Policy dialogue, knowledge sharing and engaging in mutual learning

- The OECD’s strategic advantage in the international environment lies in its robust and long-term knowledge and policy dialogues that support reform agendas in member countries. This multidisciplinary knowledge-building approach is of increasing interest to non-members seeking advice and dialogue on good practice and avoiding failure.

- Policy dialogues today need to be inclusive, based on a commitment to joint learning, and adapted to country or regional and local situations.

- Mainstreaming development has been a key feature of the OECD’s horizontal approach since the launch of the Strategy on Development in 2012. The Strategy’s pillars are policy coherence for development and knowledge sharing, supported by the strong involvement of OECD committees and member countries.

- With its large body of knowledge and long-term experience of policy reforms and open dialogues, the OECD is well positioned for a new era of international co-operation in the context of the post-2015 universal approach to development.

- Mutual learning and co-creation of innovative approaches are needed in globally relevant policy areas, not only for so-called “developing” countries but also for those considered “emerging” and “advanced”. With new global challenges and shifting wealth such denominations are becoming obsolete.

Why focus on knowledge sharing and mutual learning in the post-2015 agenda?

As the post-2015 agenda evolves, the world is at a crossroads in terms of global relations and forms of collaboration. Economic powers are shifting, while at the same time social inequality threatens to destabilise the political and economic outlook for many societies. Many pressing concerns – climate change, health, peace and stability – are universal, and can only be tackled by cross-border collaboration and sharing mechanisms.

The UN High-Level Panel of Eminent Persons acknowledged this in its report on the Post-2015 Development Agenda:

*People and countries understand that their fates are linked together. What happens in one part of the world can affect us all. Some issues can only be tackled by acting together. Countries have resources, expertise or technology that, if shared, can result in mutual benefit. Working together is not just a moral obligation to help those less fortunate but is an investment in the long-term prosperity of all.* (HLP, 2013)
Global changes also prompt a rethink of what is meant by “development” – from the goal of “poor” countries to become “developed”, to the notion that all countries are in some stage of development depending on the policy challenges they face.

Over the past 50 years, OECD member countries have greatly benefitted from instruments such as policy dialogues, statistical and policy analysis, peer reviews, standards and recommendations. Today, with its multi-dimensional and cross-sectoral approach, the OECD is already working towards the global goals set out in the ongoing post-2015 discussion.¹

The OECD Strategy on Development, endorsed in 2012, mainstreams development across all OECD work. It is one of the bases for the OECD’s open dialogues on an equal footing and joint learning with non-members. Policy Coherence and Knowledge Sharing are the two intertwined pillars of the strategy; with knowledge sharing playing a key role in informing coherent policy making for better global impacts (OECD 2014a).

Through the Strategy on Development, the OECD is promoting greater policy coherence for development and inclusive knowledge sharing (OECD, 2014b); enhancing its contributions to the global co-operation architecture, including through multidimensional country reviews and thematic policy dialogue networks (e.g. on natural resources); and working to promote more and better quality development co-operation and finance (OECD, 2014c).

Increased participation of non-member, developing and emerging economies in OECD committees, working groups and instruments in recent years (see Figure 2) demonstrates a growing interest from other countries in the Organisation’s analytical work and policy advice. Non-members are realising that the OECD is more than just a “rich countries’ club”, with recommendations and standards set for member countries of flexible use for those interested worldwide.
Increased non-member participation has also led to new and expanded instruments highlighting knowledge sharing as one of the most promising areas for achieving collaboration and mutual learning in specific priority areas, such as Inclusive and Green Growth, Global Value Chains, Network on Natural Resources or the Policy Framework for Investment. A key output of the OECD’s Development Strategy is the Knowledge Sharing Alliance (KSA), established in 2013 in partnership with Germany and Korea. The KSA contributes to focusing on learning with non-member economies and in partnership with external organisations having a presence in the field and expertise in implementing reforms (OECD 2013a). In order to help make reforms happen in developing countries, the OECD seeks strategic alliances that build on the expertise of its own members with field level presence and implementation capacity in developing countries, create new synergies and generate greater impact through innovative knowledge sharing platforms. It will also seek to broaden strategic partnerships with international and regional organisations (OECD, 2012).

