In collaboration with

12th PLENARY MEETING
OECD INITIATIVE FOR POLICY DIALOGUE ON GLOBAL VALUE CHAINS, PRODUCTION TRANSFORMATION AND DEVELOPMENT

AGENDA

2-3 April 2019

Hilton Lima Miraflores Hotel, Lima
Huascaran Room

Peru

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ABOUT THE INITIATIVE

The OECD Initiative on Global Value Chains (GVCs), Production Transformation and Development is a platform for policy dialogue and knowledge sharing between countries from Africa, Asia, Latin America and the OECD. It aims at improving evidence and identifying policy guidelines to promote development through production transformation, upgrading and better participation in global value chains. This Initiative is part of the implementation of the OECD Strategy on Development, adopted by the OECD Council at the Ministerial level in May 2012.

The Initiative is led by the OECD Development Centre and counts with the cooperation of OECD Directorates, including the Centre for Entrepreneurship, SMEs, Regions and Cities (CFE), Development Co-operation Directorate (DCD), Statistics Directorate (SDD), Directorate for Financial and Enterprise Affairs (DAF).

The Initiative comprises a network of high-level government representatives from Ministries of Industry, Trade, Economy and Finance from Africa, Asia, Latin America and the OECD. The Initiative benefits from an Advisory Board of Experts from 11 International Organisations (AUC, EU, ILO, ECA, ECLAC, ESCAP, ESCWA, UNCTAD, UNIDO, World Bank and WTO). The Initiative meets two times per year in the context of plenary meetings to discuss the implementation of the Programme of Work and to promote knowledge sharing and peer learning on development strategies, GVCs and production transformation.

For more information, please visit the website: http://www.oecd.org/dev/global-value-chains.htm

ABOUT THE MEETING

Format of the meeting

- The format of the meeting differs from traditional seminars. The plenary meetings provide interactive spaces for policy dialogue, knowledge creation and network update among participating countries, members of the Advisory Board and invited stakeholders.
- The main objective is to share experiences on selected topics to generate new knowledge and to facilitate learning through knowledge-sharing.
- The meeting is organised in sessions, each dedicated to a selected topic to allow for in-depth discussions based on different experiences shared by participants.
- Active participation from all attendees is encouraged throughout the meeting.
- Please refer to the Background Booklet for questions for discussions as well as instructions for the moderator and panellists. The background material for discussion is shared two weeks before the meeting.
DAY 1: APRIL 2, 2019 – HUASCARAN ROOM
Translation provided in English and Spanish and English-French

9:00-9:30 OPENING SESSION
Minister Edgar Manuel Vásquez Vela, Ministry of Foreign Trade and Tourism, Peru
Vice Minister of Economy Michel Canta, Ministry of Economy and Finance, Peru
Annalisa Primi, Head, Structural Policy and Innovation, OECD Development Centre

9:30-10:30 THE INITIATIVE: TAKING STOCK OF PROGRESS
This session features:
   - Juan Sebastian Robledo, Director, Innovation and Entrepreneurial Development, National Planning Department (DNP), Colombia
   - Viviana Araneda Urbina, Head, Global Value Chains Division, General Directorate for International Economic Relations, Ministry of Foreign Affairs, Chile
   - Rafael Paz, Executive Director, National Competitiveness Council, Dominican Republic

Chair
Francisco Monge, Deputy Director General of Foreign Trade, Ministry of Foreign Trade, Costa Rica and Chair of the Bureau of the Initiative

10:30-12:00 SESSION 1: Scenario setting and looking forward: scouting out new issues of relevance for GVCs, production transformation and development policies
HOW TO MAKE DIGITAL TRADE WORK FOR SMEs?
Digital trade is expanding rapidly and it is changing the way in which firms and consumers interact. Building on the outcomes of previous Plenary Meetings that discussed how digital technologies can support development, this session focuses on discussing how to make digital trade inclusive for SMEs and what can governments and businesses do to enable SMEs worldwide to reap the benefits of digital trade.

