING TO A FAIR, RULES-BASED INTERNATIONAL ECONOMIC SYSTEM

42. **The OECD can also contribute to inclusive growth and well-being, as well as rebuilding trust, through its standard-setting role.** The Organisation will continue to strengthen and maximise the impact of existing standards, as well as to identify areas in which to develop new ones.

International Tax Policy

43. **The international tax system supports economic growth by establishing measures to reduce tax barriers to cross border trade and investment.** To ensure that growth is inclusive and sustainable, governments must also tackle tax evasion and tax avoidance. The OECD-G20 Base Erosion and Profit Shifting (BEPS) Project will deliver a package of measures to close the loopholes that allow the artificial shifting of profits to low or no tax jurisdictions by restoring coherence to the international tax rules, ensuring that profits are taxed where the economic activities and value creation occur and through increased transparency. The full package of BEPS measures, which are being developed by over 60 countries working together, will be finalised in 2015 and, when implemented, will give business greater certainty on the global investment environment. To ensure that this landmark initiative has the intended impact following delivery of the BEPS measures in 2015, future work must focus on supporting countries in the effective and consistent implementation of the BEPS outcomes through the development of model legislation, technical guidance and monitoring of the impacts of the BEPS measures in addressing both double non-taxation as well as double taxation.

44. **At the same time, through the OECD work on exchange of information and on tackling serious financial crimes such as tax evasion, the Organisation is working with countries across the globe to enhance cross-border co-operation and dissemination of best practices between governments.** The 126-member Global Forum on Transparency and Exchange of Information for Tax Purposes is closely monitoring the implementation of commitments made by its members to the tax transparency standards, including the new Standard on Automatic Exchange of Information, which more than 90 jurisdictions have already committed to implement, beginning in 2017.

45. **The OECD is also supporting countries in making effective use of the latest tools and techniques to fight tax crimes and other financial crimes.** Strengthening the capacity of Member and Partner countries' ability to pursue tax crimes and other serious financial crimes through the implementation of a whole-of-government approach and the development of practical tools and best practices will be critical to restoring confidence and trust in government and the rule of law, as well as improving the investment climate, particularly in countries plagued by financial crimes.

Anti-corruption

46. **A healthy global business climate, free of corruption and fraudulent practices, supports sustainable investment and growth.** The OECD has a rich wealth of legal and policy instruments on

responsible business practices and public sector integrity. What is needed now is to close the implementation gap between what instruments, such as the Anti-Bribery Convention and the Guidelines for Multinational Enterprises, recommend and what business actually does. Similarly, further efforts are needed to ensure the effective implementation of existing OECD instruments in relation to enhancing integrity and preventing corruption in public governance. An integrated OECD anti-corruption strategy that brings together a wide range of expertise, tools and instruments across the Organisation could provide a coherent approach to fighting corruption in its many forms, both in the private and the public sectors. These efforts will also include upgrading the current OECD tools and platforms to better support Member and Partner countries efforts against corruption.

Corporate Governance and Responsible Business Conduct

47. **Work on corporate governance will be focused on implementing the new Corporate Governance Principles.** Particular emphasis will be given to policies that facilitate corporate access to capital for investment. This will require further analysis and scrutiny of the functioning of capital markets, the availability of new sources of corporate finance and the financing needs of growth companies.

48. **In a complementary effort to promote business integrity, the OECD has launched a Trust and Business (TNB) initiative,** which aims to support the implementation of recommendations in the new Principles of Corporate Governance regarding the responsibilities of Boards of Directors in setting the ethical tone and ensuring sound risk-management and internal controls in a company. Applying a multidisciplinary and multi-stakeholder approach, the OECD is promoting a discussion about the effective integration of business integrity considerations into a company's corporate governance framework, with the goal of improving the decision-making processes. The draft report from the first phase of the TNB will take stock of challenges and compile good practices informed by the experience of companies around the world. It will identify key issues and avenues for positively influencing how corporate leadership prioritises integrity, to better mitigate the risk of companies being used for, or engaging in, serious misconduct.

Competition Policy

49. **The OECD will look at how competition policy can contribute to boosting growth and well-being.** A revamped Competition Assessment Toolkit would help countries assess policies across the board to boost competition and ensure a level playing field in markets. The OECD will provide analytical and other support for greater and more effective international cooperation in the enforcement of competition law. The new Guidelines on Corporate Governance of State-owned Enterprises will play a central role for ensuring that state-owned enterprises operate on a level playing field when they are competing with privately owned companies, including in a cross-border context. The OECD will also deliver a report addressing the challenges posed by the internationalisation of SOEs and the extent to which existing international rules-based arrangements are sufficient to address them.

Regulatory Policy

50. **Understanding and demonstrating the links between improving regulatory quality and delivering sustainable growth will remain one of the OECD's central tasks.** The Organisation will continue to support efforts to ensure greater co-ordination across jurisdictions and eliminate unnecessary regulatory divergences and redundancies to trade and investment. It will strengthen data collection activities and provide evidence on the benefits of international regulatory co-operation, and the costs of alternative approaches. In particular, there is untapped potential for the OECD to work closely with economic regulators, sub-national levels of government and other actors (parliaments and Supreme Audit Institutions) to ensure that regulatory reform delivers on its promises. Towards this goal, the Organisation

will leverage its expertise by developing regional policy networks that will provide a platform to exchange on good practices and mutual learning with policy makers in Partner countries.

51. **The OECD will continue to help countries implement regulatory reform in a national context to support better regulation.** This will include supporting further efforts to resist the tendency to use regulation to solve problems for which such measures are ill-suited, and to avoid regulation quickly becoming obsolete in today's globalised and dynamic markets. Following the 2012 Recommendation on Regulatory Policy and Governance, the OECD will promote a comprehensive and integrated framework for regulatory governance across Member and Partner countries; explore the potential for the application of regulatory quality initiatives, as well as specific regulatory reforms to unblock critical constraints to growth; and pioneer work on measuring regulatory performance, with an emphasis on improving international regulatory co-operation and highlighting the key features of top class regulatory agencies.