The rise of the knowledge sharing agenda

The G20 Development Working Group specified knowledge sharing as one of nine pillars of the Multi-Year Action Plan on Development adopted in Seoul in 2011. It encouraged international organisations such as the UN, World Bank and OECD to strengthen and broaden sources of knowledge on growth and development and agreed that knowledge sharing initiatives should be mainstreamed into other pillars of the G20 process (G20, 2013). Earlier calls for the role of the G20 towards a new
Previously, the Millennium Development Goals had focussed on the development of “poor” countries. The post-2015 agenda, recognising the process of global economic convergence, now considers sustainable and equitable development the responsibility of all countries alike (Ashoff & Klingebiel, 2014). Global challenges such as environmental sustainability, climate change, global health, private sector development, poverty reduction and the right to food and clean drinking water are increasingly recognised as universal, meaning their effects and responsibilities impact all and not just a small number of countries. In this context, the broad categories of “industrial” and “developing” have been rendered all but useless.³

Knowledge sharing approaches already exist in the area of development co-operation, ranging from unilateral, multilateral and bilateral knowledge sharing to North-South, South-South and triangular co-operation (see Table 1).

Table 1. Knowledge sharing approaches to development

<table>
<thead>
<tr>
<th>Unilateral</th>
<th>Knowledge seekers explore the existing universe of relevant knowledge codified in physical or virtual libraries and information repositories/databases.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bilateral</td>
<td>Knowledge seekers share their respective experiences in a bilateral exchange. Often involves government-to-government co-operation programmes.</td>
</tr>
<tr>
<td>Multilateral</td>
<td>Multiple knowledge seekers engage in a mutual, peer-to-peer exercise, exchanging their experiences and practices. Facilitated by international organisations.</td>
</tr>
<tr>
<td>North-South</td>
<td>Mainly finance coupled with technical co-operation. Has led to development outcomes benefitting millions of people in the developing world, but also revealed ways to address technical co-operation shortcomings, particularly through embedding demand-driven capacity development in national processes, including through development knowledge sharing.</td>
</tr>
<tr>
<td>South-South</td>
<td>Source of bilateral technical co-operation and development knowledge transfer, in many cases also accompanied by a significant transfer of financial resources.</td>
</tr>
<tr>
<td>Triangular Co-operation</td>
<td>The engagement of development assistance providers from both North and South in support of developing countries. Significant opportunities are emerging from this approach to promote learning on development experiences and to maximise resources, capacities and knowledge.</td>
</tr>
</tbody>
</table>


Beyond this, new thinking defines knowledge sharing as “the provision of task information and know-how to help others and to collaborate with others to solve problems, develop new ideas, or implement policies and procedures” (Wang & Noe, 2009). As such, understanding of the concept of knowledge sharing has moved away from the traditional idea of one party imparting knowledge to another towards co-production of knowledge and mutual learning as a transformative process resulting in innovation for all the parties involved (Ipe, 2003; OECD, 2011a; Martinez-Fernandez et al., 2011).⁴
“Co-production of knowledge” is a term that dates back to the 1970s, when it related primarily to citizen or client involvement in the public or private sectors. Today, many OECD countries recognise the innovative potential of co-production to improve public service delivery. In 2011, the OECD defined co-production as “a way of planning, designing, delivering and evaluating public service which draws in direct input from citizens and civil society organisations” (OECD, 2011).

Against this evolving background, the OECD proposes a new understanding of knowledge sharing (see Box 1).

Box 1. The OECD’s understanding of Knowledge Sharing

The OECD sees knowledge sharing as a co-created and sustained process between countries or organisations, from any stage of development and background, recognising that knowledge is universal and does not belong to any type of country – whether formally labelled as developed, developing or emerging economy. We propose a sharing model where various partners bring different knowledge to the table, respected by others, and the dialogue or consultation is expected to bring added value to all parties involved. Interactive knowledge sharing and learning within the Organisation and jointly with (new) partners requires a great number of interactions, involving longer and shorter-term steps.

