OECD
 REPUBLIKA SLOVENIJA
 STALNO PREDSTAVNIŠTVO PRI OECD
 PARIZ

O E C D 365

Interviews with Directors of the OECD Directorates

Paris, June 2022

This publication is a collection of interviews conducted by the Permanent Representation of Slovenia to the OECD with the directors of OECD directorates at the initiative of Ambassador Peter Ješovnik between March and June 2022.

This publication reflects only the authors' views and have no connection with official views of the Ministry of Foreign Affairs of the Republic of Slovenia.

© 2022 Permanent Representation of Slovenia to the OECD

All rights reserved. No part of this publication is permitted for reprint, reproduce or use in any form without written permission.

To cite this publication please use:

(2022) OECD 365: Interviews with Directors directorates at the OECD **Edited by:** Sabina Kovačič, assistant to the Ambassador **Design cover:** Sabina Kovačič

> Permanent Representation of Slovenia to the OECD 28, rue Bois-le-Vent 75016 Paris France

> > Phone: +33144965069 E-mail: <u>slomission.paris@gov.si</u>

Dear readers, dear partners and stakeholders,



At the Permanent Representation, we decided to complement Novičnik with the *OECD 365 (days)*, a one-time publication that coincides with last year's creation of the OECD's new 10-year vision. With this aim in mind, we conducted numerous interviews with key directors of directorates at

the OECD or simply with the area managers, or rather those individuals who are most crucial in the daily management of OECD business.

The world has faced major challenges, which also includes multilateral organizations that must provide appropriate responses to the newly created situation. We face a series of complex and difficult challenges. Russia's unprovoked, unjustified and illegal war against the people and democratically elected government of Ukraine has caused a severe humanitarian catastrophe and cast doubt on the recovery of the world economy. In many parts of the world, the role of democracy is under threat. The gritty appeal of authoritarianism seems to attract more and more fans. The COVID-19 pandemic has halted economic growth and damaged living standards. Trade protectionism exists in too many regions of the world and is on the rise in others. The use of economic coercion is spreading. The threat of climate change is existential.

As in similar periods of the 20th century, the actions of like-minded nations have never been more important. The OECD is the most influential coalition of like-minded nations in the world. We must not underestimate the weight of our joint action nor the responsibility we share. The OECD has five major priorities in the next period:

• optimizing the strength and quality of the recovery by promoting stronger, cleaner, fairer economic growth and raising employment, living standards and prosperity;

• Support the OECD's leadership on climate action to help safeguard net zero global consumption in an efficient and equitable manner by 2050;

• take advantage of the opportunities of digital transformation while better managing some of the related risks, challenges and disruptions;

• helping to ensure well-functioning world markets and a global level playing field with

a rule-based trading system that works flawlessly; and

• advancing OECD standards through membership and partnerships and a prudent approach to development.

3

This publication goes beyond the usual "newsletter", as it is an in-depth review of topics and policies at the global level, which the OECD co-creates with an eye on Slovenia. We hope that we will attract those of you who find the work of the OECD more interesting to read, and you will get an insight into which areas are particularly interesting for Slovenia.

Please never forget that we are a small team and that the Newsletter is our facultative activity.

Peter JEŠOVNIK, Permanent Representative of Slovenia to the OECD

TABLE OF CONTENTS

DIRECTORATE FOR GLOBAL RELATIONS AND CO-OPERATION (Andreas SCHAAL)
OECD CENTER FOR ENTREPRENEURSHIP, SMEs, REGIONS AND CITIES (Lamia KAMAL- CHAOUI)
CENTRE FOR TAX POLICY AND ADMINISTRATION (Pascal SAINT-AMANS)
DIRECTORATE FOR FINANCIAL AND ENTERPRISE AFFAIRS (Carmine DI NOIA)26
DIRECTORATE FOR DEVELOPMENT CO-OPERATION (Jeffrey SCHLAGENHAUF)
ECONOMICS DEPARTMENT
POLICY STUDIES BRANCH (Luiz de MELLO)
COUNTRY STUDIES BRANCH (Alvaro PEREIRA)
DIRECTORATE FOR EDUCATION AND SKILLS (Andreas SCHLEICHER)
DIRECTORATE FOR EMPLOYMENT, LABOUR AND SOCIAL AFFAIRS (Stefano SCARPETTA).50
DIRECTORATE FOR THE ENVIRONMENT (Alain DE SERRES)
DIRECTORATE FOR PUBLIC GOVERNANCE (Elsa PILICHOWSKI)61
DIRECTORATE FOR STATISTICS AND DATA (Paul SCHREYER)67
DIRECTORATE FOR SCIENCE, TECHNOLOGY AND INNOVATION (Andrew WYCKOFF)74
DIRECTORATE FOR TRADE AND AGRICULTURE (Marion JANSEN)80
CENTER FOR WELL-BEING, INCLUSION, SUSTAINABILITY AND EQUAL OPPORTUNITY (Romina BOARINI)
OECD DEVELOPMENT CENTER (Ragnheiður Elín ARNADOTTIR)91



©OECD 2022

Andreas Schaal

Director for OECD Global Relations and Co-operation

Email address: <u>andreas.schaal@oecd.org</u> Website: <u>https://www.oecd.org/global-relations/</u>

Andreas Schaal is the Director for OECD Global Relations and Cooperation, as well as the OECD Sherpa to the G7, the G20 and APEC. In these functions, he supports and co-ordinates the OECD's contributions to global governance under the leadership of OECD

Secretary-General Mathias Cormann. In close co-ordination with OECD Members and the OECD's External Relations Committee, he and his team implement the OECD Global Relations Strategy, engaging with over 100 partner countries around the globe at the ministerial level and building a global level playing field by increasing adherence to OECD standards and policies.

Since joining the OECD in 2008, he has also held positions as a Senior Policy Analyst in the Investment Division of the Directorate for Financial Markets and Enterprise Affairs, and as Counsellor in the Office of the Secretary General. Prior to joining the OECD, he held various positions during his work for the German Federal Government, including Deputy Director G8 Summit/German Sherpa Office.

Andreas Schaal is a non-Resident Senior Fellow of the Chongyang Institute for Financial Studies at Renmin University of China (RDCY) (source: OECD)

What is the mission and mandate of your directorate?

The mandate of the Directorate for Global Relations and Co-operation (GRC) is to support that OECD standards and policies are recognised, observed and implemented on a global scale. This mandate from the recently adopted OECD Global Relations Strategy is already rooted in Article 1 of the OECD Convention, which stipulates that the aim of the OECD is to "promote policies designed to contribute to sound economic expansion in Member as well as *non-Member countries*" [emphasis added].

Last year, as OECD Member countries marked the 60th anniversary of the Organisation's foundation, they developed and adopted a New Vision Statement, "Trust in Global Co-operation: The Vision for the OECD for the Next Decade" a revised OECD Global Relations Strategy. Together, these documents provide the Organisation and its members with an overarching framework for stronger and more coherent global engagement based on shared interests and mutual benefits. Our Members' ambition is that the OECD seek global reach and impact, preserving and promoting OECD standards and norms around the world. These *acquis* are essential to ensuring a level global playing field.

The mission of GRC is thus to support the implementation and internal co-ordination of the OECD's Global Relations Strategy. We co-ordinate the Organisation's relations with partner countries, global fora and other international organisations. We advise the Secretary-General and substantive OECD Directorates on how to strengthen co-operation with partner countries, regions and organisations. Importantly, the GRC also serves the OECD External Relations Committee (ERC), working with Members to help them reach consensus on Global Relations priorities and ensuring that relevant partners are effectively engaged in the Organisation's work.

What is your top priority as director?

My overarching priority as GRC Director is to make OECD work and standards matter on a global scale, and to support the OECD Secretary-General and OECD Members in this important and strategic quest. There are several ways we are working to achieve this. First, through accession to the OECD, which is a transformative experience and which remains the most effective way to promote and disseminate our standards and best practices.¹. Second, through engagement with OECD Key Partners: Brazil,² China, India, Indonesia and South Africa. In recent years, our co-operation with these countries has increased considerably and we are in the process of developing strategic framework with our Members, which guide and define our interaction and the objectives of our cooperation with each of them. Third, our five comprehensive regional programmes in Southeast Asia, Eurasia, Latin America and the Caribbean (LAC), the Middle East and North Africa (MENA), and South East Europe (SEE). Finally, country-specific approaches can also provide a useful platform for co-operation with selected countries across a range of policy fields.

Another key GRC priority is to ensure that the Organisation's overall Global Relations efforts are centrally co-ordinated. We play an important role in various horizontal initiatives within the OECD, including in the area of development and sustainability. Moreover, facilitating partner countries' participation in OECD committees and bodies is a central element of our Global Relations.

¹ On 25 January 2022, the OECD Council decided to open accession discussions with six countries: Argentina, Brazil, Bulgaria, Croatia, Peru and Romania.

² In line with the Council decision of 25 January 2022, Brazil is now also an accession candidate country.

I also serve as the OECD Sherpa to the G7, the G20 and APEC, where the priority is to further enhance the OECD's engagement with global fora, as well as with the UN and regional fora. This contributes to the endorsement and further dissemination of the OECD's standards. It also enhances the Organisation's role and influence within major multilateral policy discussions. We are convinced that our efforts on Global Relations and Global Cooperation need to go hand in hand, that is why Secretary-General Mathias Cormann has decided to merge the Sherpa and Global Relations function and form a new directorate for Global Relations and Cooperation (GRC). This is even more important in light of the fact that we have with Indonesia (2022), India (2023), Brazil (2024) and South Africa (2025), four major emerging economies presiding over the G20.

Finally, as Director an important priority for me is the human side of Global Relations. I am proud that we have a cohesive, dynamic and diverse team at GRC and that we keep on building and nurturing close contacts with partner countries around the world.

How does the work of your directorate differ from the work in other international forums with the same topic?

The scope of our work is extensive and I wear a "double hat" as GRC Director and OECD Sherpa to the G7, the G20 and APEC. These fora do not produce analysis and do not have an implementation arm, as they tend not to have a Secretariat. For this reason, they rely on international organisations, amongst which the OECD plays an important role. The OECD has a unique positioning within these fora, in particular in the G20, thanks to its multidisciplinary approach and wide range of policy areas covered. We inform policy discussions (including those leading to the establishment of global standards, such as the G20 AI Principles), support the implementation of the commitments with mechanisms (such as the Global Forum on Tax Transparency), and help OECD members keep track of the implementation of their engagement.

Are you facing any particular major challenge arising from the current multi-stakeholder environment? What was the impact of the pandemic and Russia's aggression on the extensive work of your directorate?

The world faces a range of complex challenges in the current multilateral environment. Of course, the most dramatic consequence of the large-scale war of aggression by Russia on Ukraine is the human suffering, the lives lost and the evolving refugee crisis. In addition to that, there are also significant

8

economic implications, including the setback to the global recovery from the COVID-19 pandemic, which, prior to the large-scale aggression, was expected to continue in 2022 and 2023.

Addressing the profound effects of this succession of crises on the economies of OECD Members and partners will require effective and practical international co-operation. It is particularly crucial that in times like these like-minded countries come together around shared values and the OECD is a pertinent forum in this respect.

In this context, GRC is facilitating relevant co-operation for and with Members and partners, through our programmes, evidence-based analysis, and the dissemination of our standards and best practices. The OECD's support for the democratically elected government of Ukraine and for the country's recovery and reconstruction, as well as the opening of the OECD Kiev Office will be other important elements co-ordinated by GRC.

More broadly, in the face of global challenges such as climate change, digitalisation, and economic recovery, the OECD's Global Relations have an important contribution to make to the Organisation's mission of promoting stronger, cleaner, and fairer economic growth in Member and partner economies. This is ever more important since emerging and developing countries represent a growing share of the world's economy, and many investment decisions affecting growth and the environment alike are increasingly taken in emerging economies.

How do you encourage and ensure that Slovenian experts are productively involved in the work of your directorate and committees/bodies under your auspices? What are the practical consequences of your directorate's work for Slovenia?

Slovenian representatives are actively engaged in the work of the ERC. We are also delighted that Slovenia is taking a strong interest in the work of our various regional programmes. For instance, Slovenia has been one of the most active OECD countries in supporting the work carried out by the South East Europe Regional (SEE Programme, thereby strengthening the Western Balkans' dialogue and co-operation with the OECD. Slovenian experts contribute to these activities and share their country's policies and good practices in various areas, ranging from tourism to green economy. Their active support is helping the Western Balkan economies in their EU integration efforts. As both an OECD and EU member state, Slovenia's experience offers very relevant inspiration for the entire region.

The SEE Regional Programme will soon launch an important new report, <u>Labour Migration in the</u> Western Balkans: Mapping Patterns, Addressing Challenges and Reaping Benefit, looking into emigration trends and how the region can derive benefits whilst mitigating negative impacts. The report will be launched at a High-Level Conference on South East Europe on 17 May, in which Slovenia will take part. As the emigration from the Western Balkans to Slovenia has been increasing in recent years, the report will have practical implications for Slovenia, most notably, concerning howe the Western Balkan diaspora can contribute to the growth and development of their home countries and strengthen the economic linkages between Slovenia and the Western Balkans.

As an OECD Member country, Slovenia also plays a key role in supporting the OECD's co-operation with MENA economies. In particular, representatives from the Slovenian Ministry for Development and the Ministry of Foreign Affairs participated in the 2021 MENA-OECD Ministerial Conference "Designing a roadmap to recovery in MENA". Together with representatives from MENA and other OECD economies, Slovenia identified key strategies to ensure an inclusive and resilient post-COVID-19 recovery in the MENA region.

Slovenia's experience can be valuable for many partners around the world. For example, Slovenia's skills upgrade of its population in tandem with an effective expansion of its manufacturing sector is an experience that could be quite relevant for the LAC region, for instance in the context of the upcoming LAC Ministerial on Productivity, "Towards a productive and a human-centred and sustainable integration in the world economy", which will take place in Brazil on 23-24 June.

Could you mention the most important publications, reports or other documents that the Directorate (or committees/bodies under your auspices) have issued or to which you have significantly contributed in recent years? Why are these important and what was their impact?

Most of the reports and publications pertaining to non-member countries are carried out by substantive Directorates under the purview of their Committees and bodies. We are regularly consulted then and our experts actively support all OECD Directorates in their interaction with and understanding of partner countries. In recent years, GRC has also issued a number of its own publications on order to contribute to the OECD's overall strategic objectives.

Two recent EU-funded flagship publications have been prepared by the SEE regional programme. First, the <u>Competitiveness Outlook</u> publication offers one of the most comprehensive assessments of economic performance, governance and regulation in the Western Balkans. It serves as guidance and inspiration for pursuing an ambitious, inclusive and sustainable reform agenda in the Western Balkans. The report also provides a necessary and useful evidence base for the post-COVID-19 recovery of the region. Second, the <u>SME Policy Index: Western Balkans and Turkey</u>, has played a key role in the

development of a robust private sector in the region by stimulating convergence with OECD and EU good practices for SMEs.

The Eurasia Regional Programme has also issued a number of recent publications on issues relevant to further improving the region's competitiveness, recovery and inclusive growth. In the MENA region, a number of impactful publications centred on the important topic of gender equality, such as <u>Changing</u> <u>Laws and Breaking Barriers for Women's Economic Empowerment in Egypt, Jordan, Morocco and</u> <u>Tunisia</u>. Finally, our LAC Regional Programme has issued a publications on key topics such as integrity, governance, gender equality, SMEs, digital transformation and productivity, including <u>Shaping the</u> <u>Digital Transformation in Latin America: Strengthening Productivity, Improving Lives</u> and <u>Integrity for</u> <u>Good Governance in Latin America and the Caribbean: From Commitments to Action</u>.



Lamia KAMAL-CHAOUI

Director of the OECD Center for Entrepreneurship, SMEs, Regions and Cities

Email address: <u>lamia.kamal-chaoui@oecd.org</u> Website: <u>https://www.oecd.org/cfe/</u>

Lamia Kamal-Chaoui is the Director of the OECD Centre for Entrepreneurship, SMEs, Regions and Cities since 2016.

As a key member of the OECD Executive Leadership team, she supports the Secretary-General in achieving the OECD's mission to advance

©OECD 2022

economic growth and social progress as well as contributing to other global agendas such as the G20 and G7, the Paris Agreement on Climate Change and the implementation of the United Nations Sustainable Development Goals.

From 2003 to 2012, she was Head of the Urban Programme in the OECD Directorate for Public Governance and Territorial Development. Previously, she also worked in the OECD Trade Directorate and the OECD Directorate for Financial and Enterprise Affairs. She has also authored, co-authored, and overseen hundreds of policy reports and articles, and forged numerous strategic partnerships and collaborations with companies and international institutions. She holds a Master's Degree in Macroeconomics from the University of Paris Dauphine and a Master's Degree in Foreign Languages and History from the University of Paris Diderot. She recently received the "Women of the Decade in Enterprise and Leadership" award of the Women's Economic Forum (source: OECD).

What is the mission and mandate of your directorate?

The mission of the Centre for Entrepreneurship, SMEs, Regions and Cities (CFE) is to help local and national governments unleash the potential of entrepreneurs and small and medium-sized enterprises, promote inclusive and sustainable regions and cities, boost local job creation and implement sound tourism policies. This allows us to zoom-in on challenges and opportunities that are often not easily visible, or indeed overlooked, in the bigger picture.

We address these issues via four committees and five subsidiary bodies:

- the Committee for SMEs and Entrepreneurship (CSMEE);
- the Local Employment and Economic Development programme (LEED);

- the Tourism Committee (TC) and its Working Party on Tourism Statistics; and
- The Regional Development and Policy Committee (RDPC) and its three working parties on Urban Policies, Rural Policies, and Territorial Indicators as well as its Expert Group on Multi-level Governance.

CSMEE: SMEs and entrepreneurs are important drivers of sustainable and inclusive growth. They are also engines of innovation and transformation. They contribute to the social fabric and individual wellbeing, and champion sustainable business practices. However, they had long been facing complex challenges about growth and productivity driven by their capacity to benefit from globalisation and integration in value chains, access to finance, market and critical resources such as skills. Their structural weaknesses were exacerbated by the pandemic, which hit them disproportionately and further highlighted their vulnerabilities to global economic shocks such as the war in Ukraine. For this reason, an important focus of work within our current programme is on securing the recovery, whilst continuing to address disproportionate challenges and uneven playing fields for smaller firms and entrepreneurs. These include access to finance, skills, and foreign markets, dealing with red tape and bureaucracy, going green and digital and, enabling uptake of ESG criteria. Equally, a core objective is to identify policies to exploit opportunities, for example leveraging on their innovation, entrepreneurialism, and agility to boost productivity, resilience, sustainability, jobs-growth, scaling-up and inclusion.

LEED: Even if the advent of increased teleworking has changed the nature of where jobs are located, most people still want to be able to work close to where they live. The LEED Committee contributes to the creation of more and better quality jobs for all, including disadvantaged groups, by leveraging on this local dimension, local actors and local ecosystems. We do this through more effective policy implementation, innovative practices, stronger capacities and integrated strategies for local economic, social and cultural assets and through assisting communities in adapting skills requirements to mega-trends and transitions affecting local labour markets. Specifically, cultural, creative industries and global events can offer an opportunity to generate jobs and new business, and foster inclusion and well-being. The Centre is building new data-rich evidence, allowing for sound policy advice on how these activities can benefit local development.

TC: Tourism is an important driver of economic growth and job creation, directly contributed around 4.4% of GDP, 6.9% of employment and 21.5% of service exports on average in OECD countries pre-COVID-19. The pandemic hit the tourism sector hard - globally, international tourism fell by 73% in 2020, improving only marginally in 2021. This has devastating consequences for local communities, regions and tourism businesses, 85% of which are SMEs. Supporting a strong and sustainable recovery of the tourism sector is now a priority. Therefore, a significant part of the work-programme in the

13

coming years will be to support its recovery but also to build resilience to future shocks, in particular through sustainable tourism models. The Tourism Committee also works to optimise the economic, environmental and socio-cultural benefits of tourism to foster innovative businesses, create quality jobs, and boost the competitiveness, attractiveness and inclusiveness of destinations. It supports the design, adoption and implementation of tourism policy reforms at national and sub-national level to promote sustainable tourism, foster digitalisation and enhance safety and resilience.

RDPC: Geographical disparities have been persistent. The RDPC looks at how national governments can respond to this challenge through place based policies such as National Urban Policies and frameworks for multi-level governance. These policies can strengthen the productivity, competitiveness and innovation of all places. We also work with sub-national governments who hold many key powers and resources. In fact, they are responsible for almost 60% of public investment in OECD countries - investment that will be central to a sustainable, inclusive and resilient recovery. RDPC promotes the design and implementation of policies to put in place the right governance arrangements, to unlock growth, tackle disparities, address challenges of demographic change, including the integration of migrants, and works to boost attractiveness and resilience to shocks. In its work it supports all types of regions that often face differing challenges – rural, urban and wider regional policies - to make a smooth transition to green and digital modes and capitalise on the potential of linkages and complementarities between places.

Developing the evidence base

Our work is driven by robust, reliable and meaningful data, across scores of themes including; subnational finance, local labour markets, well-being, SDGs, and environmental, governance, institutional and economic structures. These data inform and empower policy makers at all levels, academics, and citizens to develop, implement and monitor new solutions. We have invested in a unique data science capability that is pushing the frontiers of analysis including *geospatial analysis* – harnessing the power of novel data sources and techniques to generate new insights for policy makers.

Taken together, the Centre's broad remit provides us with a unique perspective and ability to support governments with joined-up policy guidance and recommendations that work at the crossroads between people, places and firms.

What is your top priority as director?

CFE's core immediate priority is to support a strong, resilient, sustainable and inclusive recovery; one that is also able to meet the challenges stemming from major global economic shocks such as COVID and the large scale aggression in Ukraine.

In laying the foundations for the recovery, it is important to remember that the pandemic has had a very uneven effect. For example, micro and small enterprises were particularly hard hit, with nearly two thirds of these firms reporting significant impacts from the crisis, compared to about 40% of large enterprises. They needed – and were given – unprecedented support by governments across the world. Our report – <u>SME and Entrepreneurship Outlook 2021</u> - shows that in most OECD countries in 2020, between 20 and 40% of SMEs received government support in one form or another.