ENHANCING THE GLOBAL CHARACTER OF THE ORGANISATION

52. **The principle of inclusiveness should not only apply to the OECD's policies and standards, but also to the way it works with Partner countries.** Strengthening the OECD's global reach and impact, as well as its relationship with emerging and developing economies continues to be a central priority. At the centre of these efforts is the work with Key Partners, Accession Countries and the OECD Regional and Country Programmes, as well as activities undertaken by the Development Centre and the Sahel and West Africa Club

Key Partner and Accession Countries

53. **The OECD will continue to integrate Key Partner Countries (Brazil, China, India, Indonesia and South Africa) into the work of the OECD. This includes encouraging them to join OECD bodies, adhere to legal instruments and establish mechanisms for jointly identifying mutually beneficial work priorities.** The Organisation will build on the strategic relationship developed with China over the past year. This year marks the 20th anniversary of co-operation with China. A joint work programme for 2015-16, includes supporting China in its G20 Presidency, in particular in the fields of inclusive growth, new sources of growth like innovation and skills, trade and investment and the fight against corruption. China has also announced that it will join the Development Centre, which will further strengthen co-operation. A joint work programme with Indonesia provides the basis for deeper engagement with the country in 2015-16 with the support of the newly established OECD Office in Jakarta, which will engage with the whole of Southeast Asia. Brazil has also expressed its willingness to sign a framework agreement with the OECD and to develop a joint work programme. We will also strive to create similar arrangements with India and South Africa.

54. **The accession reviews for Colombia and Latvia are now well underway** and countries are closely following up on outstanding issues raised during Committees' reviews. Throughout the accession process, for each candidate country, the Secretariat continues to update Council regularly on the discussions and progress made.

55. **In turn, the Council has decided to open accession discussions with Costa Rica and Lithuania,** both of which have effectively implemented their respective Action Plans, adhering or requesting adherence to relevant legal OECD instruments and undertaking reviews in selected policy areas.

56. **The activities related to the Russian Federation accession process remain postponed for the time being.** Russia participates in Committee meetings on non-accession issues, with discussions on relations between the OECD and the Russian Federation taking place at the level of the Council.

OECD Regional Approaches

57. **The OECD will also reinforce the regional component of its work, particularly with Southeast Asia, MENA and Latin America, and strengthen relations with Africa and Eurasia, including through membership and regional activities of the Development Centre and its flagship regional publications.** The Knowledge Sharing Alliance (KSA) will continue to provide a facility through which to engage non-Member countries in a two-way dialogue on key horizontal initiatives.

58. **The OECD engagement with Southeast Asian countries and the region as a whole has been strengthened considerably following the successful high-level launch of the Southeast Asia Regional Programme (SEARP) at last year's MCM.** Meanwhile, the Programme's Steering Group has met for the first time and elected Indonesia and Japan as co-chairs. Regional and country-specific outputs have been defined by the six Regional Policy Networks (RPNs) on tax, good regulatory practices, investment policy and promotion, education and skills development, SMEs and public-private partnerships to support connectivity for infrastructure development. Further work is being developed through initiatives on trade, innovation, gender, capital markets and corporate governance. The OECD's Economic Outlook for Southeast Asia, China and India – a joint annual publication of the Development Centre and the ASEAN Secretariat that monitors medium-term macroeconomic trends and regional integration has been formally recognised as an important element of the SEARP to help the Steering Group gain a horizontal view of activities. It will continue to have an important role in identifying emerging trends in the region and providing a backbone into the different work streams of the Programme. The implementation of the Programme will be reinforced under the close co-operation with ASEAN Partners and relevant regional organisations such as Economic Research Institute for ASEAN and East Asia (ERIA). The OECD will also undertake two Economic Assessments of Southeast Asian Partner countries.

59. **In the Latin America and the Caribbean (LAC) region, the OECD has effectively helped to promote a drive for higher policy standards.** There is growing awareness in the region that better data, policies and structural reforms are needed in order to tackle its two major challenges of increasing productivity and decreasing inequality, and thus sustain growth and improve well-being overall. Going forward, a strategic whole-of-government dialogue will be launched. This will allow OECD Members and LAC countries to define joint medium and long-term priorities, promoting co-ordination, horizontality and synergies between existing activities. In this context, a LAC Comprehensive Regional Programme, leveraging the existing membership of LAC countries in the Development Centre, could be developed to increase the impact of OECD work in the region and ensure it serves Member and LAC countries alike. The Organisation is also strengthening its ties with the Pacific Alliance.

60. **After 15 years of supporting the Economic transformation in Southeast Europe (SEE), the OECD will aim to further step up its co-operation with the region.** The Programme will seek to enhance its role as a platform for strategic dialogue and exchange of policy perspectives, with a view to supporting economic reform priorities in the region. The Programme is also expected to play a major role in the development of the EU initiative for Enhanced Economic Governance project by assisting countries of the Western Balkans (Albania, Bosnia and Herzegovina, the Former Yugoslav Republic of Macedonia, Kosovo, Montenegro and Serbia) in shaping their yearly Economic Reform Programmes (ERPs).

61. **This year marks the 10th Anniversary of the OECD's MENA Initiative, which along with the SIGMA programme and the Deauville Partnership promotes sustainable and inclusive development in the region.** Looking forward, MENA and OECD Partners are preparing the renewal of the mandate of the MENA Initiative. The new mandate will enhance the Initiative's capacity to respond to the broad range of challenges the region is facing, while keeping a flexible approach that would allow regional and country-specific work to continue, taking into account the diversity of MENA economies. Together with ongoing work on investment, private sector development and public governance; future work could include

the promotion of efficient labour markets, measures to boost productivity and competitiveness, and better integration of local enterprises into global value chains.