Knowledge sharing therefore should include one or more of the following elements:

1. **New content or substance** (gained through mutual learning and collaborative innovation);
2. **New processes** (including current forms of policy dialogues with knowledge sharing relevant processes, as well as the longer term institutionalisation of knowledge sharing in organisations);
3. **New partnerships** (new collaborative and trust-building relations, including complementary knowledge partners, possibly following joint standards).

A cross-cutting element is the **continuity** of the knowledge sharing process for implementation of reforms and transformation on the ground. In this context, “feedback loops” or “learning loops” offer a multi-level mechanism for interaction and new policy approaches.

*Source: Knowledge Sharing Alliance, (2014).*

Individual countries are increasingly engaging in knowledge sharing activities, emphasising knowledge as a new source of growth. South Korea’s Knowledge Sharing Programme (KSP), for example, is based on analysis of the country’s economic development over the past 40 to 50 years. The KSP built 108 knowledge sharing partnerships and e-learning platforms for best practices during the period 2004-2013 with a budget that increased from USD 949 000 in 2004 to USD 16.6 million in 2013 (KEI, 2012). In Germany, GIZ, working on behalf of the German Government, chiefly with the Federal Ministry for Economic Cooperation and Development (BMZ) sees knowledge sharing as a mechanism that allows actors to work together to produce knowledge and innovations that provide specific answers to common questions, and as a co-creative participatory method for achieving a sustainable future (GIZ, 2013). Other bi- and multilateral organisations have developed knowledge sharing efforts, such as the joint initiative of the World Bank with emerging and developing countries in support of South-South cooperation, and “knowledge hubs” as presented during the High Level Meeting of the Global Partnership for Effective Development Co-operation in Mexico in April 2014 (OECD, 2014d). The Asian Development Bank (ADB) is also establishing knowledge sharing projects with their partners in the region.
What can the OECD offer?

The key elements of the Strategic Orientations of the Secretary General 2014 are expanding the role of knowledge sharing throughout the OECD’s horizontal and multi-disciplinary work. This is even more important in the aftermath of the financial crisis, when policy dialogues and trust building processes should involve all stakeholders in a process that will ultimately help to implement policy action (OECD, 2014e).

The OECD initiates policy dialogues in areas relevant for member countries and, increasingly, for partner countries. To name a few: Inclusive Growth, Trust in Governments, Policy Framework for Investment, Innovation, Global Dialogue on Water Security and Sustainable Growth, Natural Resource-Based Development, Global Value Chains, the Global Partnership on Effective Development Cooperation (OECD, 2014f), PARIS21, MOPAN, the International Dialogue on Peacebuilding and Statebuilding (OECD, 2014g, the Effective Institutions Platform, and the OECD Global Forums.

Combined with policy dialogues, knowledge sharing is a trust-building instrument that requires mutual respect and reciprocity. It is therefore crucial to choose the right format for collective innovation purposes and the right instruments and modalities to explore the best knowledge and new ideas, thus enabling a group of countries that have a shared interest in addressing a given topic to solve common challenges, at the global, regional or local level.

Building on the comparative datasets of member countries’ policy processes, and with learning at the heart of the policy dialogue process, the OECD approach to knowledge sharing focuses on inclusive dialogues, peer learning, learning loops and other collaborative formats such as the creation of policy networks and knowledge sharing platforms. OECD policy dialogues can be between members and non-member countries; they also can be country or region specific.

Peer review and peer learning

The OECD has long been recognised for its peer review tool for co-operation and change – an effective instrument used in a great number of policy areas. In a typical application, one member country is reviewed or examined by two or more members and the Secretariat on how it performs in a specific policy area on the basis of policy guidelines and agreed standards. The ultimate goal is to help the reviewed state improve its policy making, adopt best practices, and comply with established standards and principles. Reviewers offer recommendations and may come back to discuss and reassess after a number of years (OECD, 2005).
Overall, peer review is characterised by dialogue and interactive investigation and its effectiveness relies on the influence and persuasion exercised by peers during the process (“peer pressure”). Member countries acknowledge the value of OECD peer reviews and peer pressure to adhere to common standards (OECD, 2003). Some forms of peer reviews would benefit from increased exchange and knowledge sharing with partner countries (OECD 2004).