Despite this support, many SMEs have ran down reserves and ran up debts – and this may constrain their ability to play a full part in the recovery through investment in growth, greening and digital solutions. We are therefore looking closely at means to support them through access to alterative finance, and specific measures to boost green finance. Indeed just last year at COP26, we launched the new *OECD Platform on Financing SMEs for Sustainability* to promote this.

The crisis also had uneven impacts across regions and cities within countries. Some regions were able to adapt quickly to lockdowns and social distancing by switching to teleworking. However, this was not possible in all cases - for example, many areas dependent on culture and tourism or those specialised industries affected by global value chain disruptions were very hard hit. These included islands where getting tourism back on a more stable footing is essential for these places. Rural areas, often with patchy internet access, older and less healthy populations, and more limited healthcare capacities also struggled during the pandemic. Some areas, typically cities, with concentrated pockets of poverty and migrants also faced severe challenges.

It will therefore be important that recovery funds target and meet the needs of some of these hardhit places to prevent gaps in economic opportunity widening. That investment should not only help them bounce back, but also build resilience in the face of challenges that lie ahead – including the automation of jobs and the green and digital transitions. We are monitoring this closely through our *Regional Recovery Platform*, which is tracking the impacts on places and the policy response.

The Ukraine crisis, rising energy prices are strongly affecting rural areas or regions with high-energy dependencies. In addition, supply chain disruptions are increasing pressure on SMEs and places, many of which are especially vulnerable. What's more, many regions and cities – particularly in Eastern Europe – are seeking to support huge numbers of refugees displaced by the conflict. We are working hard to support them through our analysis and platforms.

How does the work of your directorate differ from the work in other international forums with the same topic?

At the CFE, we have a unique role to play in a number of respects. First, we have deep expertise in our subject matter that benefits from the input of national experts from 38 countries around the world

who form part of our committees, together with many other representatives from partner countries and indeed other international organisations. Many of these structures have a long history. For example, the Tourism Committee has been operational for 74 years – even before the OECD came into being in its current form! This year also marks the 40th anniversary of our Local Employment and Economic Development Committee (LEED). Over that time, we have developed deep partnerships, including through our main dedicated network and stakeholder groups, such as *Digital 4 SMEs*, the *Champion Mayors Initiative* and the *Local Development Forum* with key local and global organisations including universities and think-tanks to ensure that we can contribute practical recommendations and maximise our impact.

Second, we have invested in – and are proud of – our unique datasets and data science capabilities. These allow us to deliver unparalleled insights into global trends and emerging issues, and help policymakers to benchmark their own performance against a rich range of international comparators. For example, the freely accessible and regularly updated *OECD* <u>Regional</u> and <u>Metropolitan</u> **Databases** provide a unique set of around 80 comparable indicators for 2700 regions and 600 cities and metropolitan areas (i.e. functional urban areas) in OECD member and selected partner countries. They support policy makers at all levels of government to benchmark their performance, and develop evidence-based policies tailored to local circumstances such as our unique <u>database on SME finance</u> and the current development of the SME datalake.

Third, we are not afraid to "go local" and "granular" in all areas of our work. Our work recognises the often very different local circumstances and indeed tackles challenges and opportunities across a broad range of areas, including social aspects. To support this, we undertake country and local reviews, including through the *OECD series of national Reviews of SME and Entrepreneurship Policy, Tourism policy reviews* at national and subnational level or our *Territorial reviews* conducted as a national, regional and metropolitan level. In addition, the *OECD Trento Centre for Local Development* offers an extensive capacity-building programme consisting of academies, workshops, seminars and tailored support for local leaders. Thousands of policymakers and practitioners from over 75 countries have participated to date.

Fourth, we exploit the synergies of our remit to provide a unique perspective and ability to support governments with joined-up policy ideas and recommendations that work for people, places and firms. A good example of this is our work on *Local Entrepreneurship Ecosystems and Emerging Industries*, which identifies actions that can be taken locally to unlock the potential of SMEs and entrepreneurs – such as through networking events and supporting joint research and training projects.

At the same time, we use our unique capabilities to support other international fora. Recently we have been supporting the G20 Infrastructure, Tourism and Culture Working Groups – and last year we were proud to develop the <u>G20 Rome guidelines for the future of tourism</u>. This year we are working with

the G20 to update the joint <u>G20/OECD High level principles on SMEs Financing</u> and are developing a G20/OECD Policy Toolkit to mobilize funding and financing mechanisms to enhance for quality infrastructure investment in regions and cities following on from <u>our previous work</u> in this space. With APEC, we have strong links and contributions to the SMEs and Tourism Working Groups. We support a range of UN areas of work, including on SDGs, via our work on cities and the Paris Agreement. We also have very strong co-operation with the European Commission across all our areas of work.

Are you facing any particular major challenge arising from the current multi-stakeholder environment? What was the impact of the pandemic and Russia's aggression on the extensive work of your directorate?

First, let me say Russia's large-scale aggression against Ukraine is a terrible humanitarian tragedy, and The OECD has reacted quickly by terminating the accession process and closing the OECD Moscow Office. Of course as part of this, the CFE – like other Directorates – has discontinued a number of ongoing projects with Russia.

At the request of our members, we are now re-orientating our work programme to address the impacts of what has become a major global shock. In terms of the economic impact, the OECD has estimated that global economic growth could be more than 1 percentage point lower this year than was projected before the conflict (1.4 for the Euro area). Global inflation, which was already high at the start of the year, could rise by about a further 2.5 percentage points. As we have seen from previous crises and from our emerging research, we are aware the impact will not be uniform across firms and places.

This is forming renewed challenges for parts of the economy that were already vulnerable following the pandemic. SMEs for example are now facing major cost pressures from rising energy prices as well as major disruptions to their supply chains. Many cities – particularly in Eastern Europe – are now seeking to accommodate huge flows of refugees displaced by the conflict. The tourism sector has lost the spending power of Russian tourists and has had to restructure flight routes to avoid Russian airspace. In addition, of course the war is having a profound impact on energy security, potentially accelerating the green transition, and indeed raising questions on food security, both of which have very strong spatial impacts.

In adapting our work programme, we are building on the approach we took in the early phases of the pandemic. I have already mentioned the disproportionate impact on SMEs, regions, and tourism, and I am proud of our agile, high-impact response to the challenges that posed for policymakers.

Let me highlight a few elements of our COVID-19 approach. First, we produced 10 policy notes, which remain freely available on the <u>OECD COVID Hub</u>, covering impacts and policy measures on tourism, regions, cities, rural development, the cultural and creative sectors, and the social economy. These

have continuously ranked among the site's most downloaded notes; including the OECD's most popular note <u>the territorial impact of COVID-19</u>: <u>Managing the crisis across levels of government</u></u>. Second, we released special editions of our flagship publications, including the <u>Regional Outlook 2021</u>; <u>SME and Entrepreneurship Outlook 2021</u>; Job Creation and Local Economic Development 2020; <u>Regions and Cities at a Glance 2020</u>; and <u>OECD Financing SMEs and Entrepreneurs Scoreboard</u>. Third, we brought people together to share lessons and emerging impacts through hundreds of webinars. Finally, we looked to introduce new tools such as the <u>Regional Recovery Platform</u>, and also a new blogspace – <u>COGITO</u> – to allow us to provide more rapid, high impact, analysis and policy advice to our audience.

How do you encourage and ensure that Slovenian experts are productively involved in the work of your directorate and committees/bodies under your auspices? What are the practical consequences of the work of your directorate for Slovenia?

I am pleased to say that Slovenia plays a very active role in the CFE's work, and is well represented in all our committees. In particular, I would like to thank Dr Peter Worstner, who exerts strong leadership in chairing the Rural Working Party, Ms Apolonija Oblak Flander who participates in the bureau of the Working Party on Tourism Statistics, and Ms. Nataša Vrhovec who participates in the bureau of the Local Employment and Economic Development Committee. Their input helps ensure that our work addresses Slovenia's priorities, and provides valuable input to the specific analysis and insights we provide for Slovenia - through the country pages of our flagship publications such as our recent publication Financing SMEs and Entrepreneurs 2022: An OECD Scoreboard (mentioned above).

I am delighted to say that we also have been working with Slovenian officials on a number of bespoke projects that focus on Slovenia's policy priorities. For example, in February, we launched a report on *Boosting social entrepreneurship and social enterprise development in Slovenia*. The report provides an in-depth analysis of the policy ecosystem in place for social enterprises in Slovenia. It identifies the country's strengths and challenges and provides policy recommendations to support the development of a stronger policy ecosystem. For example, we find that Slovenia has a longstanding and rich tradition of a plurality of entities operating as social enterprises, but confusion and limited awareness remain around the concepts of social enterprise and the social economy. Thus, we think that public institutions can aid in clarifying such notions to facilitate shared understanding and overcome the fragmentation of institutional and legal environments in which social enterprises operate.

In November, we launched *Entrepreneurship and Innovation in Higher Education in Slovenia*. The initiative supports HEIs in their journeys through its self-assessment tool, a series of country reviews,

and a policy-learning network. It provides a framework for HEIs and policy makers to determine their next steps, and examples of best practice to build on. Specifically for Slovenia, we find that despite the increasing policy support, Slovenian HEIs continue to operate in a system with low incentives and career opportunities for collaboration and knowledge exchange. Therefore, the report focuses on three practical dimensions for Slovenian policymaking: 1) Organisational Capacity: Funding, People and Incentives; 2) leadership and governance; 3) Entrepreneurial Teaching and Learning.

Looking ahead, we have a number of other projects in the pipeline with Slovenia, including work to support the transition of Slovenia's tourism ecosystem towards more sustainable, resilient and digital models. This project - supported by the European Commission - will begin in the second half of 2022 in order to strengthen the data infrastructure and evidence base on tourism in Slovenia. In another ongoing project with the European Commission, The Future of Rural Manufacturing, Slovenia is one of four case study countries in which we are reviewing prospects and policies for rural manufacturing in the evolving world of automation and globalisation.

Could you mention the most important publications, reports or other documents that the Directorate (or committees/bodies under your auspices) have issued or to which you have significantly contributed in recent years? Why are they important and what has been their impact?

- We are currently very excited to be working on two formal Recommendations, which the OECD Council recently approved. These recommendations are the first developed by the OECD in these areas, so we are breaking new ground.
- The first concerns SME and entrepreneurship policy, responding to long-standing demand by OECD countries for frameworks and tools to improve policy effectiveness in this area. This work draws on underlying principles developed as part of the OECD's new SME and Entrepreneurship strategy, and has taken a new urgency as governments strive to support SMEs and entrepreneurs in the recovery and to adapt to the digital and green transitions.
- The second covers the social economy. The social economy already accounts for between 2% and 10% of national GDP in OECD Member countries, and 11.9 million jobs provided by 2.8 million entities in EU countries. Many countries are keen to do more to unlock its potential to meet social, economic and environmental objectives and have identified a specific role for it in their growth and development plans, including in the recovery.
- The Centre produces scores of publications each year, including a number of important flagship publications described below most of which include country pages for Slovenia:

- <u>SME and Entrepreneurship Outlook</u> (every 2 years). The most recent edition published last year

 focuses on the impact of the COVID-19 crisis and policy responses on SMEs and entrepreneurs.
 It reflects on longer-term issues, such as SME indebtedness or SME role in more resilient supply chains or innovation diffusion. The report contains country profiles that benchmark impact, factors of vulnerability, and sources of resilience in OECD countries, and gives a spotlight to liquidity support measures and recovery plans for SMEs.
- •
- <u>Regional Outlook</u> (every 2 years). The 2021 edition sets out how the COVID-19 crisis revealed the close relationship between the environment, well-being and the economy and society. It points strongly to the importance of being prepared and taking early action, which can also then help tackle challenges that lie ahead. The report explores the different territorial implications of COVID-19 on health and the economy and on moving to net-zero greenhouse gas emissions by 2050.
- <u>Regions and Cities at a Glance</u> (every 2 years) provides regular reliable statistics at a subnational level on a wide range of indicators. The next edition is due later this year.
- <u>Financing SMEs and Entrepreneurs: An OECD Scoreboard</u> (every year) The tenth edition of this publication was released in March and sheds light on the impacts of the crisis on SME finance, tracking the latest developments in debt, equity, asset-based finance and framework conditions, along with recent policy developments for 48 countries around the world.
- <u>The Missing Entrepreneurs</u>(every 2 years) Released last November, this report examines how public policies at national, regional and local levels can support job creation, economic growth and social inclusion by overcoming obstacles to business start-ups and self-employment by people from disadvantaged or under-represented groups in entrepreneurship. It shows that there are substantial untapped opportunities for entrepreneurship in populations such as women, youth, the unemployed, and immigrants. The report highlights the need for more differentiated government entrepreneurship policies that respond to the specific barriers these groups face.
- <u>Tourism Trends and Policies</u> (every 2 years) The next edition of this publication will be launched later this year, focusing on the impacts of the pandemic, and what policies are needed to support the sector to recover.
- Job Creation and Local Economic Development (every 2 years). Later this year, we will launch the next edition of this publication, which will focus on green skills and jobs – to open up new opportunities while meeting climate objectives. The previous edition – in 2020 - covered the uneven impact of COVID-19 on jobs.

• <u>Global State of National Urban Policy</u> (every 3 years) National Urban Policy (NUP) is a key instrument to achieving sustainable development through noting the shared responsibility across countries, regions and cities. The scale and urgency of the current urban challenges has given prominence to NUPs, and country recovery packages from COVID-19 provide a real opportunity to invest in cities to make them greener and more resilient. Last year's edition of this report reviewed the NUPs of 162 countries across the globe.



© OECD 2022

Pascal SAINT-AMANS

Director of the Centre for Tax Policy and Administration E-mail address: pass-baseline-amans@oecd.org Web page: https://www.oecd.org/ctp/

Pascal Saint-Amans took on his duties as Director of the Center for Tax Policy and Administration at the OECD on 1 February 2012. He joined the OECD in September 2007 as Head of the International Co-operation and Tax Competition Division in the Centre for Tax Policy and Administration.

He played a key role in the advancement of the OECD tax transparency agenda in the context of the G20. In October 2009 he was appointed Head of the Global Forum Division, created to service the Global Forum on Transparency and Exchange of Information for Tax Purposes, a programme with the participation of over 100 countries.

He graduated from the National School of Administration (ENA) in 1996, and was an official in the French Ministry for Finance for nearly a decade. He held various positions within the Treasury, including heading the supervision of the EU work on direct taxes and overseeing legislation and policy on wealth tax and mergers and spin offs. He was also the head of tax treaty negotiations and mutual agreement procedures (source : OECD).

What is the mission and mandate of your Directorate?

The Centre for Tax Policy and Administration (CTPA)'s main mission is to support the member-driven work of the Committee on Fiscal Affairs (CFA), including the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS), and its subsidiary working groups and taskforces, as well as the Global Forum on Transparency and Exchange of Information for Tax Purposes. CTPA covers all areas of taxation, including international and domestic issues, direct and indirect taxation, producing high quality and technical analysis, to deliver better tax policies for better lives and tackle tax evasion and avoidance. Our role and mission as Secretariat is to facilitate consensus and help more than 140 members of the Inclusive Framework and more than 160 members of the Global Forum, participating on an equal footing, find a common ground on complex tax issues. CTPA also supports developing countries through capacity building programmes, aimed at improving domestic resource mobilisation, and ensuring that all countries can advance together on international tax reform. A fundamental part of our work is helping to strengthen the capacity of all governments to improve their tax systems, to design and to implement fair and efficient tax policy reforms that will foster resilient and sustainable

economies in the long-term. Finally, CTPA also contributes to other important policy issues, with crosscutting work on climate change, skills and employment, investment as well as gender, For instance, this year, we released the first cross-country report, providing an analysis on gender equality and tax policy design.

What is your top priority as a director?

Our main priority currently is facilitating the implementation of the landmark agreement on the Two Pillar Solution to address the Tax Challenges Arising from the Digitalisation of the Economy agreed last October. It was agreed by 137 countries and jurisdictions representing more than 94% of global GDP and, once implemented, will bring the international tax system into the 21st century.

How does the work of your directorate differ from the work at other international forums with the same topic?

By ensuring high quality and technical underpinning of the work of our bodies, notably the Inclusive Framework on BEPS and the Global Forum, CTPA supports governments on policy-making related to tax. Our work relies on rigorous data collection and analysis processes, consultations with relevant stakeholders, policy guidance and implementation support. However, what differentiates us from other international or regional organisations working on tax issues is our committee structure, designing tax policies with technical experts from countries around the world. The creation of the Inclusive Framework on BEPS in 2016, resulting from the partnership between the OECD and the G20, now includes more than 140 jurisdictions that commit to the comprehensive BEPS package and its consistent implementation and work together on an equal footing. Concerning climate change, at a time when countries are trying to lift their ambition to reach carbon neutrality by 2050, it is critical to work in a cross-cutting manner. In this perspective, the OECD is uniquely placed to do this, and the CFA is now working jointly with the Economic Policy Committee (EPC) and the Environment Policy Committee (EPOC) to establish a joint Inclusive Forum on Carbon Mitigation Approaches, to facilitate a coordinated technical work to enhance cross-border cooperation on climate mitigation policies.

Over the years, we have strengthened our collaboration with other organisations with a different focus and membership so that our efforts are complementary rather than duplicative. A great example of such collaboration is the 'Tax Inspectors without Border' Initiative that, through the joint work with UNDP, assists developing countries in strengthening tax audit knowledge and skills in developing countries.

23

Are you facing any particular major challenge arising from the current multi-stakeholder environment? What was the impact of the pandemic and Russia's aggression on the extensive work of your directorate?

The continued work of the Inclusive Framework on BEPS around the clock to implement the agreement has been a good news story for multilateralism. Inclusive Framework members have recognised from the outset that it is better to have globally agreed solutions to problems such as the challenges arising from the digitalisation of the economy. The COVID-19 Pandemic has prevented us from having physical meetings for a long time and has slowed us down at first, but at the same time, it has allowed us to meet virtually on a more frequent basis, which enabled the work to move forward and involve more people.

CTPA is also constantly adapting its work to the international global context. During the pandemic for instance, CTPA has provided OECD Members with a range of tax measures governments could adopt to curb the economic fallout of the crisis, and has developed a compilation of all tax measures taken by governments so far. It has also issued guidance, in a Report to the G20 Finance Ministers and Central Bank Governors in October 2021, on how countries could undertake a fundamental reassessment of their tax and spending policies and to rethink their approach to public finances, in order to foster inclusive growth, that is both fiscally and environmentally sustainable over the medium to long term.

How do you encourage and ensure that Slovenian experts are productively involved in the work of your directorate and committees/bodies under your auspices? What are the practical consequences of your directorate's work for Slovenia?

The technical experts, including Slovenian experts, involved in our different bodies are very much aware of the great political sensitivity and the very high stakes of our work. As a result, they all engage very actively in the Committee and the Global Forum's work. With Slovenia, we are very pleased with the fruitful and good cooperation with Ms. Tina Humar and Ms. Petra Istenic, from the Directorate for the System of Tax Customs and Other Public Finance Revenues of the Finance Ministry. Our work delivers significant outcomes, with very practical implications for countries. Let me give you a few examples. The Two-Pillar Solution to the tax challenges of digitalisation, once implemented will have significant and concrete implications on the global economy. For the first time, countries will apply a globally agreed minimum corporate effective tax rate of 15% (Pillar Two) and countries have now agreed to reallocate more than USD 125 billion of profit to market jurisdictions through a formulaic approach (Pillar One). All economies, including Slovenia, will benefit from additional tax revenues. Moreover, our tax transparency standards are putting an end to bank secrecy. Between 2009 and 2019, bank deposits in international financial centres fell by USD 410 billion. The International VAT/GST Guidelines have also become a major source of revenues for countries. Finally, CTPA worked closely with Slovenia in the context of its in-depth review of its tax system in 2018 and delivered tailored recommendations and options for reforms.

Could you mention the most important publications, reports or other documents that the Directorate (or committees/bodies under your auspices) have issued or to which you have significantly contributed in recent years? Why are they important and what has been their impact?

Our biggest recent achievement was, of course, the landmark Statement on the Two-Pillar Solution to Address the Tax Challenges Arising from the Digitalisation of the Economy, agreed by 137 countries and jurisdictions representing more than 94% of global GDP in October 2021. But our work is not limited to the Two-Pillar Solution. We have also published a wide range of publications, reports and standards in recent years. As mentioned previously, we provided timely and regular support to countries with a range of policy advice on tax issues that arose during the COVID-19 pandemic. For example, we issued advice on how to keep businesses and individuals afloat, on tax treaty and transfer pricing issues, as well as tax administration measures that could be taken to ease the economic pain of the pandemic. The OECD Model Tax Convention, which aims to reduce double taxation and forms the basis of over 3 000 bilateral tax treaties, has been a fundamental part of the international tax architecture for more than 50 years. Similarly, the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations – which were recently updated in 2022 – are widely used around the world. We have also undertaken important work on climate action. Our flagship publications, Effective Carbon Rates and Taxing Energy Use, measures pricing of CO2-emissions from energy use in 44 OECD and G20 countries, covering around 80% of world emissions and offers valuable insights for policymakers. Furthermore, we have recently published the first cross-country report on Tax Policy and Gender Equality, analysing 43 countries' national approaches to tax policy and gender outcomes. Over the years, we have also greatly expanded and improved our statistics and databases allowing countries to compare with one another on the basis of country-specific, reliable data and objective criteria. The Global Revenue Statistics Database, produced in partnership with countries and regional organisations, provides the largest public source of comparable tax revenue data for over than 100 countries and jurisdictions.



Carmine DI NOIA

Director of the OECD Directorate for Financial and Enterprise Affairs Email address : <u>carmine.dinoia@oecd.org</u> Online website : <u>https://www.oecd.org/daf/</u>

Carmine Di Noia was appointed Director of the OECD's Directorate for Financial and Enterprise Affairs in February 2022, where he leads the OECD's standard setting and policy work on corporate governance, anti

corruption, responsible business conduct, competition, financial education and consumer protection, capital and financial markets, investment, pensions, insurance, public debt management, financial markets and blockchain.