62. **The Eurasia Competitiveness Programme, established in 2008, will also seek the renewal of its mandate this year.** All countries in the Eurasia region face similar challenges in building strong and transparent institutions and governance systems, developing interconnectedness (integrating into global markets) and achieving inclusive growth. Through the new mandate the OECD could support the region in, *inter alia*, strengthening their institutions and establish efficient governance systems, keeping markets open, strengthening trade links, integrating into global value chains and tackling inequalities and rising youth unemployment. The Programme will also continue carrying out peer reviews through the Eurasia Competitiveness Roundtable.

63. **OECD co-operation with Sub-Saharan African countries continues to strengthen in response to increasing demand from African governments for OECD expertise, networks and instruments.** Joint work with AfDB, African Union Commission/NEPAD Agency and UNDP in the context of the African Economic Outlook and the OECD Africa Forum provide high-visibility platforms analysing and discussing key African policy issues. The membership of the Economic Community of West African States (ECOWAS) and West African Economic and Monetary Union (WAEMU) in the Sahel and West Africa Club highlights the importance of OECD work on regional policy issues such as regional integration, food security and resilience and security and development. Five sub-Saharan African countries are members of the Development Centre, eighteen are members of the Global Forum on Transparency and Exchange of Information for Tax Purposes and several have undergone policy reviews. Further developing and expanding relations with African regional institutions (African Union Commission/NEPAD Agency, ECOWAS, UEMOA, SADC) will be particularly important in leveraging and disseminating OECD expertise and policy impact. The African Economic Outlook is an excellent analytical basis in this domain.

Country Programmes and Ukraine

64. **In addition, the OECD will continue to expand its relations with selected countries of strategic interest, including through “Country Programmes”.** These programmes are designed to support the countries' domestic reform process by helping them to adopt OECD standards and practices through a structured framework for co-operation. There are currently three Country Programmes: Peru, Kazakhstan and Morocco. The Secretary-General signed the relevant agreements with the President of Peru, at the Ibero-American Summit in December 2014, and with the Prime Minister of Kazakhstan, in Davos in January 2015. The OECD approved the Morocco Country Programme on 12 March 2015; a signing ceremony for this Programme is expected to take place soon. Thailand has been invited to engage in a Country Programme, subject to further dialogue to clarify the political and financial commitments needed for the Programme. All programmes include adherence to OECD legal instruments.

65. **The OECD has been working with Ukraine since its independence, but has recently strengthened its relationship at the request of the Ukrainian authorities.** An Action Plan will serve to structure this relationship. Priorities for co-operation include the fight against corruption, broader public governance issues, and policies to improve the business climate, including competition and corporate governance. Also ongoing, are reviews on investment policy, tax and financial crime investigations, public management issues and energy efficiency.

SUPPORTING GLOBAL ACTION

66. **The OECD has successfully leveraged its partnership with the G20, enabling Key Partners to work with the OECD to shape global standards.** This includes the development of the OECD/G20 Action Plan on Base Erosion and Profit Shifting, supporting G20 National Growth Strategies, supporting

the commitment to reduce the gender gap in the labour market by 25% by 2025, supporting the phasing out of fossil fuel subsidies and the implementation of the G20 Anti-Corruption Plan. The OECD will also continue to support G20 actions to fight protectionism and boost employment. The OECD is collaborating with Chinese authorities to support China's G20 Presidency in 2016.

67. **The OECD is now actively supporting the 2015 Turkish G20 Presidency and its three “I’s” priorities: “Investment, Implementation and Inclusiveness”**, with an emphasis on cross-cutting themes such as Least Developed Countries, SMEs and integration into Global Value Chains. The Organisation will also provide significant input to the inclusive growth agenda, particularly in developing the G20 Skills Strategy, job quality framework and establishing policy coherence between the G20 growth and employment agendas. In addition, the OECD continues to contribute to the G20 international tax agenda, work on investment strategies, and together with other international organisations, the work on energy, food security and anti-corruption.

68. **The OECD is supporting the German G7 Presidency, including on the topics of Responsible Business Conduct (RBC) and promoting female entrepreneurship.** On RBC, the Organisation has shared best practices concerning due diligence and non-financial disclosures issues, as well as on ways to strengthen National Contact Points for the OECD Guidelines for Multinational Enterprises. Empowering self-employed women and promoting female entrepreneurship is one of the priorities of the German Presidency and the OECD has offered guidance on both issues. The Organisation is also active in the Deauville Partnership, supporting MENA transition countries’ efforts to promote growth, financial inclusion, jobs, investment and governance. The OECD has contributed to the Group’s discussion about a compact for economic governance, suggesting ways for governments to enhance the transparency and efficiency of public institutions and processes, building an attractive environment for investment, and promoting youth employment and gender equality.

69. **The Organisation is also leveraging its work and standards through an active co-operation with and support for the APEC Process.** The APEC Leaders’ Summit in Beijing endorsed a GVC Blueprint for the APEC region, which was prepared with the help of the OECD and includes relevant OECD work on taxes, long-term investment, SMEs, public-private partnerships and disaster risk management. The Organisation is supporting the Philippines Presidency’s Cebu Action Plan, notably providing input on inclusive growth, financial inclusion, tax, investment and disaster risk management. The Organisation is also working on a tool to help governments mitigate the risks of major disasters, as well as looking at global governance and international co-operation that could support these actions.