Peer learning (Guilmette, 2008) can be based on the rich experiences of peer reviews, but does not necessarily involve evaluation or ranking. Peer learning is an evolutionary approach that includes the following elements:

- A knowledge intensive activity where the peers themselves learn from each other.
- An equal footing between those who visit a country or city, and those hosting the peer learning process.
- Participants may agree upon a specific topic or policy area they want to discuss, with visiting participants bringing their own experiences and knowledge to the table.
- Openness to learning as an all-sides approach. As in the case of learning loops, partners continue documenting the exchange and learning results and provide joint reports to their organisations and higher level directors or ministers.
- In the case of a group of partners (e.g. six Asian cities and their peer learning platform) a continuous exchange with the group of cities could also be proposed.

Learning loops
Feedback or “learning loops”\(^\text{10}\) are a more recent tool for the OECD and its knowledge sharing approach. They serve as an essential instrument for joint learning from policy reviews, recommendations and their implementation with emerging and developing economies in combination with external agencies as knowledge partners on the ground. Features of learning loops that go beyond common OECD procedures or policy dialogues are continuing dialogues with actors in a country or region, and collaborating with practitioners and their different complementary knowledge (Box 4).

While the OECD’s policy analyses and recommendations are normally reviewed every two years, country reforms are continuous; outsiders cannot easily capture the ensuing process of change, especially when reform stagnates or takes an unexpected turn. The OECD is developing learning loops through knowledge sharing platforms as a key part of policy dialogues for implementing reforms.

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Box 3. The OECD’s role as a global standard-setter

A critical element of the OECD’s mission is to promote and disseminate norms, standards and best practices. The OECD plans to conduct a broad review of its guidelines, instruments and codes to determine where there is a need to update, supersede or further disseminate them. Over the coming years, the OECD will further strengthen its role as an international standard-setter and will work on developing new standards on emerging issues, such as investment, corporate governance, and internet governance (OECD, 2014h).
Box 4: The Multiple Dimensions of Learning Loops

**Country-level**
- Knowledge management and knowledge sharing tools are used between various stakeholders in a country or region, such as the Indonesian government at central and local levels, or, in Eurasia, by participants among all government levels including private sector, civil society, OECD and external partners.

**Inter-organisational**
- Learning loops between government and the OECD’s policy dialogue partners are a continuous learning dimension between policy and practice, especially the OECD’s policy dialogue and the agencies involved in implementing policy reforms in the field (at country and regional level). For instance, the Policy Dialogue on Natural Resources and on GVCs are using dialogue and knowledge sharing among participating countries to collectively identify issues of common interest and shape the programme of work.

**Intra-organisational**
- Horizontal learning within the OECD’s technical Directorates constitutes one of its collaborative advantages through knowledge sharing. It uses co-created knowledge in substance, new processes and new relationships.

Communication flows in learning loops can be achieved through focal points at each of the levels of learning (country, organisation and inter-agency). Similar learning processes should be tapped in external partner organisations, for example to increase the complementarity of the partners involved.

*Source: Knowledge Sharing Alliance (2014).*

Through learning loops, specific programmes with non-members – such as the OECD regional programme with Southeast Asia – can support both regional integration and the broader discussion of the post-2015 process where the universality of development is accepted. While the OECD is neither a financing institution looking for bankable projects in developing countries, nor one that provides direct technical assistance, OECD bodies do utilise the complementary partnerships with members’ structures and other external organisations to support the better implementation of domestic policy reform agendas.