He brings over 30 years of experience in the area of Financial Markets and Enterprise Affairs. Prior to his appointment, Dr Di Noia was Commissioner for the Italian Securities and Exchange Commission (CONSOB) and Deputy Director General at ASSONIME (the Association of Italian Corporations). He holds a Doctorate Degree in Economics from the University of Pennsylvania and a Doctorate Degree in Economic Theory and Institutions from the Università di Roma Tor Vergata. He is also a full Professor of Financial Markets and Banking, at the Business School of Luiss University, in Rome (source: OECD).

What is the mission and mandate of your Directorate?

The Directorate for Financial and Enterprise affairs' (DAF) mission is to assist policy makers in fostering fair and efficient markets, which contributes to inclusive economic growth and, in turn, better lives. We do this through our international standards, and by producing leading policy analysis on a wide range of issues related to financial markets and corporate activity. The Directorate's programme of work covers five main output areas, namely: investment policy (including responsible business conduct); anti-corruption and anti-bribery; corporate governance and corporate finance; competition; and financial markets, insurance and pensions.

This work is carried out by DAF's six committees and working groups, which are our main points of contact with our Members and non-member Partners. Each committee has a mandate, which is approved by the OECD Council. In turn, the Committees also have their own subsidiary bodies focusing on more specific areas, meaning DAF is active in policy research and standard setting in many domains – but all with the same fundamental goal of laying the groundwork for markets that help promote stronger, fairer and cleaner economic growth.

What is your top priority as director?

My overarching priority is to strengthen the Directorate's unique position as a standard-setter with global reach and technical expertise. In order to do so, as a Directorate we are focusing on a number of strategic priorities. Specifically, we will strive to promote a global level playing field, align financial flows with the transition to a low-carbon economy, address the chronic quality infrastructure investment gap, and ensure that we can reap the benefits of the digital transition of our societies to boost productivity while managing the associated risks.

Of course, we must keep in mind that the world is not static, and as the context in which we operate changes, we must adapt with it. With our mission as the guiding principle for everything we do, these priorities therefore serve as a compass on the path towards realising our goal of fair and efficient markets.

How does the work of your directorate differ from the work in other international forums with the same topic?

Firstly, like the OECD more broadly, DAF works in close collaboration with other international organisations and fora, notably the G20. Several OECD and DAF instruments are also endorsed by the G20. In addition, we also work with regional bodies such as the Asia Pacific Economic Cooperation (APEC) and others, and for Directorate-specific issues we collaborate with a range of specialised international bodies. This gives us a truly global reach.

Following the unique OECD working model, DAF is at once a standard-setter, research institution and forum for multilateral discussion on questions related to financial markets and corporate activity broadly. In combination with the peer review approach, this offers countries the opportunity to develop thoroughly evidence-based policies, learn from others, and understand how their national policymaking fits into an international context. Since we are not engaged in any lending activity, for example, our main value proposition is our ability to help policy makers take and implement decisions based on our data collection, analysis, standards and codes, as well as multilateral dialogue.

Are you facing any particular major challenge arising from the current multi-stakeholder environment? What was the impact of the pandemic and Russia's aggression on the extensive work of your directorate?

As I mentioned in my answer to your second question, as the world changes we must also consider how that affects the work we do and be ready to adapt with it, while maintaining our overarching goals and priorities. The pandemic is an example of an event that has had a significant impact across all of DAF's areas of work, by shedding light on a number of existing structural issues, and once more underlining the need for well-functioning global cooperation. Through our analysis and platform for discussion, we have assisted our members and partners in navigating this landscape since the onset of the pandemic. As a clear indication of the effect on our substantial work, certain DAF instruments are currently being reviewed to ensure their relevance given the effects of and lessons learned from the pandemic. Russia's war on Ukraine is exacerbating existing global economic pressures and has led to unprecedented policy responses around the world. In addition to strengthening OECD support to the democratically elected government of Ukraine, DAF is part of a broader OECD effort to help countries manage the implications of this difficult environment, with consequent impacts on our substantial work.

How do you encourage and ensure that Slovenian experts are productively involved in the work of your directorate and committees/bodies under your auspices? What are the practical consequences of your directorate's work for Slovenia?

As an OECD member since 2010, Slovenia is fully integrated and engaged in the Directorate's work. Several recent DAF projects across different areas of work have focused specifically on the country. For example, in January 2022 the OECD published a review of the pension system of Slovenia as part of the structural reform programme of the European Commission (EC). This was the result of the collaboration between the EC's DG REFORM and the two OECD directorates in charge of analysing the public pay-as-you-go (Directorate for Employment, Labour and Social Affairs) and supplementary funded (DAF) components of the pension system. Another example is the Phase 4 evaluation by the Working Group on Bribery (WGB), which Slovenia underwent in March 2021. Further, in May 2022, a peer review of the Slovenian National Contact Point for Responsible Business Conduct will be undertaken, assessing the strengths and areas for improvement so that it may fulfil its mandate and contribute to upholding responsible business conduct in the country. A report will be published following the review.

In terms of the practical implications for Slovenia, this work helps guide national policy debates and align Slovenia with international best practices, with a view to ensuring the country can achieve sustainable economic growth to the benefit of its citizens.

Could you mention the most important publications, reports or other documents that the Directorate (or committees/bodies under your auspices) have issued or to which you have significantly contributed in recent years? Why are they important and what has been their impact?

The Directorate's flagship publication is the annual Business and Finance Outlook (BFO). It presents unique data and analysis on the trends, both positive and negative, that are shaping tomorrow's world of business, finance and investment, focusing on a specific topic each year. The 2021 edition, which focused on Artificial Intelligence, was launched by the Slovenian Minister for Digital Transformation, Mark Boris Andrijanič. Previous editions have addressed e.g. sustainable and resilient finance, trust in business, and connectivity in financial markets and economies more broadly.

The BFO attracts significant attention from Members and Partners, academia as well as the international press. It serves to set out the Directorate's narrative for key issues facing the world economy and provides a solid foundation for discussion about more country-specific questions.



Jeffrey SCHLAGENHAUF

Acting Director of the Directorate for Development Co-operation E-mail address: <u>Jeffrey.schlagenhauf@oecd.org</u> Web page: https://www.oecd.org/dac/

Jeffrey Schlagenhauf took up his duties as Deputy Secretary-General in May 2019.

His portfolio includes the strategic direction of OECD policy on Public Governance and the Development Cluster, which includes the Development Cooperation Directorate, the Development

©OECD 2022

Centre and the Sahel and West Africa Club (SWAC). He also oversees the Statistics and Data Directorate. In addition, he is responsible for overseeing horizontal work on Anti-corruption and Integrity, and the Sustainable Development Goals

Prior to joining the OECD, he served as Assistant Director for Economic Policy in the White House Office of Management and Budget (OMB). In this role, he was the chief economic advisor to the director. He represented OMB in the "troika" process that established the economic assumptions underlying the administration's annual budget. His non-Governmental Experience included the position of president of the National Trade Association (source: OECD).

What is the mission and mandate of your directorate?

The OECD Development Co-operation Directorate (DCD) works as part of the OECD Development Cluster. The DCD supports the Development Assistance Committee (DAC) and the implementation of the 2030 Agenda for Sustainable Development by promoting policies to increase impact on the ground, stimulating new co-operation modalities, adapting international measurement frameworks and ensuring that innovative approaches to financing sustainable development "leave no one behind". The DCD supports Slovenia and other members of the OECD Development Assistance Committee (DAC), which is the custodian of Official Development Assistance (ODA), which was \$179B in 2021. The OECD Development Assistance Committee is a unique international forum of many of the largest providers of aid, including 30 Members. The World Bank, IMF, UNDP African Development Bank, Asian Development Bank and Inter-American Development Bank have observer status. The Committee became part of the OECD by Ministerial Resolution on 23 July 1960. Its overarching objective for the period 2018-2022 is to promote development cooperation and other relevant policies so as to contribute to implementation of the 2030 Agenda, including inclusive and sustainable economic growth, poverty eradication, improvement of living standards in developing countries, and to a future in which no country will depend on aid. In support of this mandate, the DCD works to improve the mobilisation, allocation and effective use of resources in support of the 2030 Agenda. We help cooperation providers better grasp the implications of the 2030 Agenda for their sector strategies, and the DCD leads groundbreaking work to advance new approaches to using private finance to deliver the 2030 Agenda. The DAC peer review mechanism has also been aligned with the 2030 Agenda, thereby improving examinations of members' development systems and policies. To that end, the Committee sets development co-operation standards, monitors official development assistance (ODA) and conducts regular peer reviews of its members. At its October 2017 High Level Meeting (HLM), the DAC agreed a vision to respond to new and evolving realities of development, emphasising its core strengths: Being the guardian of the integrity and definition of ODA and monitoring its flows as well as other official and private flows; Setting standards for providers' engagement in development cooperation; Serving as the forum for Members to hold each other to account for their development efforts; and, Promoting the exchange of views, learning and co-ordination among Members on good practices in development co-operation. The DCD also monitors how donors deliver on their commitments. For example, the OECD provides the annual report on Slovenia's progress towards its commitment, at the European level, to achieve 0.33% ODA/GNI and collectively achieve a 0.7% ODA/GNI ratio by 2030. In 2021, Slovenia provided USD 110 million, representing 0.19% of GNI in 2020. This represented a +19.0% increase from 2020, due to an increase in bilateral grants, including vaccine donations and contributions to multilateral organisations.

What is your top priority as director?

The DCD Director provides leadership, vision and guidance to a team of experienced development professionals in support of the strategic priorities of the OECD Members, Secretary-General and the Development Assistance Committee, and global engagement of OECD standards and policies, specifically in the area of development cooperation. The current policy priority in DCD is to support an ambitious development co-operation agenda that supports developing economies to play their part in a global, sustainable and inclusive recovery, With that aim in sight, we have adapted our current programme of work to leverage the knowledge and experience of a wider array of policy communities, starting with those that gather under the OECD roof. This approach aims to increase the impact of development co-operation on five pressing policy priorities: (i) mobilising and aligning finance for the 2030 Agenda; (ii) making development co-operation more effective, impactful and inclusive; (iii) preventing and addressing fragility and crises; (iv) tackling poverty and inequalities; and, (v) promoting climate objectives and sustainable natural capital.

How does the work of your directorate differ from the work in other international forums with the same topic?

For over 60 years, the OECD Development Assistance Committee (DAC) has brought together the world's main bilateral donors, defining and monitoring global standards in key areas of development. The Development Cooperation Directorate (DCD) is the sole Secretariat to the Development Assistance Committee (DAC), which includes Slovenia as a member and oversees ODA. Using these unique tools, the DCD contributes to developing better policies for better lives through transparent data on development finance, and improved development co-operation practices and policies. Our work supports the United Nations and its agencies in implementing the SDGs and other international commitments such as the Paris Agreement, the Addis Ababa Action Agenda or the Rio Conventions. The DCD oversees the following unique OECD standards and monitor their implementation:

• Recommendation of the Council on Environmental Assessment of Development Assistance Projects and Programmes (2020)

• DAC Recommendation on Ending Sexual Exploitation, Abuse, and Harassment in Development Cooperation and Humanitarian Assistance (2019)

• DAC Recommendation on the Humanitarian- Development-Peace Nexus (2019)

• OECD DAC Blended Finance Principles for Unlocking Commercial Finance for the Sustainable Development Goals (2017)

• Recommendation of the Council for Development Co-operation Actors on Managing the Risk of Corruption (2016)

• Recommendation of the Council on Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas (updated 2016)

DAC Recommendation on Good Pledging Practice (2011)

• DAC Recommendation on Untying Official Development Assistance (updated 2019)

DAC Recommendation on the Terms and Conditions of Aid (1978)

• The Statistical Reporting Directives: the rulebook on how to report statistics on aid and other resource flows.

• OECD DAC Peer Reviews.

Are you facing any particular major challenge arising from the current multi-stakeholder environment? What was the impact of the pandemic and Russia's aggression on the extensive work of your directorate? As the global standard setter on development and humanitarian aid, the DAC has a unique leadership role in supporting the global response to the large-scale aggression by Russia, including contexts with refugees and internally displaced populations, and also support for global impacts in developing countries. Humanitarian assistance to Ukraine as well as to refugees who have fled the country will naturally remain a high priority for donors but the crisis will also drive pressure on ODA envelopes both in terms of quantity and quality - including through slowing global growth, aggravated inflationary pressures, costs of refugee hosting and domestic budgetary pressures for example on defense spend and mitigating the impact of energy price spikes at home. These pressures on ODA come at a time of escalating need in the developing world. Rising food, fertilizer and fuel prices, inflation and a global economic slowdown, on top of lingering COVID vulnerabilities and ongoing crises are creating demand for ODA resources. On April 9, 2020, as the COVID-19 pandemic unfolded, the DAC issued a statement recognizing that the international response "will require much more than finance. It needs sustained action by many actors to address the immediate public health and humanitarian crisis and simultaneous support for economic, environmental and social resilience. The response must take account of the role of women and girls, children, youth and vulnerable groups, including people with disabilities and the elderly, and aim to reduce inequalities and protect human rights and freedoms". The OECD Development Co-operation Directorate supports the Committee in its endeavours. We supply technical expertise and help build consensus among DAC members and the wider development community to improve the impact, effectiveness and transparency of development co-operation.

How do you encourage and ensure that Slovenian experts are productively involved in the work of your directorate and committees/bodies under your auspices? What are the practical consequences of the work of your Directorate for Slovenia?

As a DAC Member since 2013, Slovenia and relevant experts from Slovenia are invited to all meetings of the DAC, DAC networks and subsidiary bodies. In its most recent OECD DAC Peer Review, the DCD welcomed Slovenia's efforts to enhance the impact of its bilateral co-operation, in particular: by working in partnership with other donors and actors; strengthening gender equality and environmental protection as cross-cutting issues; and linking results to the SDGs. Specific areas of work with the DCD and Slovenia include: policy reform; the DAC Recommendation on Enabling Civil Society in Development Co-operation and Humanitarian Assistance; and, the DAC Community of Practice on Civil Society. Could you mention the most important publications, reports or other documents that the Directorate (or committees/bodies under your auspices) have issued or to which you have significantly contributed in recent years? Why are they important and what has been their impact?

• DAC Peer Reviews: the OECD's Development Assistance Committee (DAC) conducts periodic reviews of the individual development co-operation efforts of DAC members. The policies and programmes of each DAC member are critically examined approximately once every five years. DAC peer reviews assess the performance of a given member's co-operation, not just that of its development co-operation agency, and examine both policy and implementation. They take an integrated, system-wide perspective on the development co-operation and humanitarian assistance activities of the member under review.

• Development Co-operation Report and Policy Papers: This report is the OECD's annual flagship report on development co-operation. For more than 50 years, the Development Co-operation Report has brought new evidence, analysis and ideas to the Development Assistance Committee (DAC) and the international community more broadly, shaping policy reform, behaviour change and promoting best practices in development co-operation. Each year the report analyses a fresh policy issue that is timely, relevant or challenging for development co-operation policy and finance. In addition, the Development Co-operation Profiles detail aggregate and individual trends in policies, allocations and institutional set-up for a broad range of providers, including members of the OECD and its Development Assistance Committee (DAC), other countries and philanthropic foundations.

• Multilateral Development Finance Report: this report looks at recent trends in the multilateral development system in order to provide the clearest possible picture to those deciding on its future. It presents the evolution of multilateral inflows and outflows, and analyses the strategic implications of the contributions by members of the Development Assistance Committee (DAC).

• Global Outlook on Financing for Sustainable Development: This report demonstrates that progress to leave no one behind has since reversed, and the international community faces unprecedented challenges to implement the holistic financing strategy set out in the Addis Ababa Action Agenda (AAAA). It finds that trillions of dollars in financial assets held by asset managers, banks and institutional investors are contributing to inequalities and unsustainable practices. It highlights the need to enhance the quality of financing through better incentives, accountability and transparency mechanisms, integrating the long-term risks of climate change, global health, and other non-financial factors into investment decisions. The report includes a plan of action for all actors to work jointly to

34

reduce market failures in the global financial system and to seize opportunities to align financing in support of the 2030 Agenda for sustainable development.

• States of Fragility: States of Fragility 2020 sets a policy agenda for fragility for development cooperation providers. It acknowledges the severe reality of fragility in its multidimensionality and complexity. It explores thinking and practice on fragility to propose new ideas on human capital analysis and conflict prevention in order to adapt policy for more resilient outcomes. With a thematic emphasis on peace in fragile contexts, it highlights the important role of peacebuilders, diplomats, and security actors for peace, and builds the case for enhanced complementarity and coherence across the Humanitarian-Development-Peace nexus. Focusing on fragility will be imperative to build peaceful, just and inclusive societies that leave no one behind.

OECD Economics Department



90ECD 2022

Luiz de MELLO

Director of the Policy Studies Branch at the Economics Department E-mail address: <u>Luiz.DEMELLO@oecd.org</u> Web page: <u>https://www.oecd.org/economy/</u>

Luiz de Mello is Director of the Policy Studies Branch at the Economics Department of the OECD. Together with the policy studies teams, Mr. de Mello provides leadership and strategic direction within the Economics Department, ensuring the design and implementation of analysis and policies, which promote

stronger, cleaner, fairer and more inclusive economic growth for member and partner countries. Structural policy surveillance, short and long-term economic outlooks, public finance and macroeconomic policy analysis are among the key workstreams for policy studies.

Earlier in his career, Mr. de Mello held senior positions at the OECD, including Deputy-Director of the Public Governance Directorate and Chief of Staff and Counsellor to the Chief Economist. Prior to joining the OECD, he worked as a Senior Economist at the Fiscal Affairs Department of the International Monetary Fund, and as a Lecturer at the Economics Department of the University of Kent, United Kingdom. He holds a PhD in Economics from the University of Kent, United Kingdom (source: OECD).



© OECD 2022

Alvaro PEREIRA

Director of the Country Studies Branch at the Economics Department

E-mail address: <u>Alvaro.PEREIRA@oecd.org</u> Web page: <u>https://www.oecd.org/economy/surveys/</u>

Álvaro Santos Pereira is Director of the Country Studies Branch at the Economics Department of the OECD since 1st April 2014 where he oversees the peer review process for the Economic Surveys. He

provides leadership in the co-ordination and management of the activities of the Directorate and ensures that it is at the forefront of the international political economy agenda. He identifies challenges and develops ways in which the OECD can promote policies to improve member and partner countries long-term Economic performance.

Prior to joining the OECD, between June 2011 and July 2013, he was Minister for Economy &
Employment in Portugal, responsible for the areas of Industry, Commerce and Services, Tourism, Energy and Public Works, Transportation, and Employment. As one of the largest ministries of the Portuguese government, he was in charge of a major programme of economic and labour reforms. Prior to this, he was a professor of Economic Development and Economic Policy at Simon Fraser University in Canada, and a lecturer at the University of British Columbia in Canada and the University of York in the United Kingdom (source: OECD).

What is the mission and mandate of your directorate?

De Mello: The Policy Studies branch of the Economics Department produces in-depth cross-country analysis on a wide range of macroeconomic and structural policy topics. We do so in close collaboration with the Country Studies branch of the Department and other OECD directorates and bodies.

We look at a broad spectrum of policy areas from an economic cross-country vantage point, ranging from labour and product markets, digitalisation and innovation, education and skills, regulation and social protection, housing and green growth. At the macroeconomic level, we examine fiscal, trade and investment, and monetary and financial market policies. Reflecting the need to provide analysis and advice on often rapidly evolving policy environments, we delved into public health matters during the pandemic and have been looking at energy and supply chain issues since the onset of the war in Ukraine.

We coordinate the production of the OECD *Economic Outlook* and *Going for Growth*, which are the main OECD flagships in the areas of macroeconomic and structural policies. These cross-country perspectives feed into, and benefit from, the work of the Country Studies branch and our bilateral policy dialogue with member and partner countries through the *Economic Surveys*.

We serve the Economic Policy Committee (EPC), which reviews and provides surveillance to spot both short- and long- term economic challenges, along with its three working groups: STEP, which focuses on short-term economic prospects; WP1, which focuses on structural policies; and WP3, which brings together the most senior officials from Ministries of Finance and Central Banks from 10 of the OECD's original members to discuss in particular monetary and fiscal policies.

This cross-country perspective contributes to the country-specific work carried out by the Economic and Development Review Committee (EDRC), which is also served by the Economics Department and is at the core of the OECD's peer review mechanism.

Pereira: The mission and mandate of our directorate is to help and support countries design good economic (fiscal, monetary, financial) policies and structural reforms, so that countries are able improve the lives and living standards of their citizens.

What is your top priority as a director?

Pereira: My main priority is for the Economics Department to be helpful to our member states, that is, to provide great economic and data-based analysis and insights as well as to help countries prioritize in their reform priorities.

De Mello: Providing sound analysis and advice from a cross-country perspective is a key priority for us, especially bearing in mind our increasingly complex policy environment. The world is going through times of disruption and uncertainty. This broader context ultimately shapes our priorities. While the Covid-19 pandemic has mobilised the attention of policymakers over the last couple of years, it has by no means diminished the significance of pre-existing megatrends shaping the world economy. Decision-makers face a growing list of challenges from slowing productivity and potential output growth, to digitalisation, population ageing and climate change. These trends often interact, offsetting or reinforcing one another. Policy analysis and advice therefore need to take account of these interactions, while considering how people and businesses react, and how expectations and aspirations shift over time. The war in Ukraine is drawing attention to the need to deal with a rapid increase in the cost of living and its effects on vulnerable social groups, in addition to all the human and social suffering it is causing. The associated pressures on commodity markets, especially food and energy, as well as supply chains, are bringing to the fore a host of policy questions that need to be addressed as the global economy emerges from the pandemic. By and large, our priorities focus on three broad strands of work: productivity/efficiency, inclusiveness and sustainability, with the latter defined to encompass both economic and financial resilience to various types of shocks, as well as longer-term environmental sustainability. This allows us to look at policy options to mitigate the adverse impacts of the pandemic, including risks to potential growth from scarring effects and the reallocation challenge; fostering economic growth and resilience, and promoting the transition to lowcarbon economies.

How does the work of your directorate differ from the work at other international forums with the same topic?