The Global Sustainable Development Agenda

70. **The post-2015 agenda offers a unique opportunity to re-think OECD work on development in the broadest sense.** In September 2015, UN Member States will endorse a new development framework — the Sustainable Development Goals (SDGs) — which will cover the economic, social, and environmental development pillars, providing a more holistic view of development and focusing on overall outcomes for people, societies, and the planet. The SDGs will be universal (applicable to OECD and non-OECD countries). The complexity and ambition of the post-2015 agenda will benefit from OECD data collection and policy monitoring experience. Indeed, the transformation of the global development view as reflected in the SDGs will also shape a transformation in the way the OECD works with and for Member and Partner countries. This includes helping OECD countries follow up and review progress on the SDGs through existing OECD frameworks. As such, the OECD will continue to enhance inclusive knowledge-sharing, including through the Knowledge-Sharing Alliance which was created to support the implementation of the vision set out in the OECD Strategy on Development.

71. **Building on the OECD Strategy for Development** and the outcomes of the January 2015 discussions of the Council on Development, the OECD should:

- **Elaborate an initial “baseline assessment”, reviewing the state-of-play of OECD countries and Key Partners’ performance in relation to the SDGs.** These efforts will consider both the challenges of implementing universal goals and ongoing efforts to tackle global challenges, including through domestic policy choices. It would also leverage and build on various ongoing initiatives (e.g. NAEC, inclusive growth, aligning policies for the transition to a low carbon economy).
- **Elaborate an OECD Action Plan to support the implementation of SDGs going forward.** Such a plan would build on the Strategy for Development and other sustainable development efforts across the Organisation, including the work on green growth.
- **Develop tools to enhance Policy Coherence for Sustainable Development (PCSD)** to help foster synergies across economic, social and environmental areas; identify trade-offs; reconcile domestic policy objectives with the SDGs; and take into account domestic and international spillovers.

72. **The OECD will also put its tools and expertise on financing for Development at the disposal of the international community** as it supports the works of the Third International Conference on Financing for Development (Addis Ababa, July 2015). To contribute to the global mobilisation of resources, the Organisation will further disseminate the updated Policy Framework for Investment (PFI), consolidate the use of the Total Official Support to Sustainable Development (TOSSD) measure, officially launch its Tax Inspectors Without Borders initiative and deliver on other key efforts to address systemic issues in international taxation, such as BEPS.

73. **In order to achieve more inclusive growth and sustainable development for the widest array of countries, the OECD will continue to pursue Multi-Dimensional Country Reviews.** These reviews will contribute to leverage the best of OECD expertise and place it at the disposal of developing countries.

The International Climate Change Agenda

74. **The quality of our environment has a direct impact on our well-being and can exacerbate inequalities.** OECD analysis shows that the more stringent environmental policies of recent years have had no negative effect on overall productivity growth. Furthermore, the case for action to combat climate change and to put the world on a more sustainable growth path has never been clearer. The OECD has an important role to play in supporting the necessary action.

75. **The OECD is making a key contribution in the run up to the COP21 meeting in Paris, through its work on “Aligning Policies for the Transition to a Low Carbon Economy”, developed jointly with the IEA, NEA and ITF.** This project will offer guidance to governments on how to resolve misalignments arising from cross-cutting policy and activity-specific framework interactions that can hamper the effectiveness of low carbon policies. The report will look beyond environmental policy to assess the interaction *inter alia* of economic, fiscal, social, energy, financial, competition, employment, innovation, trade, investment and agriculture frameworks. The 2016 Environment Ministerial meeting will help to shape the national and international environmental policy landscape going forward. Going forward the OECD will continue to work with the IEA, NEA and ITF to support the climate change agenda, including the implementation of an agreement at COP21.

76. **Financing the transition to a low carbon economy will also be a focus of OECD work.** The Organisation will draw on its extensive experience in clean energy investment financing and on institutional investors and long-term investment financing to identify how countries can ensure their investment and financing frameworks provide an appropriate enabling environment for a transition to a low carbon economy. Two new OECD reports on green investment banks and on green bonds will be delivered. OECD work on tracking climate finance will also make a significant contribution to international efforts to tackle climate change post COP21. More broadly, we will assess the effectiveness of climate-linked instruments, including by looking at climate funds and analysing financial instruments, including insurance, to deal with climate disasters and identify ways of improving the investment climate for the transition to a low-carbon and climate-resilient economy.

77. **Effective water management is necessary for inclusive economic growth and environmental sustainability.** Current work is focused on water quality, groundwater management, water governance indicators and reforms, and identifying water risk “hot spots” in agriculture. A key undertaking will be the development of an integrated Recommendation of the Council on Water in 2016, which will consolidate, update and integrate the OECD work on water and incorporate recent policy guidance and recommendations, including on water governance.

78. **The Food-Water–Energy Nexus is fast becoming a major focus of international efforts to promote sustainability.** OECD work in this area will continue to be supported by the *Costs of Inaction and Resource Scarcity: Consequences for Long-term Economic Growth* (CIRCLE) project, which aims to identify how feedback from poor environmental quality, climatic change and resource scarcity affects economic growth, and how policies may change this. Several related events will take place in 2016, including the OECD Agriculture Ministerial, which will be held on the theme “Better policies to achieve a productive and sustainable global food system”.

AN EFFECTIVE AND EFFICIENT ORGANISATION

79. **The OECD will continue to move away from a ‘silo’ approach to policy analysis to one that is ‘horizontal’ and systematically delivers a ‘whole-of-government’ perspective.** As part of this transformation, the Organisation’s analysis will increasingly take into account the multidimensional, complex and interconnected nature of policy challenges. This will involve a comprehensive review and updating of the OECD’s policies, processes and platforms, to improve the quality and efficiency of its products and the delivery of greater value for money for Members.