Box 5. Fostering engagement with Southeast Asia through the Knowledge Sharing Alliance

Knowledge sharing in various policy areas is taking a prominent role in today’s changing global landscape of international co-operation, especially in the Southeast Asian region. Achieving sustainable and inclusive development is now at the heart of countries’ efforts as economies progress towards improving the quality of life for all. As policy dialogues move from discussion to learning on an equal footing, better, more purpose-focused knowledge sharing tools and practices are gaining prominence in the collaboration efforts between countries and regions.
Policy Dialogues and Knowledge Sharing Platforms

The Knowledge Sharing Alliance works with OECD technical directorates, the OECD Development Centre and the Organisation’s Development Co-operation Directorate on iterative policy dialogues, building policy networks and platforms through various innovative knowledge sharing approaches. Collaborative communication plays a major role in these joint learning efforts.

The Knowledge Sharing Alliance (KSA) has established “quick win pilots” in collaboration with several OECD directorates and initiatives (see key initiatives below). The initial pilots help create opportunities for new relations with non-members on the basis of joint learning on an equal footing, including external agencies working on the ground (OECD, 2013a). KSA pilots benefit from continuous dialogue and interaction with the countries involved as well as feedback from external agencies (OECD, 2013b). This feedback “from the field” should then be integrated into the policy and transformative processes of all OECD work in order to make reform happen.

Eurasia Competitiveness Programme

The OECD Eurasia Competitiveness Programme was launched in 2008 to support the development of more vibrant and competitive markets in Eurasia. It includes two regions: Central Asia (Afghanistan, Kazakhstan, the Kyrgyz Republic, Mongolia, Tajikistan, Turkmenistan, Uzbekistan) and Eastern Europe and South Caucasus (Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova and Ukraine). The Programme uses OECD instruments and tools to assess where and how to enhance the competitiveness of countries, sectors and regions to generate sustainable growth. In response to partner countries’ requests for more support in policy implementation, the Programme aims to further strengthen regional policy dialogue and to expand its country-specific advisory work.

The Programme has incorporated feedback loops at different levels of its project governance to ensure that multi-stakeholder learning processes at project level feed back into institutional and organisational learning processes among OECD countries, Eurasian partner countries and other international organisations and development partners (e.g. GIZ).

To this end, the OECD Eurasia Competitiveness Roundtable was established in 2013 as a platform for peer review and knowledge sharing on the implementation of reforms that favour competitiveness. The reviews carried out by the Roundtable are forward-looking and recommend innovative policy responses to obstacles to competitiveness in the region. The Roundtable serves as an effective policy network which promotes country-specific approaches and enhances peer learning and dialogue between OECD members, Eurasian countries and partner organisations on good practices in policy making and work methods.
Feedback loops are established at the local and country level and at the regional level (e.g. peer review of Armenia and Tajikistan, 2014). This mechanism serves as a learning loop between country and regional level activities; it allows the partner country to participate in peer reviews and peer learning discussions, to draw similarities between countries and reflect on possible solutions to address similar policy challenges.

**Natural Resource-based Development and Global Value Chains (GVCs)**

The Policy Dialogue on Natural Resource-based Development (OECD Development Centre, 2013a & 2013b) and the Policy Dialogue on Global Value Chains (GVCs), Production Transformation and Development (OECD Development Centre, 2013c) also contribute to the setting up of innovative mechanisms to promote knowledge sharing among OECD and partner countries. Led by the OECD Development Centre, both initiatives form an integral part of the Strategy on Development.