Pereira: First, all our work is peer reviewed by our committees and member states. That is pretty unique among International Organizations. Second, rather than providing countries with only a staff

assessment, we are able to produce reports that are subscribed by all OECD members, through their peer reviews.

De Mello: Our work has distinctive features in two main respects. One is the "what" of policy analysis and advice, and the other is the "how". Both are important in their own merit. Starting with the "what", we focus on cross-country analysis, which allows us to look at policy issues from a broad perspective, comparing and contrasting the experience of different countries, exploiting the contexts in which policies are designed and implemented, and on the basis of this approach distilling lessons and identifying good practices. This is all bearing in mind that countries have their own specificities that need to be taken into account. To do so, we rely on expertise to produce cutting-edge research, using new data and techniques in our analysis. We develop and use new research approaches and analytical tools, as reflected in the work of the Innovation Lab, for example. We exploit the potential of micro data to better understand the key channels linking policies to outcomes, thus enhancing the evidence base for policymaking. We also produce in-house structural policy indicators, such as those measuring regulatory barriers to firm entry and competition (Product Market Regulation, PMR), barriers to firm exit (design of insolvency regimes) and the stringency of environmental policies, as well as the structural reform tracker. Moreover, we are developing our analytical frameworks and modelling tools to deal with the challenge of achieving growth-friendly pathways towards net-zero emissions and implications for policies across several areas. As for the "how", we benefit from the regular discussion and consultations with senior policymakers in our committees. Our main policy communities are from Ministries of Finance, Ministries of Economy and Central Banks, but labour unions and business groups are also represented in our committees, as is the case of other OECD committees. We bring to the table our partner countries, the European Commission and other International Organisations to make sure our policy advice reflects the collective wisdom and knowledge of these policy groupings. Another important point is the ability to bring together different policy communities through horizontal initiatives. This has been the case of housing, for example, which is a complex policy area requiring insights from the tax, regional development, social policy and regulation policy communities, just to mention a few, which are seldom available in one single place. The Horizontal Project on Housing that is being led by the Economic Policy Committee in partnership with several other OECD committees is a case in point. The OECD Housing Policy Toolkit that was launched last year is a key deliverable of this work that is helping countries address the housing affordability challenge that so many countries are currently facing. More work is due in this area with emphasis on sustainability issues in a sector that is particularly difficult to decarbonise in support of broader efforts to secure an orderly transition to lowcarbon economies and societies. Horizontality does not stop here. We are also engaged in interdisciplinary work related to productivity under the aegis of the Global Forum on Productivity, which is a partnership between the Policy Studies and Country Studies branches of the Economics

Department and the Directorate for Science and Innovation. Another example is the Network of Fiscal Relations across Levels of Government, which is a joint venture of the Economics Department, the Centre for Tax Policy, the Public Governance Directorate and the Centre for Entrepreneurship, SMEs, Regions and Cities. Moreover, we contribute to the Horizontal Project on Building Climate and Economic Resilience in the Transition to a Low-Carbon Economy.

Are you facing any particular major challenge arising from the current multi-stakeholder environment? What was the impact of the pandemic and Russia's aggression on the extensive work of your directorate?

Pereira: Inflation and the related cost of living crisis are now at the top of our concerns. The pandemic hit hard all economies, including Slovenia. Still, the Slovenian economy managed to recover rapidly, with economic activity returning to its pre-pandemic level already in 2021. A major concern is the war in Ukraine. It affects our economic outlook and our policy recommendations. In the case of Slovenia, direct trade with Russia and Ukraine is low, although nearly all gas and 13% of oil and petroleum imports come from Russia. The conflict is adding to the already high inflation through higher energy and food prices. As a consequence, the Department has revised its economic projections downwards while inflation is expected to be higher. Nonetheless, economic activity will continue to expand and the labour market remain tight. Historically high employment and low unemployment rates will continue to put pressure on wages. Such a situation calls for a faster fiscal consolidation to reduce demand pressures. The government should stand ready to provide additional support for the households most affected households by the energy crisis, but such fiscal support should be financed by cuts to other government spending.

De Mello: The last couple of years have posed major challenges for policy, not least those related to the COVID-19 pandemic and now the ongoing war in Ukraine. Human suffering, and social and economic costs are key aspects of these challenges, but they also present a unique opportunity to improve our understanding of how economies and societies function in situations of extreme duress and the attendant policy responses. Let me focus on a couple of concrete examples. In 2020, in coordination with our committees, we identified several areas of work to support our members and partners with policy advice to deal with the crisis posed by the pandemic. We focused on options to protect workers from the hardships arising from lockdown and other confinement measures, to support businesses from the sharp contraction in economic activity in the early phase of the pandemic, and to minimise longer-term scarring from the pandemic in terms of persistent unemployment or withdrawal from the labour force for vulnerable social groups. Last year's edition of Going for Growth featured many elements of this work programme. We looked at a host of policy options. They included not least the design of job retention schemes and targeted social assistance programmes, reform of

unemployment insurance and active labour market policies, design of credit guarantee schemes for businesses, reform of insolvency regimes, and other policy questions that came to the fore in the early days of the pandemic and for which there was limited "off-the-shelf" policy advice. The outcome of this work is available on the OECD COVID Hub, and we are still dealing with many policy questions that will keep us busy for quite some time, such as a good understanding of the policies that can facilitate the reallocation of workers and capital in a manner that creates productivity gains to support the postpandemic recovery. After all, a pre-existing challenge that we have yet to address is the gradual slowdown in productivity growth around the world over the last three decades or so. Making sure that the recovery from the pandemic is productivity-enhancing is essential to improve the growth potential of our economies in a context of population ageing. We also had to innovate and look at policy questions from different perspectives. For example, information is not typically available from conventional sources, such as the national accounts and household or business surveys, with the frequency and timeliness needed for empirical analysis. We had to rely on high-frequency administrative data, web-based information and other tools to gauge near-real-time developments and the effects of policies as the pandemic unfolded. We have now added these innovations to our analytical toolbox, which is a positive legacy of the work. The war in Ukraine is posing a different set of policy challenges. The rise in the cost of living due to the sharp increase in the price of several commodities, especially food and energy, calls for more in-depth analysis on the functioning of those commodity markets and supply chains, the links between production and consumption prices, and impacts of those price increases along the income distribution. This is essential for policy advice, not least on the best options to support vulnerable businesses and social groups during periods of economic hardship. Our Interim Economic Outlook, launched in March, focused on preliminary analysis in this regard. More will come in the upcoming Spring Economic Outlook. A fundamental lesson of the last couple of years is the importance of deploying our expertise to inform policymaking in response of emerging policy challenges. This requires agility and flexibility in the ways we work and use our resources.

How do you encourage and ensure that Slovenian experts are productively involved in the work of your directorate and committees/bodies under your auspices? What are the practical consequences of the work of your Directorate for Slovenia?

Pereira: Cooperation is and has been very hands on. A very good example of this is Slovenia's participation in several Committees and Working Groups of the Economics Department, including the Economic and Development Review Committee. This Committee examines economic trends and policies in individual OECD countries, assesses the broad performance of each economy and makes

policy recommendations. By participating, Slovenia is contributing to the formulation of policies for faster, more sustainable and inclusive growth. These are specific examples of cooperation, but we should not forget the everyday cooperation that ensures that Slovenia is covered by our Department's flagship publications, such as the Going-for-Growth reports and the many OECD Economic Outlooks produced every year.

De Mello: We work very closely with Slovenia in a number of areas. First and foremost is our policy dialogue in the context of the regular Economic Survey that is carried out under the leadership of EDRC by our colleagues in the Country Studies branch. We also rely on partnership with Slovenia in the work that is carried out under the leadership of EPC and WP1. This includes the perspective of Slovenia in all the policy areas mentioned above and the inputs from Slovenian experts that goes into the production of our indicators and cross-country analysis. This partnership also provides inputs and insights that can inform the policy debate in Slovenia on the basis of the evidence and collective knowledge of our committees. We are delighted that our engagement with Slovenia is actually increasing. Slovenia has recently joined the Global Forum on Productivity (GFP), which as mentioned above is a partnership between the Policy Studies and Country Studies branches of the Economics Department and the Directorate for Science and Innovation, and will therefore benefit from all the work that is being carried out by the GFP and the associated policy insights.

Could you mention the most important publications, reports or other documents that the Directorate (or committees/bodies under your auspices) have issued or to which you have significantly contributed in recent years? Why are they important and what has been their impact?

De Mello: The flagships mentioned above – Economic Outlook and Going for Growth – are key vehicles for the dissemination of policy analysis and advice on matters that are relevant to the global economy and Slovenia in particular. They provide specific policy advice to Slovenia in the form of dedicated country notes, in addition to the analysis and advice reported in the Economic Survey of Slovenia. Moreover, information on Slovenia's policy stance is available in our indicators that are available on-line and in specialised publications, including those on product market regulations (PMR), insolvency regimes and housing policies, also mentioned above, as well as our OECD Public Finance Portal and the datasets of structural policy indicators. We hope the analysis and policy advice reported in these publications and analytical tools are useful to inform policy discussions in Slovenia through the lenses of international experience and good practices. We also hope to continue to build on the very fruitful cooperation that we have had with Slovenia over the years to address common challenges on the basis of sound evidence-based analysis.

Pereira: Slovenia joined the OECD in 2010. Over the last 12 years, the Economics Department has published half a dozen Economic Surveys for Slovenia. In these surveys, policy recommendations have been directed towards helping with policies to secure faster, more sustainable and inclusive growth. In addition to the Economic Surveys, the Department also publishes several flagship publications, such as the above-mentioned Going-for-Growth reports and the OECD Economic Outlooks produced twice a year. The last 12 years have been a success story for the Slovenian economy despite significant economic headwinds and international crisis. Notable economic achievements include a narrowing of the income gap vis-à-vis OECD's richer countries and low unemployment. Today, Slovenia is one of the fastest growing and most dynamic OECD economies. Looking ahead, the Economics Department stands ready to help Slovenia with remaining and new challenges, including how to support growth in the face of the international ramifications of the war in Ukraine.



Andreas SCHLEICHER

Director of Education and Skills Directorate

E-mail address: <u>andreas.schleicher@oecd.org</u> Web page: https://www.oecd.org/education/

Andreas Schleicher is Director for Education and Skills, and Special Advisor on Education Policy to the Secretary-General at the Organisation for Economic Co-operation and Development (OECD) in Paris. He initiated and oversees the Programme for International Student Assessment (PISA) and other international instruments that

have created a global platform for policy-makers, researchers and educators across nations and cultures to innovate and transform educational policies and practices. He has worked for over 20 years with ministers and education leaders around the world to improve quality and equity in education Before joining the OECD, he was Director for Analysis at the International Association for Educational Achievement (IEA). He studied Physics in Germany and received a degree in Mathematics and Statistics in Australia. He is the recipient of numerous honours and awards, including the "Theodor Heuss" prize, awarded in the name of the first president of the Federal Republic of Germany for "exemplary democratic engagement". He holds an honorary Professorship at the University of Heidelberg (source: OECD).

What is the mission and mandate of your directorate?

Over the course of its history, the OECD has assumed a leadership role in the field of international collaboration in education through the wealth and quality of its comparative data, its assessment programmes and surveys, and its analytical and policy work. The OECD operates with and alongside many other agencies and organisations in this space. Each organisation focuses on its comparative strengths and advantages. For the OECD, these include its multilateral frameworks for comparative data collection and analysis, for peer learning and peer review, and for convening dialogue among policy actors and a wide range of stakeholders. But perhaps the most significant comparative strength of the OECD lies in its capacity to develop innovative and forward-looking ideas and approaches that inform the international debate, inspire policy processes and shape the future of education. At the OECD we believe that educating people up to and beyond whatever technology demands is the foundation for better jobs and better lives. And giving more people better opportunities drives social participation and is the cornerstone for more inclusive and resilient economies. Education gets to the

origins of inequity in our societies and can therefore help us avoid picking up expensive consequences of inequality. We encourage countries to compare their experiences and learn from each other, and we accompany them in the difficult process of policy implementation. Our global metrics help countries see what is possible in education and set meaningful aspirations in terms of measurable goals achieved by the world's education leaders. Working with OECD member and partner countries, the OECD Directorate for Education and Skills carries out policy reviews and largescale cross-country surveys, gathering data on everything from public spending on education and teacher digital skills to the difference between how girls perform compared to boys in science, all in the service of better education policies. Our comparative data and analyses help education systems efficiently deliver fairer, future-ready learning to people of all ages and from all walks of life so they can become resilient, fulfilled and productive members of society and the world. Through such work, our aim is to help to help individuals and nations to identify and develop the knowledge, skills and values that drive better jobs and better lives, generate prosperity and promote social inclusion. We want every learner, every parent, every teacher and every policy maker to see that only the sky is the limit to improving education – and that improving education is the key to a better and fairer society.

What is your top priority as a director?

The road of educational reform is littered with many good ideas that were poorly implemented. My priority is to help countries understand the dynamics of successful reform and support them with successful reform implementation. Our Directorate does this by providing robust, reliable and comparable data and research that allows countries to see how far their education systems have come, where they are at now, and where they could be in the future through reform and largescale adaptation. For example, our Programme for International Student Assessment (PISA) shows how much school systems vary in their progress towards equipping all learners with the critical thinking, creative problem-solving and collaborative skills that are so crucial at a time when the kinds of things that are easy to teach and easy to test have also become easy to digitise and automate. At the same time, our Teaching and Learning International Survey (TALIS) seeks to strengthen the teaching profession globally and devise ways to bring together the people, the spaces, the technology and time more innovatively to educate learners for their future, rather than our past. It's often said that you can't manage what you can't measure, so my priority as Director is to help countries see that the same rule applies to education, and that strong evidence – like the evidence collected by us through our surveys and research – is key to the success of any reform.

How does the work of your directorate differ from the work at other international forums with the same topic?

We work with many other international organisations that also look at education, and it's true that there is strength in numbers when it comes to improving education worldwide. But the areas of focus, the mandate, and the ways of working differ from organisation to organisation. Where the OECD stands out is our ability to generate robust data and analysis while continually fostering international dialogue between people at the highest level of government. Put another way, we bring the right people to the right table at the right time, and then – most importantly – we give them the right evidence to inform their discussions. We also benefit from the OECD's wider mandate as a forum for international economic policy advice, meaning that we always have the bigger picture in mind when it comes to education and its role in the overall development of a nation. Combine this with the longevity of a survey like PISA – which started back in 2000 – and the OECD finds itself in the unique position as both producer of longitudinal data and high-level convener of the government stakeholders that can actually use those data to improve education.

Are you facing any particular major challenge arising from the current multi-stakeholder environment? What was the impact of the pandemic and Russia's aggression on the extensive work of your directorate?

During the pandemic, countries looked to the OECD to provide assistance with the implementation of digital technologies and to facilitate contacts for peer-learning across borders. The OECD became a hub of innovative solutions that have inspired also the OECD future work programme. In our Directorate we produced multiple publications designed to support countries in continuing education during school closures, and to help them in education's recovery as the pandemic winds down. You can find our work on COVID-19 here. Some key themes for education that emerged from the pandemic include the increasing digitalisation of teaching, learning and school organisation; a potentially widening achievement gap between advantaged and disadvantaged students caused by school closures; and the potential to use the momentum of changes caused by the pandemic to re-think schooling to better suit the 21st century. More recently, we are also in close contact with representatives from the Ukrainian Ministry of Education during such a difficult period. Let me add that Russia's large-scale aggression against Ukraine is a devastating tragedy, and in response our Directorate has halted Russia's involvement in many of our projects, following the OECD's wider condemnation of the conflict. With regards to multilateralism, education as a policy area is always

difficult because it takes a long time for education reforms to bear fruit, given how long the average education cycle is, meaning that administrations often change before the previous administration's reform has had time to show results. This can make conversations difficult, both within and between countries – you can lose an election on education policy, but you rarely win an election on education due to the time it takes to enact meaningful reform. It means that education stakeholders in most countries are naturally cautious, sometimes a little too conservative, which can stifle the discussion and make international cooperation needlessly cumbersome.

How do you encourage and ensure that Slovenian experts are productively involved in the work of your directorate and committees/bodies under your auspices? What are the practical consequences of the work of your Directorate for Slovenia?

Listed below are our main flagship series and most recent titles. Our work is disseminated through our digital channels and directly to our member stakeholders in their capitals. These outputs gain significant coverage and mentions in national media, as well as a high reach and engagement via social media. Our evidence and data is presented and discussed at Ministerial, high-level and stakeholder meetings and fora. Our data, policy advice and analysis are used by policy makers to compare experiences and learn from other countries as well as inform policy decisions and improve education systems for more inclusive and resilient economies.

• Education at a Glance

<u>Education at a Glance: annual indicators</u>, looks at who participates in education, what is spent on it, how education systems operate and the results achieved. These results shed light on a wide range of outcomes, from comparisons of students' performance in key subject areas to the impact of education on earnings and on adults' chances of employment. It is the authoritative source for information on the state of education around the world. The latest edition, <u>Education at a Glance: 2021 Indicators</u>, includes a focus on equity.

• PISA

<u>The OECD Programme for International Student Assessment (PISA)</u> examines what students know in reading, mathematics and science, and what they can do with what they know. It provides the most comprehensive and rigorous international assessment of student learning outcomes to date.

<u>PISA 2018 Results</u>, from the seventh round of the triennial assessment, consists of six volumes that provide a detailed examination of student performance as well as a comparison from previous PISA assessments.

What Students Know and Can Do (Volume I)

- Where All Students Can Succeed (Volume II)
- What School Life Means for Students' Lives (Volume III)
- Are Students Smart about Money? (Volume IV)
- Effective Policies, Successful Schools (Volume V)
- Are Students ready to Thrive in an Interconnected World? (Volume VI)
- Other relevant publications:
- Executive Summaries of the Volumes I, II and III
- PISA 2018: Insights and Interpretations
- Sky's the Limit: Growth mindset, students, and schools in PISA
- 21st-Century Readers: Developing Literacy Skills in a Digital World

• TALIS

<u>The Teaching and Learning International Survey (TALIS)</u> asks teachers and school leaders about working conditions and learning environments at their schools to help countries face diverse challenges.

- TALIS 2018 Results explore and examine the various dimensions of teacher and school leader professionalism across education systems.
 - o TALIS 2018 Results (Volume I): Teachers and School Leaders as Lifelong Learners
 - o <u>TALIS 2018 Results (Volume II): Teachers and School Leaders as Valued Professionals</u>
- Other relevant publications:

Mending the Education Divide: Getting Strong Teachers to the Schools That Need Them Most Teachers Getting the Best out of Their Students: From Primary to Upper Secondary Education Positive High-achieving Students: What Schools and Teachers Can Do

• Trends Shaping Education

- Trends Shaping Education is a triennial report examining major economic, political, social and technological trends affecting education.
- Trends Shaping Education 2022 covers a rich array of topics related to economic growth, living and working, knowledge and power, identity and belonging and our physical world and human bodies and interactions.

• OECD Digital Education Outlook

OECD Digital Education Outlook is a series that aims to be a reference for education policy makers and researchers interested in the latest trends and policies internationally related to the increased use of digital technology and data in education.

• OECD Starting Strong Series

- Starting Strong OECD is a series of reports that provides valid, timely and comparable international information on early childhood education and care. It aims to support countries in reviewing and redesigning policies to improve their early childhood services and systems.
- Starting Strong VI: Supporting Meaningful Interactions in Early Childhood Education and Care

• Education Policy Outlook

The Education Policy Outlook is an analytical observatory that monitors the evolution of policy priorities and policy developments from early childhood education to adult education, mainly among OECD education systems, to provide a comparative understanding of how policies are evolving, and how they can be best implemented or improved over time.

Its latest publication is <u>Education Policy Outlook 2021 Shaping Responsive and Resilient Education in a</u> <u>Changing World.</u>

• OECD Survey on Social and Emotional Skills

The <u>OECD Survey on Social and Emotional Skills</u> is an international survey that identifies and assesses the conditions and practices that foster or hinder the development of social and emotional skills for 10- and 15-year-old students.

Beyond Academic Learning: First results from the Survey on Social and Emotional Skills.

• Lessons for education during the coronavirus crisis

<u>Lessons for education during the coronavirus crisis</u>, is a series of responses to the crisis, lessons learnt from implementing response strategies in different contexts.

- The State of School Education one year into the COVID Pandemic
- How Learning Continued during the COVID-19 Pandemic : Global Lessons from Initiatives to Support Learners and Teachers



©0ECD 2022

Stefano SCARPETTA

Director of the Directorate for Employment, Labour and Social Affairs E-mail address: <u>Stefano.SCARPETTA@oecd.org</u> Web page: https://www.oecd.org/els/

Stefano Scarpetta has been the Director of the Employment, Labour and Social Affairs (ELS) Directorate of the OECD since 2013. He leads the work of the Organisation in a number of broad areas including Employment, Labour, Migration, Health, Skills, Gender and Tackling

Inequalities and contributes to the implementation of the Secretary-General's strategic orientations in these areas. Stefano represents the OECD in the G20 and G7 and many other high-level international fora on labour market, social, migration and health issues. Under his leadership, ELS provides continuous assistance and support to countries in the design, implementation and evaluation of polices drawing from evidence-based analyses of how policy affects different economic, labour and social outcomes. His advice has contributed to numerous policy reforms in OECD countries and beyond, and new policy thinking in areas ranging from inequalities, labour market inclusion and the future of work, social protection for all, the integration of migrants, the economics of public health and patient-centred health care.

He wrote the first assessment of the original OECD Jobs Strategy (Implementing the OECD Jobs Strategy). He was also in charge of the seminal work conducted by the Economics Department on the "Sources of Economic Growth", which later led to the regular assessment of Going for Growth (source: OECD).

What is the mission and mandate of your directorate?