80. **The OECD will not only deliver on the substance of horizontal projects, but also further improve on the structures and procedures that enable collaborative work.** For example, the Organisation’s approach and methodology used for mainstreaming the horizontal work on green growth has been successful, as noted in the *Tracking Green Growth Progress Report*. The shifts towards greater horizontality will be accompanied by measures to promote internal innovation and facilitate the delivery of breakthrough initiatives.

81. **The OECD is increasingly being called to respond to new and expanded mandates, and this will require greater collaboration across directorates,** the leveraging of existing networks and the creation of new ones, and the improvement of how content is developed and shared.

82. **In 2015, a new digital strategy will be rolled out to better prepare the OECD for the ongoing digital (r)evolution.** As part of these efforts, the Organisation will facilitate access to OECD documents across different platforms (including mobile devices), and strengthen search and knowledge management capabilities (expert systems) to further support cross-team collaboration. An increasingly

‘digital’ OECD will help empower and connect experts, and better integrate, organise and share knowledge, thereby contributing to the achievement of the objectives noted above.

83. **Digitalisation creates new opportunities to connect people and networks, re-engineer processes and deliver new or improved products and services.** Digital change will impact all aspects of OECD work, including the way information is shared; where and how staff work (tele-working); how staff participate in meetings (tele-conferencing); and how effective the Organisation is in producing timely and targeted outputs. The creation of a Digital Knowledge and Information Service within the Executive Directorate will support efforts to adapt institutional arrangements to make the most of the opportunities presented by digital change.

84. **Communications remain critical to the OECD’s mission, relevance and impact.** The effective dissemination of the Organisation’s work ensures its analyses and findings have a broad impact on policymakers, policy-shapers, and society at large. It also brings improved understanding of and support for the Organisation’s activities. In line with the Council decision, by mid-2015 all OECD (Part I) data will be made accessible, open, and free, with dissemination enhanced by the recently released Data Portal. The increased impact of the OECD’s work will also be enhanced by strengthening its approach to public affairs, making greater use of social media and applying cutting-edge technologies and methodologies for achieving maximum impact in communications and interactions with different stakeholders. It will also be important to continue to ensure the delivery of a coherent message across all policy areas in response to the challenges faced by Member and Partner countries.

85. **It will be vital to ensure that the OECD continues to remain at the leading edge of management practices,** and strengthens efforts to recruit, maintain, and equip highly-talented staff to deliver effectively in an increasingly complex environment. Building a diverse workforce remains a priority for the OECD and it will continue efforts to achieve a better mix of nationalities and to improve gender balance in the Organisation, at the same time as promoting equal opportunities for women and men at all levels.

86. **As part of efforts to streamline corporate services, this year the OECD Secretariat will engage Members to finalise office space planning for the coming decade,** including exploring possible collocation options between Part I and Part II Programmes, as a means to improve horizontality and enhance staff collaboration.

87. **Corporate efforts will also be directed at updating financial and human resources systems,** rationalising internal reporting, and providing closer support to directorates on budget, HR and communication issues to improve the OECD’s overall planning and management capabilities. Tools will also be developed to provide more timely information on progress in the delivery of key outputs and resources, and improve collaboration across teams to tackle horizontal issues and manage resources more effectively. These actions are part of the comprehensive OECD Value for Money (V4M) Project, presented in July 2014, which set out an ambitious action plan including over 70 recommendations to be implemented over the coming two years, to reassure Members that the resources they provide to the Organisation are being used effectively and efficiently.

ANNEX

SECRETARY-GENERAL'S ACTIVITY IN 2014

Overview

During 2014, the OECD Secretary-General carried out an intense schedule, both in Paris and abroad, to continue increasing the visibility, relevance and impact of the Organisation. The principal focus of this activity was to provide timely and targeted policy advice to Member and partner countries in their efforts to confront the enduring social and economic legacies of the global crisis, as well as to support them in their reform efforts aimed at advancing inclusive growth and well-being.

The Secretary-General carried out 53 trips abroad in 2014. This included his participation in the main international summits that took place throughout the year, particularly the G20, where the OECD contributed very actively with the Australian Presidency in the different ministerial meetings and Leaders' discussions. In the course of 2014, the Secretary-General held 52 full-fledged bilateral meetings with Heads of State and Government, 35 meetings with Heads of international organisations and 185 meetings with Ministers, not to mention his numerous informal interactions with Leaders by phone and in the margins of the international fora he attended. He also met with top representatives from other branches of government, particularly parliamentarians, as well as with leading representatives from the business community, trade unions and civil society, totalling over 900 bilateral meetings over the course of the year.

Besides his meetings with external stakeholders, the Secretary-General also dedicated a considerable amount of time in 2014 to his regular management of the Organisation and strategic duties, activities which also increased, both quantitatively and qualitatively. In addition, the Secretary-General chaired a total of 14 meetings of the OECD Council, 10 meetings with Chairs of OECD Standing Committees, more than 70 bilateral meetings with Ambassadors and Heads of OECD Delegations, and over 160 formal meetings with senior OECD staff, not including more informal interactions.