Key questions
1. What are the challenges and the opportunities that SMEs face in participating to and benefiting from digital trade?
2. How can digital trade foster SME’s export potential? And what can policies do about it?
3. How can we better measure the participation of SMEs to digital trade?

Kick-off interventions
Vinicius Fornari, Industrial Policy Specialist, National Confederation of Industry (CNI), Brazil
**Ricardo Limo**, Sub-director for Export Development, Export and Tourism Promotion Agency (PROMPERU), **Peru**

**Kathryn Lundquist**, Economic Research and Statistics Division, WTO

**Chair**

**Santiago Matallana**, Vice President, Private Competitiveness Council (CPC), **Colombia**

**12:00-12:30**  
**Coffee Break**

**12:30-14:00**  
**SESSION 2: Production Transformation Policy Reviews (PTPRs)**

**TRANSFORMING PERU**

This session focuses on Peru. Peru is the fifth most populous country in Latin America and Caribbean (LAC), with over 32 million people. The country’s GDP in 2017 surpassed USD 211 billion (current prices), making Peru the sixth largest economy in the LAC region, while its GDP per capita (in 2011 constant prices) was USD 6 172, almost a third lower than the LAC average (USD 9 368). With 5.1% average GDP growth between 2000 and 2017 Peru has also been the fastest growing economy in the LAC region. The country exported USD 44 billion worth of goods in 2017, the top fifth among LAC countries. Almost 90% of the country’s exports were primary commodities in 2017, with ores and metals making up 46% of Peru’s exports. Manufactured goods accounted for just below 10% of total exports, with the majority concentrated in low technology (43%) and resource-based (47%) products.

The National Policy for Competitiveness and Productivity (PNCP), released in December 2018, by the National Council for Competitiveness and Formalization, an agency under the Ministry of Economy and Finance, and elaborated in coordination with other government bodies, academia and the private sector, sets the basis to transform the economy by fostering innovation and exports growth.

**Key questions**

1. What are the main challenges and opportunities for strengthening production development and innovation in Peru?
2. What is the current vision for transforming the economy and what are the main policy tools the country is using to achieve production development and diversification?
3. How can the PTPR process add value to strategy setting and implementation in Peru?

**Kick-off interventions**

**Rodrigo Salcedo**, Executive of the National Council for Competitiveness and Formalization, **Peru**

**Diego Llosa**, General Director for Trade Development Policies, Ministry of Foreign Trade and Tourism, **Peru**

**Martin Peter**, Head Economic Development Cooperation, State Secretariat for Economic Affairs (SECO), **Swiss Embassy in Peru**

**Chair**

**Annalisa Primi**, Head, Structural Policy and Innovation, OECD Development Centre

**14:00-15:30**  
**Lunch break**
SESSION 3: Government Business Roundtable on sectoral trends, dynamics and implications for policies

THE FUTURE OF AGRICULTURE: WHAT ROLE FOR TECHNOLOGY AND INDUSTRY 4.0?

New and increasingly sophisticated technologies can transform agriculture and make it more competitive and sustainable. Smart sensing and monitoring are making precision agriculture a reality within reach, block chain is enhancing traceability increasing safety and sustainability and new technologies in all stages of production are making agriculture more productive and efficient. Building on the outcomes of the 11th Plenary Meeting, this session provides an opportunity to continue identifying good practices in making agriculture work for production development through innovation and technology.

Key questions

1. How are new technologies reshaping the future of agriculture?
2. What are lead firms doing to foster productivity and innovation through technology along the whole value chain?
3. How can new technologies make agriculture more productive, inclusive and sustainable?

Roundtable interventions

Luca Turello, Head, Agronomy Coffee Procurement Department, Illy
José Maldonado, Director for Trade Promotion, Ministry of Agriculture, Peru
Gabriel Amaro, Executive Director, Association of Agricultural Producers, Peru

Chair

Rafael Paz, Executive Director, National Competitiveness Council, Dominican Republic

18:00-20:00 Cocktail - Hilton Lima Miraflores Hotel
SESSION 4: Drivers of production transformation, participation and upgrading in GVCs.