The Directorate for Employment, Labour and Social Affairs (ELS) leads OECD work on employment and adult skills, health, social policies and international migration, and advances the strategic priorities of the Organisation in these areas. We do so working with two committees – the Employment, Labour and Social Affairs Committee (ELSAC) and the Health Committee (HC) – along with their working parties and expert groups. The overarching objective of our work on employment, labour and social affairs is to foster comprehensive, cost-effective and innovative employment and social policies to promote strong, sustainable economic growth, high quality jobs and enhance social inclusion. For health, our work aims to foster a patient-centred health and long-term care systems, in terms of financial sustainability, access and efficiency of health and long-term care systems; better public health policies

and health prevention and promotion initiatives. The mandate for our work is also determined by ministerial meetings, which shape the future orientations of our work. For instance, on 7 June, we organised the OECD Employment and Labour Ministerial Meeting, "Moving beyond the COVID-19 crisis to a better labour market that works for all," where we welcomed Ministers from across the OECD and a number of non-Member countries to share lessons from the COVID-19 crisis and share views on how to build back a better labour market that works for all.

What is your top priority as a director?

One of the top priorities of ELS is to work closely with policy makers to navigate the important structural changes that are affecting labour markets and society, and to promote policies for more resilient labour markets, and health and social protection systems. Megatrends - such as rapid demographic change, including population ageing, technological progress, digitalisation and globalisation – are creating many opportunities. However, concerns are growing about people's ability to cope with the rapid changes in work and society, which can fuel anxiety and uncertainty about the future. For instance, millions of workers will need to adapt to the changes brought about by automation: we estimate that, in OECD countries, 14% of jobs are at high risk of automation and a further 32% will undergo significant change in how they are carried out . At the same time, workers in nearly all economic sectors will need to adapt to the green transition: for many, this will mean finding a new job, or learning new skills to perform the tasks that their job will require. In addition, in light of population ageing, we must do more to promote an age-inclusive workforce that gives people better employment choices and opportunities at an older age, and capitalizing on the potential benefits to individuals, business and society as a whole. At the same time, we also help governments respond to and recover from major global shocks. For instance, since the outbreak of the COVID pandemic, we have provided in-depth evidence and recommendations to help governments navigate the health crisis and its far-reaching socio-economic consequences (e.g. Health at a glance 2021; Employment Outlook 2021). And in the past months, we have been actively supporting OECD countries in monitoring the fall-out of the large-scale aggression by Russia against Ukraine and in identifying policies to support refugees and vulnerable groups.

How does the work of your directorate differ from the work in other international forums with the same topic?

The value added of ELS' work reflect the core strengths of the OECD as an institution working on multiple fronts. First, as a knowledge hub for cross-country data, analysis, and advice on public policies;

second, as a forum for best-practice sharing; and third, as the go-to institution for evidence-based policy recommendations to support countries in implementing a broad range of policy reforms. One of the unique features of the OECD and ELS is the ability to provide a multisectorial approach to many of the policy issues that require it, via a strong inter-Directorate cooperation and joint work. In this way, the OECD provides policy makers with a whole-of-government response, which relies on robust evidence, policy expertise, and in-depth exchanges with Member countries. In ELS, we work closely with other directorates to ensure that we can provide a comprehensive assessment of the challenges, and recommend an integrated policy response. The OECD's expertise relies on, and is enriched by, strong engagement with Committees and Working parties, where we have the opportunity to collect first-hand information about their policies, and exchange with experts from all of our Member countries. The Employment, Labour and Social Affairs Committee (ELSAC) and the Health Committee provide us with information and a better understanding of how policies are designed and implemented on the ground. Finally, through our contributions to and engagement in the G7, the G20 and APEC, the OECD helps to shape the work and priorities of these key international fora.

Are you facing any particular major challenge arising from the current multi-stakeholder environment? What was the impact of the pandemic and Russia's aggression on the extensive work of your directorate?

The pandemic, followed by the large-scale aggression by Russia, have both had important implications for the work of ELS.

Since the outset of the COVID-19 pandemic, ELS has been extremely active in assessing its health, employment and social impacts, and in monitoring the policy measures put into place by member countries and beyond to contain the spread of the virus, to keep people connected to jobs, and to support households affected by the crisis. Our 2020 and 2021 editions of the *OECD Employment Outlook* focused heavily on the labour and social impacts of the crisis, while the 2021 *Health at a Glance* underscored the need to strengthen the resilience of health systems in the wake of the pandemic. In parallel, ELS has produced close to 50 COVID-related policy briefs, which provide timely evidence on the many ways in which the pandemic has upended the economy and our lives. A series of briefs have assessed the health impacts and government responses, including <u>containment and mitigation</u> policies; COVID-19 testing; workforce and safety in the <u>long-term care sector</u>; access to and <u>enhancing</u> public trust in COVID-19 vaccines; the <u>mental health impact</u> of the crisis; the effects of COVID-19 on <u>alcohol consumption</u>; and many others. Our briefs focusing on the labour market, skills, migration and social protection dimensions have assessed the impacts of COVID-19 on <u>women</u>; platform workers; frontline workers, migrants and racial/ethnic minorities; children; immigrants and their children; young

people's mental health; housing; government support for people and companies; how governments adjusted job retention schemes; the potential of <u>online learning for adults</u>; the role of <u>social dialogue</u> in the recovery; and many more.

Following the large-scale aggression by Russia against Ukraine, the OECD Council <u>decided</u> to formally terminate the accession process with Russia, and to strengthen support for the democratically elected government of Ukraine. In recent months, we have been closely monitoring the humanitarian crisis and the public policy response to support the close to 7 million³ Ukrainian refugees who have fled their country since late February. We are also supporting governments of host countries in identifying measures to support refugees and facilitate their access to education, housing, food, childcare and work. In early May, ELS organised an extraordinary meeting of the OECD Working Party on Migration in Warsaw, Poland, to bring senior policy makers from across the OECD together to share good practices and exchange experiences from past refugee crises. These types of exchanges reflect the OECD at its best: providing timely, targeted support to governments and serving as a forum for peer learning.

How do you encourage and ensure that Slovenian experts are productively involved in the work of your directorate and committees/bodies under your auspices? What are the practical consequences of the work of your Directorate for Slovenia?

We are very fortunate that Slovenia has been a steadfast partner of our work in ELS.

One important form of collaboration with Slovenia is through country reviews on specific policy issues. In the area of social policy, for example, ELS has worked closely with Slovenian policy makers and stakeholders to conduct reviews on youth (*Investing in Youth: Slovenia*, 2021) and pensions (*OECD Review of Pension Systems: Slovenia*, 2022) – we were pleased to see the Pensions Review featured in your February newsletter! These projects provide the government with an in-depth assessment of challenges and policy gaps, and propose a series of targeted recommendations. But they also provide a peer learning opportunity for other member countries. The pensions review, for instance, included a study visit bringing together Slovenian and Swedish civil servants to learn how Sweden had successfully communicated about pension reform to the public, through a long tradition of consensus building and targeted information to the public.

Increasingly, we are also supporting Slovenia in the implementation of policy reforms, namely through projects that are funded through the DG-REFORM initiative of the European Union. For instance, earlier this year, we launched a report on <u>Disability</u>, <u>Work and Inclusion in Slovenia: Towards Early</u>

³ As of mid-May 2022, <u>Situation Ukraine Refugee Situation (unhcr.org)</u>

Intervention for Sick Workers, which brought together leaders from the Ministries of Labour and Health, to tackle the problem of long-term sickness – a significant and growing challenge in Slovenia. Working together with the Ministries, we produced an Action Plan to reform the sickness insurance programme and chart a path forward. Currently, we are working with the Ministry on Health to support the implementation of the reform. A second project underway with the Ministry of Labour aims to support the Ministry in establishing a database of indicators to help monitor policy progress.

There are a number of other projects where Slovenia has taken on a leading role, in light of its strength in key policy areas. For instance, Slovenia has been a frontrunner in the development of the new <u>Patient-Reported Indicator Surveys (PaRIS)</u> initiative. The PaRIS initiative, in which 20 countries are currently participating, aims to make health systems more people centred through the development of a survey of outcomes and experiences of people living with chronic conditions who are managed in primary care or other ambulatory care settings. Skills is another topic in which Slovenia has been actively engaged with us. The OECD and Slovenia jointly organised the virtual <u>Skills Summit 2020</u>, which brought together ministers and senior officials from 36 countries to discuss the implications for skills policy of the COVID-19 pandemic and the megatrends of digitalisation, globalisation and climate and demographic change. Discussions confirmed the central role of people and their skills for overcoming the crisis while building societal resilience and sustainability.

Could you mention the most important publications, reports or other documents that the Directorate (or committees/bodies under your auspices) have issued or to which you have significantly contributed in recent years? Why are they important and what is their impact?

Our flagship reports have taken on particular salience in the current context, including the OECD Employment Outlook, Health at a Glance, Pensions at a Glance, and the International Migration Outlook. These annual reports provide policy makers across the OECD and beyond with the most up-to-date comparative evidence on jobs, health, pension reforms and migration, with thematic chapters that address some of the most pressing policy challenges in OECD countries – including Artificial Intelligence, gaps in social protection coverage, obesity, health spending and ageing.

The OECD Jobs Strategy (2018) is a major tool we have developed to help governments harness the opportunities afforded by new technologies and markets, and to help workers cope with the big, structural changes in the labour market. We are now in the implementation phase of the Strategy, working with countries to assess labour market performance based on five key indicators of job quantity, job quality, inclusiveness, resilience and adaptability.

In recent years, we have also developed new tools to help policy makers better understand citizens' concerns and assess the potential to expand and reform social protection systems, through our *Risks*

That Matter survey. The 2020 survey, which surveyed 25 000 people in 25 OECD countries, found that people are most worried about keeping their jobs, paying the bills, and staying healthy; many think that government should be doing more to ensure their economic security, and are willing to pay more in taxes to support this.

This is in addition to wide-ranging thematic work that has made big contributions to the policy debate in recent years. A few highlights include: <u>Preventing Ageing Unequally</u>, which assessed how large differences in lifetime earnings across different groups could be driven by inequalities in education, health, employment, and earnings over the life cycle; and the <u>Pursuit of Gender Equality: An Uphill</u> <u>Battle</u>, which documents the slow progress – and persistent gaps – across OECD countries to attain gender equality in education, employment, entrepreneurship, political and public life.

In addition to the analytical reviews, we have also supported governments in our role as an international standard-setter. Over the past decade, we have worked with countries to develop OECD Recommendations: the <u>2013 Recommendation on Gender Equality in Education, Employment and Entrepreneurship</u> and the <u>2015 Recommendation on Ageing and Employment Policies;</u> a third recommendation, the Recommendation on Creating Better Opportunities for Young People, adopted at the 2022 Ministerial Council Meeting of the OECD on 10th June.

As part of the mandate of recommendation, the OECD monitors the implementation of the policies in adhering countries. The monitoring conducted in 2022 shows that the Gender and Ageing Recommendations have been instrumental in informing policy making in OECD countries. For instance: There has been important progress to increase incentives for later retirement. For example, in contrast to previous crises, during the COVID-19 crisis, nearly all governments refrained from introducing or expanding early retirement schemes in line with the recommendation. This is, without question, progress from where we were 15 years ago, or even 5 years ago when we agreed the Recommendation. Nevertheless, considerable scope remains to improve policies to remove employer barriers and encourage employability to promote better employment choice at older ages.

The monitoring exercise for the Gender Recommendation shows that there has been some progress in policies to promote gender equality, notably in the provision and take-up of paternity and parental leave by fathers, in equal pay, and in access to flexible work and to leadership positions. However, significant gender gaps persist in education, employment, entrepreneurship and public life, and progress remains uneven across adherent countries. Countries have emphasised that the principles set out in the OECD Gender Recommendation continue to help guide policy making and standard setting in their countries, especially in the context of the COVID-19 crisis, which exacerbated gender gaps.



Alain DE SERRES

Director of the Environment Directorate E-mail address: <u>Alain.DESERRES@oecd.org</u> Web page: https://www.oecd.org/env/

Since 1 April 2022, Alain de Serres oversees the implementation of the Directorate's programme of work over a broad range of environmental issues including green growth, climate change, biodiversity, quality of ecosystems, eco-innovation, circular economy and resource productivity.

Before that, Alain was Deputy Director in the Policy Studies Branch of the OECD Economics Department, where he has been overseeing the Department's work on the role and impact of institutional and policy settings in addressing economic challenges, such as weak productivity growth, income inequality, high debt levels and climate change mitigation. Alain also contributed to OECD work for the G20 and G7, including in the areas of economuic resilience and sustainable growth; and as recently worked on economic and financial resilience and, prior to that, on the policy determinants of investment in knowledge-based capital, as well as on green growth policies. Part of his work has been published in journals such as Economic Policy, European Economic Review, Environmental and Resource Economics and the Journal of Economic Geography.

Before joining the OECD, Alain has worked for many years at the Bank of Canada and the Ministry of Finance in Ottawa (source: OECD).

What is the mission and mandate of your directorate?

The OECD work on environment 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 and social concerns in various topics, including climate change, biodiversity, chemicals and waste management, circular economy, fossil fuels, green finance, ocean, plastic pollutions and water quality.

What is your top priority as director?

Since I became acting Director of the OECD Environment Directorate, I have been working to ensure that priorities of countries are well reflected in the work of the Directorate and that our outputs are relevant, timely and helpful for OECD members. At the <u>Ministerial Meeting</u> of the Environment Policy Committee (EPOC), held on 30-31 March 2022, Ministers committed to an ambitious <u>Declaration on a</u> <u>Resilient and Healthy Environment for All</u> that sets out the work for the coming years. Similarly, EPOC was recently invited to undertake a priority ranking of the topics under the purview of the committee. In line with these inputs, I wish to highlight three key priority topics for the Directorate:

- Climate change is increasingly mainstreamed across all OECD Directorates. The Environment
 Directorate has a key role to play to bring together this cross-directorate work, notably
 through the <u>OECD Horizontal Project on Climate and Economic Resilience</u>, which aims at
 reframing the climate challenge for the pandemic-affected world and will ultimately deliver a
 practical policy toolkit for an integrated approach to strengthening climate and economic
 resilience. The project also comprises the pilot phase of a major new initiative to track climate
 action and encourage greater climate ambition, the International Programme for Action on
 <u>Climate (IPAC)</u>.
- Biodiversity encompassing all species, ecosystems and genetic diversity supports all life on earth and is fundamental for our human health and well-being, and the functioning of our economies. In the Environment Directorate, we are working to support the Post-2020 Global Biodiversity Framework through evidence-based analysis on biodiversity finance, including environmentally harmful support, as well as data and indicators to monitor progress, especially tracking the positive incentives.
- Plastic pollution is one of the great environmental challenges of the 21st century, causing wideranging damage to ecosystems and human health. In June, we have released an OECD report, <u>Global Plastics Outlook: Policy Scenarios to 2060</u>, which provides global projections of the sectoral and regional drivers and consequences of plastics use for the coming decades. An earlier related report, <u>Global Plastics Outlook: Economic Drivers, Environmental Impacts and</u> <u>Policy Options</u>, released in February 2022, provided the first comprehensive global assessment of trends in plastics use, waste generation and leakage to the environment.

How does the work of your directorate differ from the work in other international forums with the same topic?

The OECD has a unique multi-disciplinary competence covering both macroeconomic and structural policies across almost all areas of economic and financial activity. On climate and environmental issues, its key strengths include:

- A wide policy reach, as well as the ability to interconnect and integrate policy areas through action-oriented frameworks.
- A longstanding experience convening a wide range of stakeholders, including OECD non-Members, to facilitate knowledge sharing and forge common understanding through inclusive fora and peer-based learning.
- A global standard-setting role, shaping multilateral policy through innovative legal instruments and other standards and supporting consistent implementation through reporting and peer review. As an example, EPOC developed the Polluter Pays Principle in 1972, which has since guided national and international environmental policies by requiring that the costs of pollution be borne by those who cause it.
- The ability to provide internationally comparable statistics and to develop measurement frameworks and evidence-based analysis, incorporating the views of countries and other stakeholders, and working to secure their buy-in and endorsement.

Are you facing any particular major challenge arising from the current multi-stakeholder environment? What was the impact of the pandemic and Russia's aggression on the extensive work of your directorate?

The world has changed significantly in the last few years. We are still dealing with the consequences of the worst pandemic in our lifetimes. And Russia's unprovoked war against the people of Ukraine is causing terrible pain and suffering in Ukraine, while adding further to global pressures on energy prices, supply chains and food security. This war reminds us of the extent to which our efforts for long-term action on climate and the environment can be profoundly affected by economic and geopolitical shocks.

But we have also seen, over the past years, what the power of multilateralism can accomplish. At COP26 last year, countries came together to send a strong signal through the Glasgow Climate Pact to keep 1.5 degrees within reach, to strengthen adaptation and to mobilise finance for action on climate. The demand for urgent, ambitious and effective global action on climate – and on other environmental challenges like biodiversity loss, plastics pollution and ocean management – has only strengthened in recent years. Perhaps more than any other policy area, environmental protection requires truly global

collaboration and the OECD is well-placed to bring countries together to transform commitments into action.

The work of the OECD and the Environment Directorate has adapted to address recent challenges. Ad hoc hubs have been developed to collect policy briefs and reports that address the <u>recovery</u>, as well as the <u>war in Ukraine</u>.

How do you encourage and ensure that Slovenian experts are productively involved in the work of your directorate and committees/bodies under your auspices? What are the practical consequences of your directorate's work for Slovenia?

Slovenia has been very active in the work of EPOC and its subsidiary bodies and we are thankful for that. We welcomed the participation of Mr. Peter Ješovnik, Permanent Representative of Slovenia to the OECD, in the EPOC Ministerial meeting.

In 2018, the Environment Directorate joined forces with the Economics Department and the Statistics Directorate to prepare a Report on prospects, challenges and policy options to achieve the main objectives of Slovenia Development Strategy.

Beyond ad hoc work on Slovenia, we strive to ensure that the outputs of the Environment Directorate are properly disseminated and communicated to countries. This is why we issue regular newsletters and frequently update our website and social media platforms.

Could you mention the most important publications, reports or other documents that the Directorate (or committees/bodies under your auspices) have issued or to which you have significantly contributed in recent years? Why are they important and what has been their impact?

• Environment at a Glance

- Environment at a Glance is the OECD platform for environmental indicators. It gives access to the most recent data through interactive graphics and provides key messages on major environmental issues. The indicators shown provide a tool to track environmental performance and progress towards sustainable development. The web version allows users to play with the data and graphics, download and share them, and consult and download thematic web-books.
- Green Recovery Covid-19 Policy Briefs
- Building back better: A sustainable, resilient recovery after COVID-19 (2020)

- This policy brief examines how stimulus packages can create a recovery that "builds back better", i.e. not only getting economies and livelihoods back on their feet quickly, but also safeguarding prosperity for the longer term. At the heart of this approach is the transition to more inclusive, more resilient societies with net-zero GHG emissions and much reduced impacts on nature.
- The long-term environmental implications of COVID-19 (2021)
- This brief analyses the long-term effects of the COVID-19 pandemic and associated government responses on the environment. It links the impact of sectoral and regional shocks to the economy until 2040 to a range of environmental pressures, including greenhouse gas emissions, emissions of air pollutants, the use of raw materials and land use change.
- Biodiversity and the economic response to COVID-19 (2020)
- This brief focuses on the vital role of biodiversity for human life and the importance of integrating biodiversity considerations into the recovery from the COVID-19 crisis. The brief outlines how biodiversity loss is a key driver of emerging infectious diseases and poses a variety of other growing risks to businesses, society and the global economy. Investing in the conservation, sustainable use and restoration of biodiversity can help to address these risks, while providing jobs, business opportunities and other benefits to society.



Elsa PILICHOWSKI

Director of the Directorate for Public Governance E-mail address: <u>elsa.pilichowski@oecd.org</u> Website: https://www.oecd.org/gov/

Elsa Pilichowski has more than 20 years' experience dedicated to public governance in OECD and Partner countries. She joined the OECD in 2000, in the Public Governance Directorate where she

© OECD 2022

worked until 2012. She led projects and teams on Agencies, Public Employment and various governance issues. She was instrumental in the design of the first set of indicators on government human resource management and on the production costs of governments, as well as in the implementation of the first Public Governance Review of France. She then moved to the Global Relations Secretariat in 2012 as project manager and then Deputy Head of the Eurasia programme (a.i.), where she led a project on Competitiveness in Kazakhstan and supported the Head of Programme in managing staff and ensuring quality control.

Between 2014 and 2020, she was Advisor and then Counsellor in the Office of the Secretary-General (OSG), ensuring the delivery of the Secretary-General's agenda and supporting the Chief and Deputy Chief of Staff in the Strategic and corporate agenda. She assumed the responsibility of supporting the Cabinet work on communications, and in this role, she coordinated the Raising the Bar brochure and the Covid-19 Hub on behalf of OSG. She was also acting . She was also Acting Director of Council and Executive Committee Secretariat since between 1 July 2020 and 30 September 2020 (source: OECD).

What is the mission and mandate of your Directorate?

The Directorate for Public Governance's mission is to equip governments to better serve citizens. It does this through a range of areas of public governance expertise, including: public administration and civil service; policy making and policy coherence; digital government and innovation; open government and civic participation; inclusive policy making and representation; public integrity; public management; budgeting; infrastructure; public procurement; and, regulation. It supports countries through data and analysis, policy support and recommendations, mainstreaming good governance across OECD priority policy areas, providing dedicated country support and engaging in global dialogue. OECD Members steer the work of Public Governance through three main committees and a number of sub bodies, under the overall governance of the OECD Council. The Public Governance Committee (PGC) brings members together to prioritise, co-ordinate and deliver the work of the Public

Governance Directorate. It is supported by nine working parties, including one high-level body: the Centres of Government (CoG – Top Civil Servants in the centres of government), as well as a number of informal expert groups. Other working parties include: Senior Digital Government Officials; Senior Public Integrity Officials; Leading Practitioners on Public Procurement; Public Employment and Management; High-Level Risk Forum (with a task force on countering illicit trade); Gender Mainstreaming and Governance; and Open Government. The Regulatory Policy Committee (RPC) brings members together to prioritise, co-ordinate and deliver the work of the Public Governance Directorate focused on designing and delivering effective, efficient, resilient and equitable regulatory frameworks. It is supported by the Network of Economic Regulators (NER), which promotes dialogue among over 70 regulators from across the world that operate in different sectors such as communications, energy, transport and water. The Committee of Senior Budget Officials (SBO) brings members together to consider policies that support fiscal sustainability and effective and efficient resource allocations through proper budgetary governance and management from a whole-ofgovernment perspective.