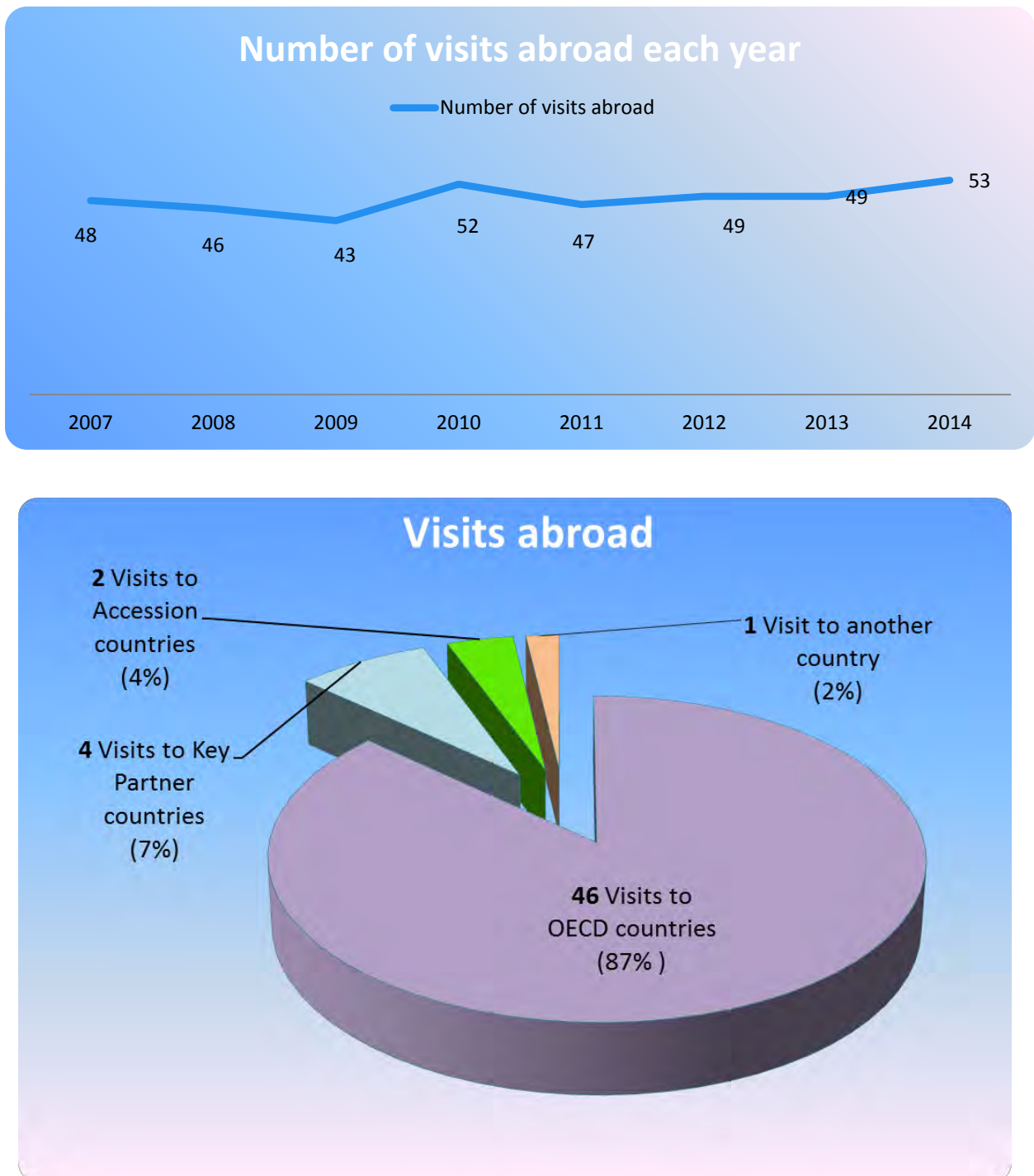
The Organisation's media presence and coverage has also remained consistently high during 2014, thanks to this rich activity and the release of various reports and products that attracted widespread attention. During 2014, the Secretary-General was quoted in over 1,000 articles. He also authored 11 op-eds, many of which were syndicated and featured in various leading newspapers. The Secretary-General launched 45 outlooks and flagship publications (up from 40 in 2013) and delivered 279 speeches (up from 259 in 2013).

Activity abroad

Of the Secretary-General's 53 visits abroad, 46 were made to OECD Member countries, 2 to Accession countries, 4 to Key Partner countries and 1 to another non-Member. This means that the Secretary-General made an average of one trip every week throughout the whole year.

During every visit, the Secretary-General presented relevant OECD work and was regularly received by the Leaders and key members of the government and civil society. The main purpose of this activity was to advance the OECD's advisory role in Member countries, launch relevant OECD work, increase the Organisation's profile in Key Partner economies and represent the Organisation at the highest political level in international summits and conferences where the OECD actively contributed, often through concrete inputs and reports.

Figure 1. Secretary-General's Visits Abroad



Visits to Member countries

During 2014, the Secretary-General made 46 visits to Member countries, 87% of his total trips abroad. Throughout the year, he visited 20 OECD Member countries out of 34 (in parenthesis the number of visits): Australia (4), Belgium (5), Canada (1), the Czech Republic (1), Finland (1), Germany (3), Italy (3), Japan (1), Mexico (4), Netherlands (1), Norway (1), Poland (1), Portugal (2), the Slovak Republic (1), Spain (5), Sweden (1), Switzerland (1), Turkey (1), the United Kingdom (3) and the United States (6).

These visits provided an opportunity to strengthen the role the OECD plays in advising Member governments on dealing with the legacies of the crisis. In some cases, the visits took place at the request of governments to help move forward their structural reform agendas. In other cases, they offered an opportunity to present economic surveys and other thematic reviews. In particular, 9 “Better Policies Series” brochures were presented by the Secretary-General in 2014, coinciding with his visits and meetings with Leaders.