**Policy Dialogue on Natural Resource-based Development**

In an interconnected global economy where competition for natural resources is intensifying, new approaches are needed to better understand the challenges and constraints on natural resource-based development as well as the formulation of collaborative and mutually beneficial solutions. The Policy Dialogue on Natural Resource-based Development is a multi-year structured process of knowledge sharing and peer learning among OECD and partner countries with natural resource-based production. It is designed to explore ways to better respond to the multi-dimensional and inter-linked nature of the policy challenges commonly faced by natural resource-based economies.
Compared to other fora and initiatives for disseminating knowledge, the added value of the Policy Dialogue on Natural Resource-based Development lies in its structure designed to facilitate generating, systematising and giving access to tacit and newly developed collective knowledge through collaborative evidence-based policy analysis. Participating countries are not only expected to share relevant experience, policies and case studies, but also to clearly articulate their needs to build or further refine their knowledge base. This process may lead to the development of compendiums of good practices drawing on OECD and non-OECD experience as well as specific tools resulting from interaction and exchanges, supported by comparative analysis of country practices. The structured involvement of stakeholders (industry and civil society) is an essential component of this process. Their involvement enables the implications of policy options to be fully understood and helps work towards strategic co-ordination in order to achieve mutually beneficial outcomes. Partner organisations such as the International Monetary Fund, UNDP, UNECA, the World Bank, the World Economic Forum and development agencies in the field are also involved in order to catalyse efforts, fill the implementation gap and facilitate feedback and learning loops.

**Policy Dialogue on Global Value Chains (GVCs), Production Transformation and Development**

This initiative aims to improve evidence and identify policy guidelines that promote development by fostering participation in global value chains through open dialogue and peer-learning processes. It seeks to better understand the determinants of participation in GVCs as well as the enabling conditions, including financing needs, to make this participation work for inclusive and sustainable development. It will provide evidence on policy conditions for successful participation and upgrading in GVCs. It is expected that this process will lead to the identification of new measures and indicators to analyse participation in GVCs and their development impact, and also to the elaboration of concrete policy recommendations on how to increase impact of strategies and policy tools to promote participation and upgrading in GVCs. Through the active participation of non-member countries, this initiative will also contribute to expanding the country and industry coverage of the Trade in Value Added (TiVA) database; an OECD-WTO joint initiative.

This initiative adds value by: 1) promoting collaborative policy-oriented research between OECD and non-OECD countries; 2) helping to identify future trends and promote forward-looking thinking to support strategy setting and policy implementation through broad consultation with multiple stakeholders; 3) focusing on “development challenges” and on the complementarities and interactions between different policies; and 4) leveraging the knowledge and the expertise of a wide set of OECD committees and working parties, a key set of international organisations and a wide global network of experts, as well as through consultations with the private sector and other development stakeholders.

**Urban Green Growth in Dynamic Asia**

In December 2012, under the Green Cities Programme, the OECD launched a project called Urban Green Growth in Dynamic Asia. The project explores ways to foster green growth in fast-growing Asian cities based on knowledge obtained from previous green cities studies. It is articulated around three elements: a conceptual framework, case studies of four to six Asian cities, and knowledge sharing activities and events (OECD, 2014i).
Asian cities exhibit a type of development characterised by rapid and continuous urbanisation on an unprecedented scale (see Figure 4), underpinned by fast economic growth and led in most areas by manufacturing industry and rapidly rising motorisation. This has generated increasing greenhouse gas emissions, sprawling urban development and local environmental impacts, as well as disparities in income, education levels and job opportunities among urban populations. These trends differ sharply from those prevailing across most of the OECD area, and call for a green growth model which is distinct from those identified by previous OECD studies in order to address the specific circumstances of Asian cities.

The knowledge sharing activities undertaken under this project provide key insights on the challenges and opportunities experienced by Asian cities on topics such as energy, land use and transport, buildings, water and solid waste management, and green goods and services. A strengthened knowledge sharing framework is being developed through a dedicated knowledge sharing platform. Thanks to learning loops, this platform will allow participants to share expertise on a regular basis and increase the impact of green growth policies in fast-growing Asian cities (OECD, 2014).

Public Sector Innovation in Indonesia

The Public Sector Innovation project aims to support Indonesia’s open government and public service improvement reform agenda through the exchange of international good practices and learning on innovation support systems. The work is predicated on the belief that an active role for Indonesia in international knowledge sharing and networking will stimulate innovation, build local capacity and contribute to international understanding of how to design and implement public sector reforms to achieve results. The ultimate objective is to promote dialogue within the Indonesian public sector and

Note: ASEAN – Association of Southeast Asian Nations
between Indonesia and the OECD by including innovative Indonesian practices in the Observatory of Public Sector Innovation (OPSI) database (OECD, 2011b).