What is your main priority in the role of director?

My top priority is simple. It is to provide the opportunities, data and analysis that governments need to deliver better for citizens. This means understanding what governments need and when from a public governance perspective. For example, in the current context, one of my top priorities is our member-led agenda on Building Trust and Reinforcing Democracy.

Public satisfaction with the way democracies are functioning across the world has decreased since the mid-1990s, including in a number of OECD countries. This is playing out differently across countries, including through low voter turnout, greater political polarisation and larger groups dissociating themselves from traditional democratic processes or expressing discontent through new types of protest. Beyond affecting social cohesion, this trend is increasingly hindering policymaking and governments' ability to address social and economic challenges.

The report of the 2021 OECD Survey on the Drivers of Trust in Institutions (hereafter "the OECD Trust Survey") will be launched on 13 July 2022. The Survey was carried out among 22 OECD countries – with over 50,000 respondents – and finds that democratic public institutions are performing fairly well on many measures of trust, such as open administrative processes and public service provision. Nevertheless, a disconnect exists. Governments are seen as falling short of citizens' expectations for representation in decision-making and responsiveness to people's demands. Investments in reinforcing trust are all the more important in the face of global and inter-generational challenges, such as climate change. Solid public trust is essential for governments to enact the necessary policies

to rise to these challenges; without it, progress could be reversed and the strength of democratic governments undermined.

It is within this context that the PGC launched the Reinforcing Democracy Initiative (hereafter "the Initiative") in spring 2021. With the goal of strengthening democratic governance models and reinvigorating trust in public institutions in OECD countries, the Initiative addresses three common governance challenges of advanced and mature democracies i) combating mis- and dis-information, ii) representation, participation and openness in public life and iii) Embracing the global responsibilities of governments and building resilience to foreign influence. Underpinned by the findings of the OECD Trust Survey, these challenges constitute the three pillars of the Initiative, tying in with the 2021 and 2022 OECD Ministerial Council Statements and Members' vision for the OECD in the next decade. In addition, the Initiative incorporates a horizontal focus, looking across all three pillars, on the major challenges of climate and democracy, as well as digitalisation and democracy.

As part of the Initiative, there will be Ministerial meeting of the Public Governance Committee on the theme of "Strengthening Trust and Reinforcing Democracy" on 18 November 2022 under the chairmanship of (and hosted by) Luxembourg, with Colombia, France, Lithuania and the United States as Vice-Chairs. The Ministerial meeting will bring together Heads of Government, as well as Ministers of public administration, the interior, finance and foreign affairs from OECD Members and accession countries to shape a common vision and effort to strengthen trust and reinforce democracy. The Ministerial meeting will be preceded by a multi-stakeholder event on 17 November 2022, which will gather OECD Members and partner countries, International Organisations, civil society and the private sector to discuss the broader global democracy agenda and thus increase the outreach and impact of the OECD Reinforcing Democracy Initiative.

How does the work of your directorate differ from the work in other international forums with the same topic?

The OECD's significant focus on public governance is not one that is replicated in many of the major international organisations. Where there are common areas of focus, for example with the EU Directorate General for Structural Reform or the International Institute for Democracy and Electoral Assistance, we are working closely with them to exploit synergies and ensure our value-added. A prime example of this is SIGMA, a joint initiative of the OECD and the EU, which celebrated its 30th anniversary on 25 May 2022 and is an excellent example of a longstanding partnership between the two organisations. Its mission is to support EU enlargement and neighbourhood countries in public governance/public administration reforms.

The Public Governance Directorate also plays a significant cross-cutting role in the OECD, providing analysis and recommendations on the "how" of policy design and implementation. Of particular note, it is leading the OECD's efforts on reinforcing democracy, including the fight against mis- and disinformation, as well as on Spending Better. It is co-leading with the Directorate for Employment Labour and Social Affairs on Youth and Gender, with the Directorate for Financial Affairs on Infrastructure and Anti-corruption, and with the Directorate for Science, Technology and Innovation on technology governance, including on the regulatory aspects of the digital agenda and digital identity as a government service. Finally, GOV feeds into a wide range of other initiatives, including the Horizontal Project on climate, where the Directorate has a project on Governing Green.

Are you facing any particular major challenge arising from the current multi-stakeholder environment? What was the impact of the pandemic and the large-scale aggression of Russia on the extensive work of your directorate?

The COVID-19 pandemic put governments firmly in the spotlight. Many demonstrated their ability to respond at speed and scale in a crisis, but the pandemic has also left countries with unsustainable levels of debt in an uncertain economic and geopolitical context; exposed a number of existing gaps in public governance (e.g. crisis preparedness & management); demonstrated the importance of citizens having trust in government in order for policies to be successful and the need to further strengthen the resilience of our own democracies. Russia's invasion of Ukraine has only served to further heighten the need for countries' to solidify public trust and to better grip a number of global challenges (climate change, digitalisation etc.), which will require a transformation in the way countries govern. To respond to these emerging priorities, working with Members, the Public Governance Directorate is taking forward a number of work streams. We are also of course continuing to work with Ukraine notably through the SIGMA programme and are planning our work for the future reconstruction.

Under the Senior Budget Officials Committee, we are developing guidance on managing sustainable public finances in the post-COVID recovery – also known as "Spending Better". As I have already mentioned, we are identifying the main drivers of trust in public institutions and jointly developing remedial measures. Underpinned by this data, we are helping to identify concrete actions to reinforce democracy, including in the face of mis- and dis-information and broader foreign undue influence. More widely, we are identifying key areas of weakness in public governance and developing solutions. Finally, we are supporting governments in transforming public institutions and mainstreaming high-priority policy objectives in governance tools, such as regulation, to meet global challenges, in particular climate change and the digital transformation.

How do you encourage and ensure that Slovenian experts are productively involved in the work of your directorate and committees/bodies under your auspices? What are the practical consequences of your directorate's work for Slovenia?

I am very pleased to say that we have outstanding cooperation with Slovenia, both within our committees and working parties, and as part of the broader substantive work of the directorate. We have had the privilege to partner with the Ministry of Public Administration under Slovenia's 2021 Presidency of the Council of the European Union and the EU Public Administration Network (EUPAN). Highlights from this partnership include the <u>Government Beyond Recovery</u> conference and the study on <u>Ageing and Talent Management in European Union Public Administrations</u>, which explores the impacts and consequences of demographic changes for European public administrations. The 2021 <u>Digital Government Review of Slovenia</u> identifies options for the Slovenian government to enhance and harness digital government to achieve broader strategic goals.

Slovenia is actively engaged in the development of OECD standards in the area of public governance, including most recently the <u>Recommendation on Creating Better Opportunities for Young People</u>, a joint product of the Public Governance Committee and the Employment, Labour and Social Affairs Committee. Moreover, Slovenian experts are regularly participating as peers in our country reviews. One such example is the contribution of Slovenian experts to 2021 the study on <u>Empowering Youth</u> and Building Trust in Jordan.

We also cooperate with Slovenia under the framework of the EU Technical Support Instrument Programme (TSI), currently for instance on a cross-country project on the Common Assessment Framework.

Last but not least, the Public Governance Directorate and Slovenia share a special relationship through the joint OECD-EU SIGMA (Support for Improvement in Governance and Management) Initiative. For 30 years, SIGMA has worked to strengthen the foundations for improved public governance by building the capacities of the public sector, enhancing horizontal governance and improving the design and implementation of public administration reforms. As such, it is a unique platform to support the implementation of the EU enlargement and neighbourhood policy and has also benefited Slovenia on its path to EU membership (2004).

Can you name the most important publications, reports or other documents that the directorate (or committees/bodies under your auspices) have produced or contributed significantly to in recent years? Why are these important and what is their impact?

Our flagship **Government at a Glance** publications (every two years – the latest in 2021) takes stock of where OECD governments stand on critical public governance functions. We have also produced regional editions of this publication, including in Latin America and the Caribbean, Southeast Asia and the Western Balkans. Similarly, we regularly produce several sets of indicators on different public governance areas, such as the Public Integrity Indicators; the Digital Government Index; Budgeting practices; and the Open, Useful and Reusable Government Data Index. These indicators help countries assess their progress in transforming their public administrations in line with relevant OECD Recommendations.

The *Regulatory Policy Outlook*, published every 3 years (the most recent in 2021), maps countries' efforts to improve regulatory quality in line with the *2012 OECD Recommendation on Regulatory Policy and Governance*. It provides unique insights into how countries approach the design, enforcement and revision of regulations, and suggests where countries can best focus their efforts to ensure that laws and regulations work as intended.

Lobbying in the 21st Century: Transparency, Integrity and Access (2021), takes stock of the progress that countries have made in implementing the OECD Principles for Transparency and Integrity in Lobbying. It reflects on new challenges and risks related to the many ways special interest groups attempt to influence public policies, and reviews tools adopted by governments to effectively safeguard impartiality and fairness in the public decision-making process.

On July 13 we will be releasing a new report, *Building Trust to Reinforce Democracy: Main Findings of the 2021 OECD Survey on Drivers of Trust in Public Institutions*, which is the first and most comprehensive cross-national gauge of what drives public trust in open democratic governments.

Last year we launched a new annual publication on *Public Employment and Management;* this first edition looked at the future of the public service. It provides insights to help governments build a future-ready public service workforce that is forward-looking, flexible and fulfilling to a diverse range of public employees. It includes comparative data and analysis, illustrative case studies, and expert commentary.

We also have led or co-led on several OECD Council Recommendations to date, including the aforementioned Youth Recommendation and the Recommendation on Gender Equality with ELS, as well as the recently approved Recommendation on International Regulatory Co-operation. These outputs have allowed us to broaden our impact among all member countries.



Paul SCHREYER

Director of the Directorate for Statistics and Data

Email address: paul.schreyer@oecd.org Website: https://www.oecd.org/sdd/

Paul Schreyer was nominated Director and Chief Statistician of the OECD Statistics and Data Directorate in November 2020. He joined the OECD in 1988 and held various positions in the (then) Directorates for Science Technology and Industry, Environment and

Statistics. His personal research areas include national accounts, the measurement of capital, productivity, welfare, non-market activities and prices. He is the author of several OECD Manuals and has a record of publications in international journals and books. In 2008-09, he was rapporteur in the Stiglitz-Sen-Fitoussi Commission on the Measurement of Economic Performance and Social Progress. He is Member and Alternate Chair of the Technical Advisory Group to the International Comparison Program at the World Bank (ICP), Member of the Swiss Federal Commission for Statistics and a Founding Member of the Society for Economic Measurement.

Prior to joining the OECD, Paul Schreyer held positions as a research fellow at the IFO Institute for Economic Research in Munich, Germany (1987-1988) and as Assistant Professor at the Department for Economic Theory at the University of Innsbruck, Austria (1983-1987). He holds a doctorate in economics from the University of Innsbruck, Austria. In 1984/85, he obtained a British Council Foreign and Commonwealth Office Research Scholarship to the University of Birmingham, U.K. (source: OECD).

What is the mission and mandate of your Directorate?

The overarching mission of the Statistics and Data Directorate (SDD) is to provide and facilitate the development of *Trusted statistics and data on which policymakers rely for addressing today's economic, social and environmental challenges*.

- SDD colleagues work across several fronts:
 - Collection: We produce, manage and grow the OECD's core body of economic statistics, developing innovative metrics and tools to provide timely and granular information to address emerging measurement and policy challenges.
 - Concepts: We contribute to and often lead conceptual work as part of the development of international statistical standards.

- Capacity: We develop methodologies and capabilities, as well as governance and guidance, to support statistics and data activities within the Organisation, most visibly through the Smart Data Strategy and its implementation, described further below.
- Co-operation: We actively promote co-ordination of statistical and data-related activities among Members, Key partners, and other international organisations; we share best practices and promote international statistical standards for official statistics fit for a fast-changing world. Through <u>PARIS21</u> (Partnership in Statistics for Development in the 21st Century – hosted by SDD) we extend the reach of OECD cooperation on data and statistical capacity development to low and middle-income countries.
- Communication: We speak to and engage with users on the contents of our data via various media and communication tools.

What is your top priority as director?

Upholding the highest possible threshold of quality across all domains of OECD statistics and data, both in SDD and across the house. Because OECD data is trusted, it is a highly valuable intangible asset for the Organisation that has taken many years to build, but in today's atmosphere of distrust and disinformation, can very easily be lost. It is my goal to ensure this trust is maintained.

Quality, in this context, has to be understood large: we not only want OECD data to be accurate but also relevant for the policy questions at hand (digitalisation, globalisation, climate change and the environment, economic well-being to name the most important ones); data needs to be easily accessible to users, well-documented and internationally comparable.

How does the work of your directorate differ from the work in other international forums with the same topic?

While SDD works alongside similar statistical bodies in other international organisations, and has many complementarities with these bodies, its role is nevertheless distinct within the overall global architecture, with its own clear value-added. The OECD's 38 Members share similar goals and challenges in terms of economic, social and environmental policy. As such, they require specific and quality statistical evidence. The OECD's decentralised statistical system – nearly all policy directorates also have their statistical units – ensures proximity of data demand with data supply, and the OECD tends to play a frontier role when it comes to exploring new topics from a statistical perspective, or filling policy frameworks with a 'statistical life'.

SDD also has a responsibility for taking forward statistical policy among Members. This concerns issues such as standards, access, resources and skills, or the emerging role of National Statistical Offices as national Data Stewards. OECD committees drive the work of the Organisation, and <u>in 2004 the OECD</u> <u>Committee on Statistics was created</u>, reflecting "the need to bring together different areas of the statistically developed world." Its name was changed to the Committee on Statistics and Statistics Policy (CSSP) in 2013. The <u>OECD Recommendation on Good Statistical Practice 2015</u> is our key legal instrument and is considered an international reference by OECD Members, Partners and Nonmember countries around the world when it comes to setting quality standards, safeguarding independence and ensuring legally robust, well-governed and reliable national statistical systems. The Recommendation reflects the values expressed in the <u>UN Fundamental Principles of Official Statistics</u>, albeit more specific in nature. The Recommendation is particularly important for the OECD accession processes as accession candidates are assessed against the Recommendation.

Our statistical experts constantly engage with statisticians globally; we mentor and <u>provide guidelines</u> and <u>manuals</u> to national statistical offices that often find their way to world-wide endorsement by the UN Statistical Commission.

Indeed, in view of the OECD's standing within the international statistics community, one of the four key recommendations of the Council's 2021 In-Depth Evaluation of our Committee is that we "elaborate and formalise the co-ordination model between the different international organisations...with an eye on creating synergies, avoiding overlap and defining, collectively, the division of labour between the different levels and actors." (C(2021)48)

SDD work on macro-economic statistics is seen as a preferred source in the international media, notably for unemployment and employment numbers, consumer prices, quarterly GDP trends and trade. At the OECD, SDD is well-placed to lead efforts to harness digitalisation to improve timeliness and granularity for better policy responses, including relatively new "nowcasting" efforts. We also lead innovation in statistics on productivity; contribute to international statistical initiatives, such as on purchasing power parities (PPPs) which facilitate country comparisons; lead pioneering work on the System of National Accounts; and are looked to for our unique data sets on real estate prices.

Are you facing any particular major challenge arising from the current multi-stakeholder environment? What was the impact of the pandemic and Russia's aggression on the extensive work of your directorate?

The pandemic has underlined the need for more timely, more granular and more trustworthy data than before, including for key economic statistics on which policymakers rely in times of crisis. We are

now developing indicators, using new data sources to complement official statistics, to monitor economic developments more closely and better anticipate any changes.

International organisations and national statistics offices alike have faced many challenges while collecting and compiling data during the pandemic, but have shown their resilience thanks to innovation. While many surveys, particularly face-to-face questionnaires, came to a stand-still, surveys using remote technologies and e-questionnaires helped fill the gap. In addition, many countries made more extensive use of scanner data to compute inflation measures and account for rapidly shifting consumption patterns. Others have developed new "real time" indicators, which complement traditional statistics, and respond to user demand. Looking forward, this capacity to innovate will help to address the emerging tensions between the increasing demand for more timely more granular data and budget constraints.

In terms of the aggression by Russia, there is a sensitive balance to be struck between compiling and reporting the data necessary for monitoring the impact on our economies, and the actions the OECD has taken to distance itself from Russia. We are following closely guidance from Council and Secretary-General Mathias Cormann, therefore:

- While the participation of Russia and Belarus has been suspended in all OECD Statistical bodies, collection of economic, social and environmental data on Russia/Belarus is continuing as long as these are deemed important by the Organisation for monitoring the situation; and they imply at most a very low-level of interaction with statistical agencies.
- While data on Russia/Belarus continues to be available on OECD databases, they are not being promoted or actively disseminated.
- SDD staff are not to appear on invitations for joint meetings with other IOs if invitations include Russia or Belarus. Participation in technical international meetings (including when OECD is part of the organisation) is acceptable and continuing even when Russia or Belarus are present virtually or in person, but roles in sessions where Russia/Belarus have a role as speaker or chair are being avoided.

SDD has stepped up its attention on media releases and other communications on the economy, given the uncertainties caused by the Russian aggression, and is constantly monitoring events with additional vigilance. We also remain alert to the pandemic and its continued fall-out, notably in areas such as productivity and employment. How do you encourage and ensure that Slovenian experts are productively involved in the work of your directorate and committees/bodies under your auspices? What are the practical consequences of the work of your Directorate for Slovenia?

Representatives from Slovenia's Statistical Office have direct access to SDD through the **Committee on Statistics and Statistical Policy (CSSP)**.

SDD do not currently have analytical work focusing on Slovenia. However, **Slovenia is included throughout the data we compile and produce** across a broad range of themes, including: national accounts, employment and unemployment, trade, productivity, prices, and business statistics.

SDD produces data that is **used in analysis and publications across the whole Organisation**. In particular, the **Slovenia Economic Survey 2020** made extensive use of databases maintained by SDD, notably the OECD Main Economic Indicators database for timely and short-term statistics.

Note on data availability from ECO colleagues (Slovenia desk): There are no specific issues regarding the availability of macro-economic data for Slovenia: the data is under the responsibility of Eurostat and our Slovenian counterparts seem to comply with all data requirements. On the other hand, we have experienced some issues with access to micro-data from Slovenia. While the Statistical Office of Slovenia was in general willing to provide access to administrative employee and firm-level data, the Office was unaware of their responsibility to share the data for free with the OECD. They only hesitantly accepted our standard data confidentiality agreement and setting up access to the data took several months.

Could you mention the most important publications, reports or other documents that the Directorate (or committees/bodies under your auspices) have issued or to which you have significantly contributed in recent years? Why are they important and what has been their impact?

 OECD Compendium of Productivity Indicators 2021 – This annually updated webbook provides a set of cross-country comparable statistics on labour productivity levels, the contributions of labour, capital services and multifactor productivity (MFP) to GDP growth, industry contributions to labour productivity growth, labour productivity gaps between SMEs and large firms, the evolution and composition of investment, the decoupling between real wages and productivity, and labour income share developments. It also includes a special chapter on productivity measurement and analysis at the time of the COVID-19 pandemic.

- <u>APO-OECD Reports Towards Improved and Comparable Productivity Statistics 2021</u> In October 2019, the APO and the OECD signed a Memorandum of Understanding (MOU), as part of a collaboration to develop improved and more comparable productivity statistics across APO and OECD member economies. The first report explores current practices and challenges in productivity measurement and provides recommendations to national statistics offices (NSOs), national productivity organisations (NPOs), and other agencies involved in the compilation and analysis of productivity statistics in APO member economies to improve measurement and cross-country comparability.
- OECD SME and Entrepreneurship Outlook 2021 SDD contributes to this Outlook, which is jointly produced with CFE. Small and medium-sized enterprises (SMEs) and entrepreneurs have been hit hard during the COVID-19 crisis. Policy responses were quick and unprecedented, helping cushion the blow and maintain most SMEs and entrepreneurs afloat. This joint CFE/SDD publication brings new evidence on the impact of the COVID-19 crisis and policy responses on SMEs and entrepreneurs. It reflects on longer-term issues, such as SME indebtedness or SME role in more resilient supply chains or innovation diffusion. The report contains country profiles that benchmark impact, factors of vulnerability, and sources of resilience in OECD countries, and give a policy spotlight on liquidity support and recovery plans for SMEs.
- Handbook on Digital Trade In response to growing demand for coherent and comparable data on digital trade, in 2017 the Inter-Agency Task Force on International Trade Statistics created an Expert Group, drawn from international organisations, national statistics agencies and central banks, to develop a Handbook that provided: a conceptual framework to define digital trade, around which national efforts could be targeted; and a mechanism to bring together and share existing national and international efforts on measuring digital trade and/or dimensions of it, that could be used to identify and develop best practice. The current version of the Handbook reflects the outcome to date of the Expert Group's efforts. It shows that in many areas work is still very much in its infancy, for example as regards the measurement and valuation of many data forms. At the same time, progress continues to be made in frontier issues surrounding the measurement of digital trade. It is hoped, not least by
highlighting the importance of such issues, that the current Handbook will help to accelerate and assist in those efforts.

OECD Main Economic Indicators – This longstanding monthly publication (currently in digital format only) presents comparative statistics that provide an overview of recent international economic developments for all the OECD countries, the euro zone and a number of non-member economies. This unique source of key short-term statistics is popular among corporate planners, economists, academics, journalists, researchers and students. Using a user-friendly tabular presentation, the indicators cover national accounts, business surveys and consumer opinions, leading indicators, retail sales, production, construction, prices, employment, unemployment, wages, finance, international trade and balance of payments.



Andrew WYCKOFF

Director of the Directorate for Science, Technology and Innovation E-mail address: <u>Andrew.Wyckoff@oecd.org</u> Web page: https://www.oecd.org/sti/

Andrew W. Wyckoff is the Director of the OECD's Directorate for Science, Technology and Innovation (STI) where he oversees OECD's work on innovation, business dynamics, science and technology,

information and communication technology policy as well as the statistical work associated with each of these areas. His experience prior to the OECD includes being a program manager of the Information, Telecommunications and Commerce program of the US Congressional Office of Technology Assessment (OTA), an economist at the US National Science Foundation (NSF) and a programmer at The Brookings Institution. He has served as an expert on various advisory groups and panels which include joining the Global Board of Trustees of Digital Future Society (DFS), being a Commissioner on the Lancet/FT Governing Health Futures 2030 Commission, the International Advisory Board of the Research Council of Norway and Head of OECD's Delegation at the G20 and G7 meetings on ICT and Digital Economy.

