SUMMARY OF THE CONSULTATION ON THE OECD STRATEGY ON DEVELOPMENT

DEVELOPMENT CENTRE HIGH LEVEL MEETING, 1ST MARCH 2012

Background information: participants

1. The First High Level Meeting of the Development Centre’s Governing Board (HLM) was an opportunity to undertake the first high-level official consultation on the OECD Strategy including both OECD and non-OECD member countries that are members of the Centre.

2. The HLM was co-chaired by the European Commissioner for Development, Andris Piebalgs (European Union) and Ministers Boulif and Lahlimi (Morocco), who were joined by representatives from the Centre’s Member countries, other OECD countries, as well as China, Russia and ten International Organisations (including several UN branches, World Bank and Regional banks, and the IMF), often represented at the highest level (e.g.; Abdoulie Janneh, Executive Secretary, UNECA; David Morrison, Executive Secretary, UN CDF; Mthuli Ncube, Chief Economist and Vice President, African Development Bank).

3. The lead speakers in the HLM session on the Strategy (Session 4) were: Fernando Schmidt, Vice Minister for Foreign Affairs, Chile; Development Commissioner Piebalgs (European Union); Henri de Raincourt, Minister for Co-operation, France; Chi Dung Duong, Vice Minister of Foreign Affairs, Vietnam; Rundheersing Bheenick, Governor of the Bank of Mauritius; and Alicia Barcena, Executive Secretary, UN ECLAC.

4. Speakers in the open debate included among others: Armida Alisjahbana, Minister of National Development Planning, Indonesia; Anabel Gonzalez, Minister of Foreign Trade, Costa Rica; Ahmed Lahlimi Alami, High Commissioner for Planning, Morocco; Mauricio Santa Maria, Director National Planning Department, Colombia; Magdalena Lizardo, Deputy Minister of Planning, Economy & Development, Dominican Republic; Roger Schjerva, State Secretary, Ministry of Finance, Norway; Uta Bölhoff, Director General for multilateral and European development policy, Germany; Peter Moors, Director General for Development Co-operation, Belgium; Hiroto Arakawa, Senior Special Advisor, JICA, Japan.
The consultation

5. The session was structured around a number of questions which were presented to participants in an Issues Paper.

What role for the OECD in Development?

Participants:

— acknowledged that it is very timely for the OECD to start rethinking its role in development and to find a new approach; welcomed the OECD Strategy on Development, in this new era of international co-operation where the OECD should be an important player.

— expressed their belief that the OECD can bring innovative ideas to development through its capacities of knowledge sharing and relevant statistical data, among others; supported the OECD increasing its contribution to development through this knowledge sharing and mutual learning.

— recognised that the key OECD’s comparative advantages include its multidisciplinary approach, the peer reviews and peer learning methodology and its networks of policy practitioners.

— acknowledged that the OECD’s strengths are very relevant in this new world context and encouraged the OECD to work in a horizontal way that will enable it to exploit its comparative advantages.

An OECD Strategy on Development: which approach?

Participants:

— acknowledged that in order to have a successful Strategy, non-members should not be obliged to accept OECD norms, standards and instruments. These tools should be taken into account depending on countries specific circumstances and should be applied voluntarily.

— welcomed the opportunity that the Strategy offers to move to a diagnostic approach; and recognised the need to revisit other OECD tools such as norms, standards and instruments.

— stressed the need to have middle income countries (MICs) as the main target of the Strategy together with LDCs, since these MICs confront similar challenges as OECD countries and can better benefit from OECD value added.

— welcomed the OECD work on Policy Coherence for Development (PCD) and the work on addressing global challenges; recognised that facing some of the challenges at an individual level is not optimal, and a collective approach is needed; recognised the need to establish means and places to discuss these challenges and identified the OECD as an already-existing important forum playing this role.
— underscored the need to **rethink diagnostic analyses at the country level** to reflect a more multi-sectoral approach and how policies combine with each other and their sequencing. This renewed attention to policy mix and sequencing was stressed as crucial for making reform happen.

— stressed the unique role of the OECD in promoting policy dialogue and knowledge sharing and they invited the Organisation to extend that capacity to serve the need of countries (member and non-member) that are facing similar structural or policy challenges – what the Strategy calls the ‘**cluster approach**’;

— recognised the need for OECD analysis to take into account more thoroughly certain aspects of **policy implementation**, for example, by looking at the functioning of institutions (organisations as well as rules and conventions) and how they can be built or strengthened.

— pointed out other areas that could be included in the Strategy, such as the middle income trap and climate change (in particular using the “cluster approach”), employment, innovative financing for development, methods for coping with fiscal pressures - that would derive from addressing infrastructure and ageing population;- and addressing regional development within countries.

— suggested that the Strategy should be increasingly communicated to non-members, so that they can contribute to it.

**Complementarities with other International Organisations**

*Participants:*

— acknowledged that in this new era, and in the light of the crisis, the OECD can provide a missing link in the architecture of global co-operation and governance.

— acknowledged that in spite of the fact that all countries represented already have a link with different bodies at the UN and various development banks, there is a need for an untied dialogue; stressed the importance of the fact that OECD work is not linked to any financial support.

— expressed the need to look for complementarities with other international Organisations with the aim of avoiding duplication and fragmentation.

*International Organisations represented:*

— expressed the existence of complementarities between the work at the OECD and the work at these institutions; in particular they acknowledged the comparative advantage of the OECD in terms of creating an independent policy dialogue that could serve to complete their programme work.

— confirmed their will (at times enthusiastically) to continue cooperating with the Centre, and, as it evolves, on the implementation of the OECD Strategy.
The role of the OECD Development Centre in the Strategy

Participants:

— confirmed the role of DEV as a “promoter” of policy dialogue between different actors, in what some described as an “untied ideas factory”.

— reiterated that DEV has a comparative advantage that cannot be compared to other OECD instances: its inclusiveness on knowledge sharing and its multi-disciplinary approach.

— acknowledged that both DEV’s inclusive dialogue and its valuable analytical capacities can contribute greatly to the Development Strategy.

— agreed that DEV has developed a unique sensibility towards developing countries thanks to its membership; in this sense, DEV’s work with countries with similar development levels as OECD members (MICs) is particularly important.

— recognised that deepening partnerships between OECD and developing countries and other international organisations is key; the role of DEV will be crucial for this.

— agreed on a Communiqué which reflected that: “the Centre’s work should help identify the binding constraints to development through multi-sectoral analysis at the country-level and support knowledge sharing between countries facing similar structural challenges”.

— some Development Centre member countries also expressed their specific interest in engaging in a multi-sectoral review as well as in some of the work on clusters.