Better Policies Publications in 2014

- Euro Area: *Economic challenges and policy recommendations for the Euro Area*, February 2014
- Germany: *Germany. Keeping the Edge: Competitiveness for inclusive growth*, February 2014
- The People’s Republic of China: *China: Structural Reforms for Inclusive Growth*, March 2014
- Japan : *Japan: Advancing the third arrow for a resilient economy and inclusive growth*, April 2014
- Italy: *Reform and Progress in Italy*, April, July & October 2014
- Slovenia : *Slovenia: Reforms for a strong and sustainable recovery*, May 2014
- Colombia : *Colombia: Policy Priorities to Boost Productivity and Social Inclusion*, June & November 2014
- Portugal: *Portugal: Deepening Structural Reform to Support Growth and Competitiveness*, July 2014
- European Union : *Recent and ongoing OECD-EU co-operation*, July & September 2014

During his visits, the Secretary-General met with key Ministers of all countries, as well as with Leaders, including: Chilean President Michelle Bachelet; Czech Republic President Miloš Zeman and Prime Minister Bohuslav Sobotka; Colombian President Juan Manuel Santos; Costa Rican President Luis Guillermo Solís; Estonian President Toomas Hendrik Ilves; Finnish Prime Minister Jyrki Katainen; French President François Hollande and Prime Minister Manuel Valls; German Chancellor Angela Merkel; Irish Taoiseach (Prime Minister) Enda Kenny; Italian Prime Minister Matteo Renzi; Japan Crown Prince Naruhito and Prime Minister Shinzo Abe; Latvian President Andris Bērziņš and Prime Minister Laimdota Straujuma; Mexican President Enrique Peña Nieto; Dutch King Willem Alexander and Queen Máxima, and Prime Minister Mark Rutte; Norwegian Prime Minister Erna Solberg; Chinese Premier Li Keqiang; Polish President Bronisław Komorowski; Portuguese President Aníbal António Cavaco Silva and Prime Minister Pedro Passos Coelho; Slovakian Prime Minister Roberto Fico and President Andrej Kiska; Slovenian Prime Minister Alenka Bratušek; Spanish King Felipe VI and President of the Government Mariano Rajoy; Swedish King Carl XVI Gustaf; Turkish President Recep Tayyip Erdoğan and Prime Minister Ahmet Davutoğlu; United Kingdom Prime Minister David Cameron; Uruguayan President José Mujica Cordano; and Pope Francis.

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.

Visits to Accession and Partner countries

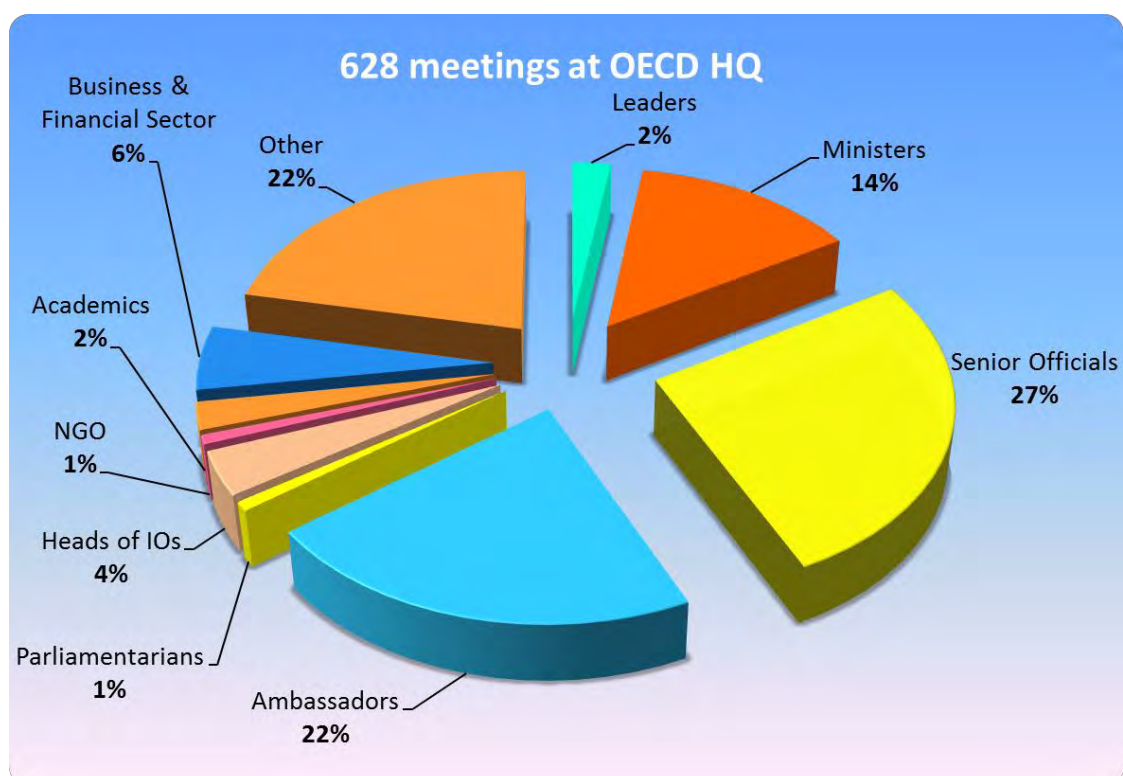
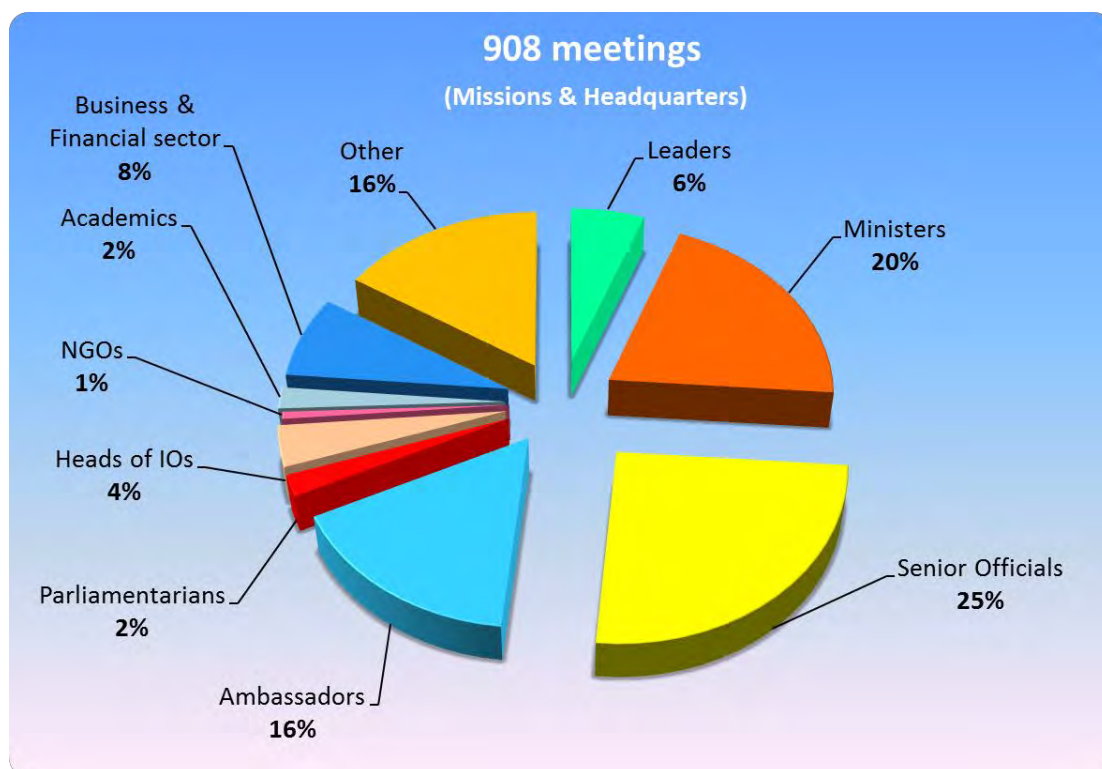
During 2014, the Secretary-General made 4 trips to Key Partner countries: Indonesia and the People's Republic of China (3 times). To support the Secretary-General's activities, the Deputy Secretaries-General also visited the Key Partner countries on a number of occasions. During his visits, the Secretary-General presented specific work carried out by the OECD on these economies, including economic surveys, regulatory reviews and Better Policies brochures. He also visited Latvia, the Russian Federation and Singapore, where he attended the World Cities Summit and International Water Week.