He holds a BA in Economics from the University of Vermont, and a Master of Public Policy from the JFK School of Government, Harvard University (source: OECD).

What is the mission and tasks of your directorate?

The OECD has always placed a strong emphasis on science, technology, industry and innovation, both as drivers of structural change, growth and well-being as well as conduits to better prepare for changes in our economies and societies. The OECD Directorate for Science, Technology and Innovation (STI) takes the lead within the OECD on this work by developing evidence-based policy advice on the contribution of science, technology, industry and innovation to economic growth and well-being. Increasingly the latter has taken on greater prominence and our mission and mandate have focused on using science, technology, innovation, industry and digital policies to help achieve socio-economic goals.

We strive to deliver this advice through three main channels:

• First, by developing evidence on, and insight into, new sources of growth and business practices and access to cutting-edge empirical analysis on the drivers of productivity, the

changing nature of global value chains, the evolution of the digital economy and the new dynamics of science, technology and innovation.

- Second, by focussing on early exposure to "good practices" and shared experiences from countries that are confronting issues at the forefront of STI or are trying to draw greater benefits from their investments in STI.
- Third, by establishing international policy guidance and recommendations in emerging areas ranging from Internet policy-making, electronic commerce, science and technology or consumer policy, to statistical guidelines for measuring R&D, innovation and the digital economy.

What is your top priority as a director?

I have two main priorities. The first is management of the resources – financial and human – for which I have responsibility. The COVID crisis has forced all of us to re-evaluate how and what we prioritise. One of my main concerns throughout the pandemic has been the wellbeing of the 170+ people who work in STI – many of whom live far away from their home countries and have had to adjust to new ways of working in remote and hybrid environments. Our staff remain our greatest asset, and are the reason why we can produce the high-quality analysis that our Members have come to expect.

The second, is to direct the substantive work to ensure that we are providing value to our stakeholders – primarily the OECD Member countries. These two priorities are intertwined. Because we have made long-term investments in people and knowledge over the years, the Directorate is well placed to continue helping governments deal with the policy questions surrounding the big global challenges we are facing today – not least climate change, biodiversity loss, the digital transformation, the recent COVID-19 pandemic, and the ongoing war in Ukraine, to name a few. STI policies will form a critical part of the comprehensive set of policy instruments and national strategies needed to deal with these and future crises. Science and technologies are not only the sources of the solution such as vaccines or renewable energy, but are also the prime driver of productivity gains that lifts standards of living and provides "head room" for dealing with social ills.

How does the work of your directorate differ from the work at other international forums with the same topic?

The OECD is an important forum of like-minded countries where governments come together to build solutions to common problems, share experiences, and identify best practices to promote better policies for better lives. By extension, this convening power allows STI to bring together a critical group

of stakeholders to tackle some of the most pressing policy issues facing us today – from seizing opportunities (and managing risks) of the digital transformation, to tackling long-term challenges of sustainability, inclusivity and resiliency. These and other pressing global challenges require more, not less, international collaboration across governments but also with the private sector, academia and civil society. This is undoubtedly the OECD's comparative advantage.

Another differentiating factor is our long track record and accumulated experience. STI was one of the original OECD directorates. We pioneered the concept of "R&D" and its measurement in 1963 which we continue to develop to this day; back in 1980, we started work on data privacy, which has expanded to data governance more broadly.

A good example that builds on both of these work streams is our work over the past decade on artificial intelligence (AI) policy and governance, which has made significant progress in helping shape a humancentric approach to trustworthy AI by drawing on expertise from a diverse stakeholder group of experts from governments, the private sector, academia, and civil society. Working together with organisations like Slovenia's AI Lab at the Jozef Stefan Institute (JSI), OECD Members adopted the first intergovernmental standard on AI in May 2019 – the OECD's Recommendation on Artificial Intelligence ("<u>OECD AI Principles</u>") – and launched a new <u>OECD.AI Policy Observatory</u> to start putting the AI Principles into practice. Today, JSI continues to be the OECD's main technical partner on the "trends and data" pillar of the AI Observatory; a critical pillar whose importance grows daily. Slovenia also actively participates in the <u>OECD Network of Experts on AI</u> (ONE AI), which is a multi-disciplinary and multi-stakeholder group that provides AI-specific policy advice to OECD members. Our convening power is a key resource.

Are you facing any particular major challenge arising from the current multi-stakeholder environment? What was the impact of the pandemic and Russia's aggression on the extensive work of your directorate?

The events over the past several years have certainly had – and will continue to have – a major impact on the work we do at the OECD. This is true not just for my organisation, but for all international organisations working in a multilateral context. We nevertheless continue to focus on the important work at hand, providing timely policy advice and support to our Members economies that are <u>committed</u> to forging a like-minded community, and to preserving individual liberty, the values of democracy, the rule of law, and the defence of human rights.

In the context of the COVID-19 pandemic, there was, and remains, a significant role for good STI policymaking. From the start of the crisis, the pandemic triggered an unprecedented mobilisation of the science and innovation community, and greatly accelerated the already rapid pace of digital

transformation. At STI, we quickly mobilised in early 2020 to help governments react and respond to the unfolding crisis by drawing on years of expertise to publish short policy briefs tailored to the crisis. These ranged from tracking and tracing COVID, to digital security and privacy, to ensuring Internet connectivity in times of crisis, to productivity gains from teleworking, to why open science is critical to combatting COVID, and many more. We will likewise contribute over the coming months and years to the organisation's effort to support Ukraine to help it strengthen its institutions and put in place foundations for a democratic, sovereign and prosperous future.

How do you encourage and ensure that Slovenian experts are productively involved in the work of your directorate and committees/bodies under your auspices? What are the practical consequences of the work of your Directorate for Slovenia?

Slovenia is active across most STI Committees, Working Parties, and Part II bodies.

On digital, Slovenia has been very involved in Committee on Digital Economy Policy (CDEP) work on AI since 2018, including the development of the OECD AI principles, in the newly formed working party on AI (AIGO), the OECD expert groups on AI and the OECD.AI Policy Observatory. As noted earlier, Slovenia's Jožef Stefan Institute (JSI) AI Lab is our technical partner on OECD.AI, which has resulted in a close and fruitful cooperation that we look forward to continuing and deepening in years to come.

STI also drafted a chapter on policies for the digital transformation for a forthcoming *Economic and* Development Review of Slovenia. The chapter examines strengths and weakness of Slovenia's digital economy and makes recommendations to enhance high-speed broadband access, support the digital transformation of businesses, foster digital innovation, improve digital government and upgrade ICTrelated skills. The analysis shows that achieving the government's ambitious digitalisation strategy (Digital Slovenia 2030 Strategy) would foster productivity growth and help offset the negative effects of a declining labour force. A country profile on Slovenia is available on the OECD Going Digital Toolkit. On science and innovation, Slovenia actively participates in the Committee on Science and Technology Policy, reporting over 100 policy initiatives to the STIP Survey in May 2022. Along with the Directorate for Public Governance, STI is undertaking a project to support Slovenia's effort to improve and implement a new model of governance of the research and innovation system in the context of the National Recovery and Resilience plan. The study will carry out a diagnostic of needs to strengthen cooperation across ministries and innovation agencies in Slovenia, identifying international governance good practices, and delivering recommendations and guidelines for building and maintaining capacity for cross-sectoral coordination. The project will conclude with a detailed training programme for cross-sectoral coordination.

Last but not least, Slovenia's involvement in the <u>OECD Global Forum on Productivity</u> has been increasing over the last few years, with participation of representatives from the Ministry of Finance, the Bank of Slovenia, and the Institute of Macroeconomic Analysis and Development to the last two GFP Annual Conferences. Slovenia recently became the latest country to join and contribute to the GFP Steering Group.

Could you mention the most important publications, reports or other documents that the Directorate (or committees/bodies under your auspices) have issued or to which you have significantly contributed in recent years? Why are they important and what is their impact?

The STI Directorate leads OECD research on the contribution of science, technology and industry to well-being and economic growth, and undertakes a wide range of activities to better understand the digital transformation. Once analysis is declassified by our Committees, reports are made public on <u>the OECD's iLibrary portal</u>. The Directorate also publishes two biannual flagship reports: the <u>OECD Science</u>, <u>Technology and Innovation Outlook</u> (STIO) and the <u>OECD Digital Economy Outlook</u> (DEO), which review key trends in STI and digital policy in OECD countries and several major partner economies.

Increasingly we are "moving beyond the book" and are adapting to current times and reaching new audiences with web-based products and platforms. These include:

- The <u>Going Digital Toolkit</u> helps countries assess their state of digital development and formulate policy strategies and approaches in response. Data exploration and visualisation are key features of the Toolkit.
- The <u>STIP Compass</u> is a joint initiative of the European Commission and the OECD that aims to collect in one place quantitative and qualitative data on national trends in science, technology and innovation policy.
- The <u>OECD.AI Policy Observatory</u> facilitates dialogue between stakeholders on AI, and provides multidisciplinary, evidence-based policy analysis in the areas where AI has the most impact.
- The <u>Global Recalls Portal</u> consolidates information on mandatory and voluntary consumer product recalls issued by governmental bodies and made publicly available from around the world on a regular basis.

These on-line resources are important to STI because they allow users to get up-to-date information in quickly evolving areas and the data that they want which they can download for their own use.

While publications are important, STI also produces databases that empower external researchers to conduct their own research and as such are a "force multiplier" of our impact. STI tries to push methodological boundaries and compile STI statistics. For example:

- In 1963, the OECD developed the <u>Frascati Manual</u> to provide a standard for measuring R&D statistics. Recently updated, it is the international standard for R&D statistics. Based on this standard, STI publishes a set of updated Main Science and Technology Indicators (<u>MSTI</u>) on a biannual basis.
- STI also plays a key role in developing international guidelines for surveys of business innovation the <u>Oslo Manual</u> (updated 2018) and the design of indicators constructed with data from such surveys.
- STI is responsible for developing indicators and quantitative analyses in the area of industrial performance, including the <u>STructural ANalysis (STAN)</u> database and the <u>Trade in Value Added</u> (<u>TiVA</u>) database. STAN permits analysis of industrial performance at a detailed level of activity across countries, while TiVA helps map global value chains and reveals the value added by each country in the production of goods and services consumed worldwide.
- STI publishes statistics on telecommunications to the <u>Broadband Portal</u> biannually, and updates <u>Key ICT Indicators</u> and <u>Intellectual property statistics and analysis</u> on a rolling basis.
- The directorate also leads in the development of novel approaches for exploiting confidential microdata held by statistical offices at the firm and worker level, remotely and comparably in a cross-country setting. This approach produces new insights on productivity, business dynamics, and support for business R&D, as well as new insights into the drivers of growth and inclusiveness.
- The **STI Micro-data Lab** collects and links large-scale micro-level datasets (mainly relating to administrative data such as <u>IP assets</u> and information on companies or job postings from private data providers), facilitating text mining and machine learning techniques to analyse millions of records. These micro-data complement and enhance official statistics, while also being granular in nature, comprehensive in time and geographical coverage, and covering a range of technologies and industries.



Marion JANSEN

Director of the Directorate for Trade and Agriculture E-mail address: <u>marion.jansen@oecd.org</u>

Web page: https://www.oecd.org/agriculture/about/

Marion Jansen is Director of the Trade and Agriculture Directorate (TAD) since 14 September 2020. In this role, she provides intellectual stewardship and strategic vision to the Trade and Agriculture Directorate, overseeing cutting edge analyses, advice and support

for policy reform in the fields of food, agriculture, fisheries and international trade, advancing a better understanding of the international trade system and the economic, environmental and social context in which it operates. As a key member of the Organisation's Senior Management Team, she also contributes to enhance the impact and relevance of OECD work in international economic policy discussions and ensure timely and impactful contributions to the work of the G20, G7, APEC and other relevant international fora, in close coordination with the OECD Sherpa and his Unit.

She has published widely on international trade and global governance, including on regional integration, services liberalization and agricultural trade.

She holds a Doctorate Degree in International Economics from the Pompeu Fabra University (Spain); a Master's Degree in International Economics from the Universität Konstanz (Germany) and a Bachelor's Degree in Business Administration and Economics from the Universität Passau (Germany) (source: OECD).

What is the mission and mandate of your directorate?

The OECD Trade and Agriculture Directorate (TAD) is one of 12 substantive OECD departments and provides policy analysis and advice to help governments develop trade, agriculture, and fisheries policies that contribute to more inclusive and sustainable growth. The directorate oversees three out of nearly 30 substantive Committees at the OECD, and all three TAD Committees were created at the organisation's foundation. In all three Committees, strengthening transparency and the level playing field in global markets is a key element of work. As such, the directorate is directly responsible for one of the five corporate priority areas identified by members.

What is your main priority in the role of director?

As the Director of TAD, a main priority is building on the OECD's unique strengths as Member governments' trusted partner for progress in a challenging global agenda. As part of these strengths, TAD assists in building trust, dialogue and consensus through our evidence-based monitoring and analysis. This requires a unique combination of both diplomatic and analytical skills. The team I lead in the Trade and Agriculture Directorate has this set of skills and it is my priority to ensure that those skills are used in the best possible way in the service of our members. Another priority is to optimise synergies across directorates and Committees of the OECD. Our work can bring a whole-of-government perspective to issues due to OECD's multi-disciplinarity, and we are able to function as a forum for dialogue due to our strong ties to governments as well as the private sector. In the coming years, I will prioritise to strengthen TAD's interdisciplinary work, recognising that agriculture and trade policies do not exist in a vacuum but have important ramifications on areas such as labour, the environment, investment and competition policy. We must ensure that agriculture and trade works for all to create policy coherence and work towards sustainable and inclusive growth. The OECD is uniquely positioned to facilitate policy coherence as the organization has expertise and mandates for all policy areas (with the exception of national security) and through its Committees reaches out to nearly all national ministries.

How does the work of your directorate differ from the work in other international forums with the same topic?

The OECD is an organization of like-minded members. This positions the organization well to drive new policy discussions and facilitate consensus around sensitive areas. Its founding vision, however, is to support open markets and a rules based international trading system. In the areas under the mandate of the Trade and Agricultural Directorate, the OECD has therefore always sought (and often succeeded) to use its analytical strength and soft power to contribute to the agenda of other international fora including fora with a larger or more diverse membership. We have, for instance, frequently laid the ground for new discussions at the WTO, the G7 and the G20. A prominent example is the development of the Producer Support Estimate approach for agriculture that developed concepts and measurements influential for the negotiation of the WTO Agricultural Agreement. OECD work on fishery support estimates has played a similar role for the ongoing negotiations on fishery subsidies and its work on the level playing field in the industrial sector can play such a role for a future renegotiation of the WTO Agreement on Subsidies and Countervailing Measures in the context of WTO Reform negotiations. Another example of this is the OECD work on digital trade and cross border data flows that has heavily influenced the G7 Digital Trade Principles endorsed by Trade Ministers under the UK Presidency. In 2022, OECD work on sustainable and resilient value chains is being solicited by both the G7 (Germany) and the G20 (Indonesia) presidency.

Are you facing any particular major challenge arising from the current multi-stakeholder environment? What was the impact of the pandemic and Russia's aggression on the extensive work of your directorate?

Over the past decades, the international trading system has been exposed to important changes in the global economic and policy environment that together are putting the system under significant pressure. Most spectacularly, the recent two major shocks have put overreliance on individual suppliers on the forefront of OECD policy makers' concerns. The COVID-19 pandemic has highlighted the dependence of OECD economies on Chinese supplies in key essential goods to fight the pandemic including PPE and pharmaceuticals. Further, the Russian large-scale aggression against Ukraine has made OECD members painfully aware of the dependency on Russian energy supply and overreliance on Ukraine and Russia for key agricultural supplies. Together with the growing threat of climate change, the notions of resilience appear in an entirely new light. Consequently, with current developments, our work has had a growing focus on resilience, including with our case studies on building agricultural resilience and our webtool on how to achieve more resilient supply chains. In both the COVID-19 and Ukraine crises, our work in the Agricultural Market Information System – AMIS – has also been of crucial importance. Through this inter-agency platform, OECD together with other international organisation monitor the outlook of key food supplies with a view to calm markets in times of pressure by showing plentiful and predictable global supplies. This tool was created after the 2007-8 food price crisis, but proved crucial to avoid excessive kneejerk reactions under both the COVID-19 crisis and now in the wake of Russia's largescale invasion against Ukraine.

How do you encourage and ensure that Slovenian experts are productively involved in the work of your directorate and committees/bodies under your auspices? What are the practical consequences of your directorate's work for Slovenia?

It is absolutely key that all our Members engage with our work through our three Committees (Trade, Agriculture and Fisheries) as well as our working parties and other thematic bodies. This is particularly the case in the current period of geopolitical change and exposure to external shocks. The Trade and Agriculture Directorate has a long tradition for engaging in very constructive dialogues with our Members, who, due to the highly sensitive nature of our portfolio, must have the opportunity to direct and oversee our work. Currently, Members are also engaged in the planning of our 3-4 November 2022 Agriculture Ministers Meeting, where for example Slovenia is participating actively in the negotiation of the agenda, declaration and background documentation in the Informal Advisory Group to the

Committee for Agriculture. It is important to TAD that also our Ministerial outcomes are produced through a highly iterative process. Of particular relevance to Slovenia, TAD's monitoring work, such as the Services Restrictiveness Index (STRI) or the Trade Facilitation Indications, allows Slovenia to compare its policies with that of other countries and seek adjustments where desired. Likewise, our policy recommendations, such as our webtool on 4 Keys to Resilient Supply Chains lays out policy pillars for strengthening the resilience of supply chains, which can provide a policy environment allowing Slovenian firms to most effectively navigate their supply chains.

Could you mention the most important publications, reports or other documents that the Directorate (or committees/bodies under your auspices) have issued or to which you have significantly contributed in recent years? Why are they important and what has been their impact?

The Trade and Agriculture Directorate publishes a set of flagship publications and maintains a number of key OECD databases. Of particular importance, the yearly FAO-OECD Agriculture Outlook is forthcoming in June 2022, which provides a consensus assessment of the ten-year prospects for agricultural commodity, fish and biofuel markets at national, regional and global levels. Thereby, it serves as an essential reference for forward-looking policy analysis and planning. Likewise, TAD is set to publish the 2022 Agricultural Policy and Monitoring and Evaluation and later in the year the OECD Review of Fisheries. Both these publications are transparency-enhancing by providing an overview of government support provided to the agriculture and fisheries sectors. Another important transparencyenhancing output of TAD is the Services Trade Restrictiveness Index, which measures the level of services trade liberalisation across economies with a view to bring about a more level playing field for firms. We also maintain a number of other databases that have important monitoring roles in the field of international trade. I am thinking here of our data on export restrictions for industrial raw materials, our trade facilitation database or the support to fossil fuel database that we run together with the Environment Directorate. Reacting to the enhanced focus on resilience in the face of the COVID-19 pandemic, another central TAD publication is our online tool on 4 Keys to Resilient Supply Chains. It provides policy makers with an understanding of policy responses to strengthen the resilience of supply chains and insights into how to prepare for future shocks. We also recently merged our datasets on government and subsidies onto one Government Support and Subsidies Portal, and released together with the IMF, the World Bank and the WTO a major interagency publication on Subsidies Trade and International Cooperation. Moving forward, we will continue to provide a mix of transparency-enhancing databases, as well as modelling to allow for the forward planning of policies and more concrete tools to inform governments aiming to develop on their policies.



© OECD 2022

Romina BOARINI

Director of the Center for Well-being, Inclusion, Sustainability and Equal Opportunitiy (WISE) E-mail: <u>romina.boarini@oecd.org</u>

Website: https://www.oecd.org/wise/

Romina Boarini is the Director of WISE: Centre for Well-being, Inclusion, Sustainability and Equal Opportunity. She was previously a Senior Advisor to the OECD Secretary General and the Head of the

Inclusive Growth Initiative, steering one of the largest OECD horizontal programmes. During this period, she developed the OECD Framework for Action on Inclusive Growth and launched Business for Inclusive Growth, a coalition of 40 multinationals committed to fight inequalities. Before joining the Office of the Secretary-General, she has worked as Deputy Head of the Well-Being Division of the Statistics Directorate and the Head of the Well-Being and Progress Section, where she was responsible for OECD Better Life Initiative, the statistical pillar of the OECD Inclusive Growth Initiative and the OECD Pilot Study on SDGs. She also led the Statistics Directorate's contributions to SDGs-related National Development Strategies and the project on Business and Well-Being. In her previous roles, she was working as an economist in both the Economics Department and in the Employment, Labour and Social Affairs Directorate, carrying out research on structural issues as well as country-specific policy analysis. Before joining the OECD in 2005, she was a post-doctoral fellow in Sustainable Development (Chaire EDF-Ecole Polytechnique) and worked as a consultant to the French Ministry of Social Affairs. She holds a PhD in Economics from the Ecole Polytechnique (Paris) and her Research Interests include Wellbeing, Poverty, Education and Behavioural Economics (source: OECD).

What is the mission and mandate of your directorate?

The OECD **Centre on Well-Being, Inclusion, Sustainability and Equal Opportunity** (WISE) was created in July 2020 with the aim of bringing together and consolidating the OECD's activities on well-being and the measurement of economic performance "beyond GDP", on inclusive growth and on inequalities. Up until then, those activities had been conducted in different parts of the Organisation. WISE's mission consists in strengthening the OECD's capacity for evidence-based analysis and support to countries in developing integrated policy responses on these cross-cutting agendas. In this respect, WISE is fully aligned with the principles of the OECD's <u>founding Convention</u> of 1960 and with the Organisation's core objective of promoting "better policies for better lives".

WISE's activities are organised around three main pillars (see diagram below). These pillars are framed by the structural trends and challenges affecting well-being and inequalities, including notably the long-term impact of the COVID-19 pandemic. WISE has also a specific mandate to foster child wellbeing, to ensure that all children are given strong opportunities to be well and thrive.