HOW TO MAKE TECHNOLOGY TRANSFER WORK IN MANUFACTURING?

Technology transfer has the potential to spread knowledge, ideas and skills, thereby fostering innovation and enabling catching-up. Governments, businesses and academia engage in a variety of practices, such as international licensing, joint product development and the transfer of technologies from universities to the private sector (e.g. through the creation of spin-offs and start-ups). This session discusses what the new trends in technology transfer in manufacturing are and what makes certain practices more effective than others.

Key questions

1. Is technology transfer in manufacturing changing? How?
2. Are there forms of technology transfer that are more effective than others?
3. What types of institutional, industrial and innovation capabilities are needed for developing and emerging economies to make the most of technology transfer?

Kick-off interventions

Charles Wessner, Research Professor, Global Innovation Policy, Science, Technology & International Affairs Program, Georgetown University, USA
Johannes Dobinger, Representative in the Andean Region, UNIDO
Luis Mesías, Executive Coordinator, Innóvate Perú, Ministry of Production, Peru
Nestor Díaz, Technical Operations Manager, RESEMIN, Peru
Chair
Nicolo Gligo, Productive Development and Business Division, ECLAC

SESSION 5: Statistics and methodologies for evidence-based policy making

HOW CAN WE BETTER MEASURE GLOBALISATION?

This session provides an opportunity to share updates on new evidence and methodologies for better capturing the dynamics and impact of globalisation. The OECD will provide an update on on-going initiatives in TiVA and present new measurement initiatives designed to better understand the impact of digitalisation and the role of MNEs in shaping globalisation. Chile will present the methodology the General Directorate of International Economic Affairs in the Ministry of Foreign Affairs is developing to improve evidence based trade policy and measure the productive linkages that domestic businesses can develop with the country’s trade partners.
Key questions

1. What are the latest developments on TiVA databases (OECD and APEC) and extensions related to investment?
2. What is being done to improve our understanding of digitalisation, and in particular digital trade?
3. How to measure business linkages? And how tariff and non-tariff barriers as well as rules of origin affect the development of productive linkages?
4. What other new measurement issues the Initiative should discuss about in future meetings?

Kick-off intervention

Luciano Cuervo, Economic Advisor, Global Value Chains Department, General Directorate for International Economic Relations, Ministry of Foreign Affairs, Chile

Chair

Nadim Ahmad, Head, Trade and Competitiveness Statistics Division, Statistics Directorate, OECD

13:00-14:30 Lunch break

14:30-16:00 CONCLUSIONS

This concluding session features:

1. Statement by Egypt about recent reforms, vision and targets for 2030 and hosting of the 13th Plenary Meeting in Cairo, Egypt.
   - Gamal Tawfik, Ambassador of Egypt to Peru, Egypt
   - Nermine Abulata, Advisor to the Minister of Trade and Industry, Egypt
2. Proposal by Chile on how the Initiative can contribute to APEC
   - Viviana Araneda Urbina, Head, Global Value Chains Division, General Directorate for International Economic Relations, Ministry of Foreign Affairs, Chile
3. An open roundtable discussion, during which all members are invited to share updates and propose topics for future debates in the Initiative. Countries willing to engage in a PTPR exercise are welcome to express their interest during this session. Countries and partners willing to host future Plenary Meetings are invited to express their interest during this session.
4. Concluding remarks
   - Vice Minister of Foreign Trade Sayuri Bayona Matsuda, Ministry of Foreign Trade and Tourism, Peru
   - Vice Minister of SMEs and Industry Oscar Graham, Ministry of Production, Peru

Chair

Francisco Monge, Deputy Director General of Foreign Trade, Ministry of Foreign Trade, Costa Rica and Chair of the Bureau of the Initiative