International Summits

In 2014, the OECD strengthened its ties with the G20 further, having participated actively with concrete deliverables and in many preparatory activities organised by the Australian Presidency. The Secretary-General was invited to participate in all high-level G20 meetings, including the four meetings of Finance Ministers and Central Bank Governors, the trade ministerial, the B20 and L20 Summits, and the G20 Brisbane Leaders' Summit held on 15-16 November 2014. For the first time, the Secretary-General was invited to both the APEC Summit and the Pacific Alliance Summit, helping make new inroads for OECD contributions in these important fora. The Secretary-General also attended the Global Partnership for Effective Development Cooperation in Mexico in April, the UN Climate Summit held in New York in September, as well as other major international meetings where he participates every year, including the IMF/WB Spring and Annual meetings, the World Economic Forum in Davos, the ITF Annual Summit in Leipzig, the Jackson Hole symposium and the Iberoamerican Summit in Veracruz.

Activity in Paris

Figure 2. Secretary-General's Bilateral Meetings



Leaders and high-level visitors at the OECD

During 2014, the Secretary-General continued to consolidate the OECD's position as the "go-to-place" in Paris for Leaders and relevant stakeholders wishing to address the international community or simply to have a tailored seminar with OECD experts, on topics of concern. The *Leaders' Programme* continued its development, with 15 Heads of State or Government visiting the OECD in 2014. These visits now span the full twelve months, not only during OECD Week, which in 2014 brought together two Prime Ministers, five Deputy Prime Ministers, 43 Ministers, 19 Vice-ministers, 130 senior country delegates, over 190 panellists and 1900 participants from 69 countries. The wider OECD community – the Secretariat and delegations – have also benefitted from these high-level visits through a programme of public lectures, addresses to members of the OECD Council and interactive policy seminars. Besides Leaders, the *Coffees of the Secretary-General* and *NAEC seminars* series, organised by the Secretary-General's office, have brought to the OECD some of the leading thinkers of the moment. This was well illustrated by the public lecture with economist Thomas Piketty, which drew a massive audience.

Regular meetings at the OECD

The Secretary-General also delivered keynote remarks and participated in the most important events hosted at the OECD, including various conferences, global fora and high-level committee meetings. But a great part of his time during 2014 was devoted to regular meetings to ensure the running of the organisation and the advancement of key issues. During the course of the year, the Secretary-General held 71 bilateral meetings with OECD Ambassadors and Heads of Delegations. He also chaired 14 sessions of the OECD Council, 5 meetings of the MCM Bureau and 10 meetings with the Chairs of Standing Committees. Internally, at the Secretariat level, he held more than 160 meetings with OECD Directors and senior staff to exercise his management duties and guarantee the adequate strategic direction of the Secretariat. This involved 8 full-fledged meetings of the Group of OECD Directors, more than 100 one-on-one meetings with OECD Directors and over 50 thematic meetings to discuss specific themes ranging from the economic outlook and the main messages in forthcoming key reports to the preparation of important missions and visits.

Communication and visibility

The Secretary-General was at the forefront of enhanced outreach efforts to continue expanding the Organisation's traditional and social media presence during 2014. Press events, publication launches and missions abroad were frequently timed to complement major international events and communication opportunities, capitalising on the worldwide media attention.

During 2014, the Secretary-General gave 208 sit-down interviews, 71 from OECD studios (vs. 48 in 2013) and 137 while on mission, not-counting many ad-hoc interviews and press points. The Secretary-General was quoted in 1044 original articles, which were widely disseminated. He authored 11 op-eds.

OECD WEEK 2015

www.oecd.org

OECD Paris
2, rue André-Pascal, 75775 Paris Cedex 16
Tel.: +33 (0) 1 45 24 82 00