WISE contributes to develop **new analytical approaches** and **policy solutions** that improve people's well-being and promote equal opportunities, by:

- Collecting comparable international data and consolidated statistics using innovative methodologies
- Filling information gaps in areas that are of high importance to citizens and governments
- Exploring and analysing the causes, consequences and drivers of inequalities
- Building the case for investment in child well-being as a catalyst for inclusive growth
- Helping countries design and implement multidimensional agendas to Build Back Better
- **Connecting** governments with private sector actors and stakeholders to achieve these goals.

What is your top priority as director?

As Director of the WISE Centre, my main priority is to provide our Member countries and partners with the insights and support they need to put people and the outcomes that matter to them at the centre of governments' policies and processes. Well-being offers a multidimensional and practical lens that can help policy-makers across government focus on common goals and develop policies that are economically sound, socially inclusive and environmentally sustainable. Taking a broader and more integrated approach to policy is more important than ever at this critical point in time when countries are designing their strategies for recovery from the COVID-19 pandemic, while also facing up to key long-term challenges in what is meant to be the "decade of action for the SDGs" and navigating geopolitical risks and crises.

WISE's role consists in operationalising this approach by equipping countries with the right tools, timely data and innovative analysis that can help them design and implement better policies for better lives. A good example of this can be seen in the technical support that WISE provided to the Slovenian Ministry of Labour and Social Affairs in developing a framework for evaluating the multidimensional impact of policies on people's well-being (see Question 5 below). Furthermore, promoting well-being, inclusion and sustainability is not an agenda for government alone – it requires a "whole of society" effort. In this respect, collaboration with the private sector and civil society is also a key objective for WISE. Here, we aim to better align public and private action by

helping set common standards in areas such as social and environmental impact, as illustrated for example by the recent launch of the <u>Impact Management Platform</u>. WISE is also aiming to build broader and more effective coalitions through our partnerships with foundations, civil society actors and committed companies such as the members of the <u>Business for Inclusive Growth (B4IG)</u> <u>coalition</u>.

Another important consideration for us is that the work on well-being, inequalities and inclusive growth all have a long and rich tradition at the OECD, stretching back over 50 years. One of our priorities in WISE is to ensure that we live up to this legacy and contribute to carry it forward. WISE has a unique opportunity in this regard. The cross-cutting nature of WISE's agenda is reflected both in its governance structure and in its position within the Organisation. The WISE Centre was created to act as a bridge between the Statistical and Policy communities at the OECD. Similarly, from an organisational perspective, WISE works closely with other OECD Directorates to facilitate collaboration and ensure that, in line with our recommendations to national governments, the OECD is also able to break through policy silos and develop an integrated approach well-being and inclusive growth.

Finally, I believe that WISE's mission means that we must put our principles into practice and live up to them in the everyday aspects of our work. As Director, I am personally committed to seeing that the team's well-being always remains a priority. To that end, we have set up a Charter of Values for WISE, as the result of a collective reflection, to ensure that the core principles that guide our work at WISE (e.g. integrity, honesty, openness, innovation, solidarity, diversity) are at the heart of everything we do.

How does the work of your directorate differ from the work in other international forums with the same topic?

This is a very interesting question and one that I have had the opportunity to discuss recently with colleagues from the IMF and World Bank during a mission to Washington DC. All three of our organisations put an important focus on the notion of "inclusive growth" in our current work and, while there are differences in the way in which we define the notion, inclusive growth is a policy objective for which there is a significant degree of consensus and shared vision across international organisations, as well as valuable synergies between the different areas and levers we use to achieve it.

If I had to highlight the specificity of the OECD's approach to inclusive growth, I would point to the <u>Framework for Policy Action on Inclusive Growth</u>, which we released in 2018 at the OECD Ministerial Committee Meeting. This Framework provides a comprehensive overview and analysis

of the key policy levers needed to promote inclusive growth, supported by a dashboard of indicators. As such, it showcases the breadth of expertise that the OECD can bring across policy areas and its ability to combine measurement and policy analysis. In the wake of the COVID-19 pandemic, a key focus of our current work relates to the promotion of social mobility and equality of opportunities. The aim here is to better understand what long-term impact the pandemic will have on prospects for social mobility, particularly for more "vulnerable" populations such as women, minorities and youth. In turn, this analysis can help governments set up policies to strengthen the middle class and social cohesion by ensuring everyone has the chance to contribute to and benefit from growth. To this end, WISE will be launching an Observatory of Social Mobility and Equal Opportunity at the end of this year.

On well-being and the measurement of economic performance "beyond GDP", the OECD has played a leading role in developing the agenda on the conceptual, empirical and statistical side. This important contribution is reflected in the <u>OECD Well-Being Framework</u>, which has helped inform the development of numerous national framework and provides the basis for the analysis conducted in the <u>How's Life?</u> publications. The OECD retains that leading role in developing the policy applications of well-being metrics, which constitutes the next stage of this agenda and a key objective for WISE. To this end, we aim to establish a "Knowledge Platform on Well-Being Policies" as a space for country exchange and peer learning. The strong link between the agendas on wellbeing and on inequalities and inclusive growth is another aspect that is specific to the OECD's work in these areas and that is core to WISE's mission and mandate.

Finally, I would like to underline the extent to which the OECD collaborates with other international organisations on the issues relevant to WISE. This is particularly the case in frontier areas for research and policy advice. For instance, the European Commission, IMF and World Bank are represented on the interdisciplinary "Expert Group on New Measures of the Public Acceptability of Reforms" which WISE has set up to leverage policy insights from new research on the measurement of perceptions and attitudes. Similarly, WISE has been working with Eurostat on projects including the development of nowcasting techniques for income inequality and on the joint distribution of income, consumption and wealth.

Are you facing any particular major challenge arising from the current multilateral environment? What was the impact of the pandemic and the large-scale Russian aggression on the work of your directorate?

First of all, I would like to reaffirm our strong solidarity with the Ukrainian people. As an international organisation committed to democracy, human rights, the rule of law and a rules-based

international order, the OECD has been unequivocal in its condemnation of the large-scale aggression of Ukraine by Russia. The OECD has made this position clear from day one in its <u>Council</u> <u>statement of 24th February</u> and has taken significant and specific action to this effect, including the formal termination of Russia's accession process and its suspension from all OECD bodies to which it was a party. Similarly, all collaboration with Russian institutions has ceased.

The crisis precipitated by Russia in Ukraine has had an immediate impact on the work of the OECD's Employment, Labour and Social Affairs Committee (ELSAC) and its working parties. In the longer term, the Russian aggression in Ukraine creates risks and challenges that may impact on many dimensions of WISE's work. This point is reflected in the latest edition of the <u>OECD report on Measuring Distance</u> to the SDG Targets, which was released on 27th April. In this respect, the situation in Ukraine cannot be seen simply as an immediate and geographically localised problem. On the contrary, it is likely to have grave economic, social, environmental and political consequences. As such, it poses a potentially serious threat to the well-being of the people of Ukraine, of Europe, of Russia and of the world at large. We, as international organisations, must anticipate these coming challenges and help craft responses to them. In doing so, we cannot lose sight either of other key challenges. The impact of the COVID-19 pandemic on well-being and inequality remains of course at the core of WISE's work. This is notably highlighted in the <u>COVID-19 and Well-Being</u> report released last November (see below). As mentioned above, the Observatory of Social Mobility and Equal Opportunity will provide us with a new tool and increased capacity to help countries address this challenge.

How do you encourage and ensure that Slovenian experts are productively involved in the work of your directorate and committees/bodies under your auspices? What are the practical consequences of your directorate's work for Slovenia?

Over the past 20 years, the OECD's contributions on well-being and inclusive growth have helped many countries (e.g. New Zealand, Canada, Italy, France, Iceland, Finland, Korea...) launch initiatives of their own at national and at EU-level. Slovenia has also played a very active role in this regard. Recent initiatives, including the Indicators for Well-being in Slovenia (IWS) and the Slovenian National Development Strategy (NDS), that the OECD has directly supported, have given policy-makers the means and tools to consider a wide range of outcomes when designing, implementing and evaluating policies.

Supported by DG REFORM, the OECD has also been working with the Slovenian Ministry of Labour (the MoLFSAEO) on a project aimed at "Building analytical capacity at the Ministry of Labour, Family, Social Affairs and Equal Opportunities". In the context of this project, WISE has been providing technical support aimed at enhancing the Ministry's in-house analytical capacity to monitor and evaluate policy

88

with the help of well-being indicators, to assess the costs and benefits of policy intervention, and to develop reform proposals. Through this work, Slovenia will be able to better monitor well-being trends and highlight inequalities between groups, use the OECD's well-being framework in its policy analysis, and analyse the multi-dimensional impacts of structural reforms using a common monetary metric. WISE has been able to count on strong engagement with and support from Slovenia. This is in part thanks to the presence of a Slovenian national, Žiga Žarnic, who heads the WISE Unit on Reviews, SDGs and Impact Measurement and helps provide us with a clear understanding of Slovenia's needs and priorities; and in part thanks to the excellent work done by the Slovenian delegation in providing liaison between the OECD and the relevant authorities in Ljubljana. More generally, as a new OECD centre, WISE is looking to develop working-level relations with civil servants in Member-countries and we hope to be able to set up a secondment programme with interested ministries.

Could you mention the most important publications, reports or other documents that the directorate (or committees/bodies under your auspices) have produced or contributed significantly to in recent years? Why are they important and what has been their impact?

In its first year and a half of activity, WISE has released 9 reports, numerous policy briefs and papers and held around 40 events. Among its key documents, I would cite the following:

We released a report in March 2021 on *The Inequality-Environment Nexus: Towards a People-Centred Green Transition* (<u>https://doi.org/10.1787/ca9d8479-en</u>) with the aim of providing a broad-based support for the profound reforms that the transformation will require, and to help governments balance the benefits and costs of environmental policies that are unevenly distributed across households, communities, companies and other stakeholders.

We released a report in July 2021 on *Measuring What Matters for Child Well-Being and Policies* (https://oe.cd/measuring-cwb) that proposes a conceptual framework for child well-being measurement and highlights priority areas for better data collection to ensure improved policies for children. This report has allowed us to raise awareness on the importance of having a comprehensive framework for measuring child well-being in all its dimensions and has led to the creation of a group of experts coming from with National Statistical Offices (NSOs) to explore how to improve the quality of data on children. It has also allowed us to initiate a dialogue with a range of stakeholders, including government ministries and civil society on the need to develop whole-of-government policies to make a real difference to children's lives.

We launched a new OECD COVID-19 Recovery Dashboard in October 2021 (<u>https://www.oecd.org/coronavirus/en/recovery-dashboard</u>) which features twenty indicators to keep track of countries' efforts to build back better from COVID-19, with timely and accurate statistics

that monitor the quality of the recovery – whether it is strong, inclusive, green and resilient. The Dashboard was welcomed by the Ministers at the Ministerial Council Meeting 2021 as a tool for supporting governments in assessing the recovery by showing the strengths & weaknesses of countries on economic, social & environmental dimensions.

We released a report *Does Inequality Matter? How people perceive economic disparities and social mobility* (https://oe.cd/does-inequality-matter) in November 2021 that provides a cross-country analysis of how people's beliefs about inequality have evolved over time, and how they shape demand for inequality-reducing policies. This report has raised awareness about the crucial role of understanding people's perceptions when addressing inequality of outcomes and of opportunity in the frame of post-pandemic recovery and reconstruction plans. We are also working with the OECD Expert Group on New Measures of the Public Acceptability of Reforms to help strengthen existing efforts to measure and analyse key social and subjective factors (perceptions, attitudes, social preferences and norms) that play a role in shaping people's demand for and response to policies designed to reduce inequalities and promote inclusion.

We released a report *COVID-19 and Well-Being: Life in the pandemic* (https://oe.cd/covid-19-and-wellbeing) in November 2021 that explores the immediate implications of the pandemic for people's lives and livelihoods in OECD countries. The report also examines the role that well-being evidence can play in supporting governments' pandemic recovery efforts. In particular, it shows how a well-being lens can prompt policy-makers to refocus on the outcomes that matter the most to people, to redesign policy content from a more multidimensional perspective, to realign policy practice across government silos, and to reconnect people with the public institutions that serve them.

We released a report *The Short and Winding Road to 2030: Measuring Distance to the SDG Targets* (https://oe.cd/measuring-sdgs-2022) in April 2022 that evaluates the distance that OECD countries need to travel to meet SDG targets for which data is currently available and deepens the analysis by identifying long-term trends and considering how these may be impacted by the COVID-19 pandemic. By providing a high-level overview of countries' strengths and weaknesses in performance across the SDGs, it is supporting Member countries in navigating the SDGs and in setting their own priorities for action within the broad 2030 Agenda.

In the coming weeks, we will be releasing a report on *Well-being Analytics for Policy Use: Policy Evaluation through a Well-being Lens in Slovenia* that reviews Slovenia's existing initiatives on using well-being indicators for policy practice, and proposes a framework for monitoring well-being outcomes, including a summary of Slovenia's main policy challenges.

90



Ragnheiður Elín ARNADOTTIR

Director of the OECD Development Center E-mail address: <u>Ragnheidur.ARNADOTTIR@oecd.org</u> Web page: <u>https://www.oecd.org/dev/</u>

Ragnheiður Elín Árnadóttir has been the Director of OECD

Development Centre since 16 August 2021. She served as Minister of Industry and Commerce in Iceland from 2013-2017 and was an elected Member of Parliament for the Independence Party from 2007-2016. Before being elected to Parliament, she was successively a political advisor to the Minister of Finance, the Minister of Foreign Affairs and the Prime Minister. She also worked for the Trade Council of Iceland both in New York and in Reykjavík.

A nonresident Senior Fellow at the Atlantic Council's Global Energy Centre, she is also a Board member of RÚV (Icelandic National Broadcasting Company) and of the American-Icelandic Chamber of Commerce. She was the Chairman of the Board of Directors of Duty Free Iceland, and a member of the Board of Directors of Landsvirkjun (national power company).

She has a Master's Degree in Foreign Service from Georgetown University in Washington, D.C., and a Bachelor's Degree in Political Sciences from the University of Iceland. She attended the Georgetown Leadership Seminar in 2007, by invitation (source: OECD).

What is the mission and mandate of your directorate?

The OECD Development Centre was created upon a proposal by US President John F. Kennedy, May 1961. It is a place for countries at all income levels to work together on common development issues. The Centre is an integral part of the OECD but has a different, wider membership. In other words, it is a space within the OECD where partner countries are at home too.

As stated in its founding document, the purpose of the Development Centre is "to bring together the knowledge and experience available in participating countries of both economic development and of the formulation and execution of general economic policies; to adapt such knowledge and experience to the actual needs of countries or regions in the process of economic development and to place the results by appropriate means at the disposal of the countries concerned".⁴

Currently, 53 members from Africa, Asia, Europe, Latin America & Caribbean sit on our Governing Board (25 OECD, 28 non-OECD) sharing their experiences on what worked and what did not work for

⁴ Decision of the Council establishing the Centre [C(62)144(Final), Article 2]

them in a wide range of policy areas in all sectors of government action. They learn from one another, and very importantly, they do that on an equal footing: Brazil, Sweden or Senegal, they all have their seat, and their say at the discussion table. We engage with them, and many more partner countries and organisations, in both analytical work and policy dialogue. The topics range from major regional and national trends, such asxhow to transform African productive systems?-- to global thematic issues: How can low and middle-income countries make more of their own migration policies for their development? How do you extend social protection in countries where most workers are in informality? How can developing economies integrate in global value chains in a way that creates good jobs? How can natural-resource rich countries transition to a low carbon economy while protecting their revenues?

At the end of the day, our objective is to mobilise and translate expertise available in the OECD and globally, to support non-OECD decision-makers improve policies at home.

What is your top priority as director?

To fulfil the Centre's original mandate, following Kennedy's will for the Centre to be a place "where citizens and officials, and students and professional men of the Atlantic area and the less-developed world can meet to study in common the problems of economic development".⁵ The wording may sound a bit dated, but the spirit remains.Today more than ever, we need a place for informal, yet high-level and high-quality dialogue among very different countries, where all questions can be asked, even the difficult ones.

My objective is to continue sharpening the added-value of the Centre as a bridge builder and centre of excellence, providing high value added to the OECD and our member countries. We will continue strengthening complementarities in-house, to the benefit of our members at all income levels and of the OECD as a whole.

Why is it crucial to help policy makers in low and middle-income countries make the best choices possible? Because they are on the frontline when it comes to improving lives at home, and because we are all interdependent: the whole world needs them to play their part in a sustainable recovery and a greener future.

How does the work of your directorate differ from the work in other international forums with the same topic?

⁵ May 17, 1961 - John F. Kennedy's Address Before the Canadian Parliament in Ottawa, Canada

The specific membership of the Centre opens a safe space for dialogue to a diverse and unique set of countries on an equal footing. Our 53 member countries – of which 20 European, 14 from Latin America and the Caribbean, 11 African and 8 Asian countries – sit on the Centre's Governing Board. We do not have the ambition to be universal but geographically balanced. This governance structure promotes learning across regions and income groups, to identify better policies and solutions to development challenges. It also builds mutual understanding and trust among countries, which helps move forward the global policy dialogue.

Our multi-dimensional and multi-sectoral approach allows analysing and explaining the big picture of development. We advise governments on how challenges and policies are inter-linked, and how to prioritise and sequence their actions. They appreciate it, for in real life, policy problems cut across sectors! In doing so, however, the Centre does draw from the OECD sectoral expertise in many areas. Finally, the Centre convenes governmental, but also non-governmental actors, including private companies and private foundations, in a flexible yet structured way. We use those networks to learn from the most experienced and knowledgeable stakeholders in each policy area and region, and to promote the adoption of better development policies and practices by all partners.

Are you facing any particular major challenge arising from the current multi-stakeholder environment? What was the impact of the pandemic and Russia's aggression on the extensive work of your directorate?

Globalisation is slowing down, and multilateralism is at risk. In the current post pandemic and instable geopolitical context, the multilateral system is facing difficult years ahead. The climate transition in low and middle-income countries clashes with pressing development priorities: policy makers face difficult trade-offs.

For innovative solutions to emerge, we need a space for countries at all levels of wealth to discuss complex, at times difficult, even controversial economic and social issues, with no obligation to agree or binding constraints, but with a resolute commitment to listen and learn from one another.

How do you encourage and ensure that Slovenian experts are productively involved in the work of your directorate and committees/bodies under your auspices? What are the practical consequences of the work of your Directorate for Slovenia?

Slovenia is a member of the OECD Development Centre since 2015, and as such defines and supervises our work programme. The country also takes part in, and benefits directly from our activities. Let me give you two recent examples. First, last year, under the Slovenian Presidency of the EU Council, Slovenia actively engaged with the Centre in the debate on re-thinking multilateral cooperation. Following up on the call in the EU Council's June 2021 resolution, it co-hosted a multi-stakeholders discussion on the <u>Development in</u> <u>Transition (Dit)</u> approach. DiT offers a new narrative to rethink international cooperation, taking into account the multidimensional nature of development and countries' specific realities.

Second, Slovenia was directly involved in our regional work in support of <u>national strategies in the</u> <u>Western Balkans</u> (Albania, Bosnia and Herzegovina, Kosovo, North Macedonia and Serbia), which assessed the constraints to, and opportunities for enhancing prosperity and peace in South East Europe. The stakes are high for Slovenia and the European Union. The wealth of comparative data and analysis, the conclusions we derived, all feed directly into their own cooperation policies with the region. Also, the lead author of this massive study was a Slovenian staff member!

Could you mention the most important publications, reports or other documents that the Directorate (or committees/bodies under your auspices) have issued or to which you have significantly contributed in recent years? Why are they important and what is their impact?

Over the years, the Centre has built strong links with major regional partners. Every year, we publish three OECD flagship reports on Africa, Latin America and Asia. They have become reference publications in each region. Last year the Presidents of Costa Rica, Ecuador and Colombia all accepted our invitation to launch the 2021 edition of our <u>Latin America Economic Outlook</u>, which we produce every year with the UN-ECLAC, CAF and the EC. It was a unique opportunity to help chart the continent's path to a sustainable recovery out of COVID.

Similarly, our *Economic Outlook for Southeast Asia, China and India,* presented every year at the ASEAN Business Summit, underpins a very influential regional dialogue on essential policy issues. The latest one helped lay down some concrete financing options for the region's recovery.

And on Africa, when the African Union Commission decided to launch their own annual economic report, they approached the Centre as a trusted partner. Building on more than 20 years of developing mutual understanding and shared expertise, we worked with them and the European Union to produce *Africa's Development Dynamics*, the African Union's annual flagship report.

At national level, I already mentioned how we supported countries' development strategies in the Balkans: we provide that type of support on all continents, in close collaboration with governments – typically at Ministerial or Prime Minister level— but also involving a wide range of private actors. Such initiatives cover diagnosis, recommendations, reform monitoring on to impact evaluation. In <u>Côte</u> <u>d'Ivoire</u>, after we completed the project, the Government followed its recommendation to create an Observatory of financial services, and invited our team every 6 months for several years to monitor

the implementation of reforms in education, taxation and private sector development. Similarly, it was after working with us that <u>Peru</u> decided to put in place a Metropolitan Transport Authorities, a big step for the sector. In <u>Viet Nam</u>, our work was central to informing an ambitious array of economic reforms in the wake of the new strategy adopted by the 13th National Party Congress.

This year, at the COP 27 in Cairo, we will be launching an <u>Equitable Framework and Finance for</u> <u>Extractive-based Countries in Transition</u> (EFFECT), a ground-breaking blue print by OECD and non-OECD oil and gas producing countries –in consultation with extractive industries, civil society and think tanks – to help developing countries manage the transition to net-zero.

On gender equality, our <u>Social Institutions and Gender Index (SIGI)</u> measures discrimination against women in social institutions across 180 countries and informs very concrete policy action. For example, it inspired Burkina Faso's reform of its law on violence against women, which now criminalises marital rape. And Ireland was the first country to pick-up on the Centre's <u>innovative work on masculinities</u>: applying the indicators of the Centre's framework to domestic data, they just released a publication on national advancement of <u>Gender Norms in Ireland</u>.

In sum, we promote better policies for better lives for all our members and beyond: we strive for policy impact to the benefit of both OECD and non-OECD communities!