Work carried out under this project shows the usefulness of learning loops (see diagram below) to foster a better understanding and practice of innovation.

- At the national level, discussions underline the asymmetry between learning at regional and municipal levels, the need to develop a common understanding of concepts and ways of working, and the importance of co-ordinating awards and recognition.
- At the regional level, discussions underscore Indonesia’s role in informing other countries in the region about the potential of public sector innovation and its linkages to outcomes such as improved transparency, capacity and performance.
- At the international level, discussions highlight the importance of examining areas where exchange with OECD countries can be useful for Indonesia as well as those where Indonesia can demonstrate its innovations and lessons for other countries, such as leveraging local wisdom to achieve social outcomes.

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**Figure 5. Learning Loop – Public Sector Innovation**

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**Policy Framework for Investment**

The Policy Framework for Investment (PFI), developed in 2006, is currently being updated to reflect the experience of some 30 country-level OECD Investment Policy Reviews and regional investment programmes including the NEPAD-OECD Africa Investment Initiative, the ASEAN-OECD Investment Programme and the MENA\(^{i}\)-OECD Investment Programme (OECD, 2012).\(^{13}\)

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\(^{i}\) New Partnership for Africa’s Development

\(^{ii}\) Middle East and North Africa
The PFI update gathers input and feedback from developing and emerging economies and regional economic communities that have used it extensively to assess and reform investment climates at country and regional levels (OECD, 2014k). Knowledge sharing supports selected networks at regional level to foster and create a platform for peer exchange on investment policy good practices, and feeds these experiences into the PFI (see the feedback loop of governance structure in the PFI update, Figure 6).

Figure 6. Learning Loop – Policy Framework for Investment

Inclusive Growth Knowledge Sharing in Latin America

In December 2012, the OECD Secretary-General launched the Inclusive Growth Initiative to support the Organisation’s work on New Approaches to Economic Challenges (NAEC), the Strategy on Development, work on well-being and inequalities and more general work on structural surveillance. Efforts over the past two years have resulted in the OECD Framework for Inclusive Growth, which puts forth the notion of multidimensional living standards in an analytical tool that allows policy makers to measure growth in ways that incorporate important factors that affect people’s lives and well-being (OECD and Ford Foundation, 2014).

A joint OECD and UN Economic Commission for Latin America and the Caribbean (ECLAC) regional consultation on Inclusive Growth in Latin American and the Caribbean (LAC) was held in November 2013 as an input to the OECD Framework for Inclusive Growth. The LAC experience is instructive for
advancing the policy agenda on inclusive growth, given the brisk economic growth accompanied by significant progress in poverty reduction, job creation and reduction of inequalities that the region has experienced over the last decade. Many countries in LAC have put in place pro-growth structural reforms and implemented social policies aimed at enhancing access to services for underserved populations, which have played a key role in making strong growth increasingly inclusive and accompanied by improvements in social outcomes.

As shown in the graph below, inequality in monetary incomes (measured by the Gini coefficient) has decreased over the past decade for every country in the region. Panama, Paraguay and Guatemala are the most unequal countries in the region, while Venezuela, Argentina and Uruguay are the least unequal countries. Bolivia and Nicaragua, both with high initial levels of inequality in their income distributions, are the countries that have experienced the largest drops in the Ginis, followed by Argentina and Ecuador (all of these countries showing an annual decrease of over 1% in the Ginis).

The knowledge-sharing component of the consultation was critical to ensuring a dialogue on countries’ experiences, perceptions and specific needs surrounding inclusive growth. Valuable insights were gathered on the multi-dimensional nature of approaches, and the implementation of inclusive growth in various countries in the LAC region via the consultations. They also highlighted that more can be learned from LAC’s experience to allow the region to build on its achievements and provide insights to policy makers in the OECD area and in other parts of the world.


Conclusion

The OECD will take further steps to contribute to the evolution of knowledge sharing. Our unique strength – providing comparative data on OECD countries’ policy reforms – is also increasingly requested by non-member countries to help them understand the impact of policy reforms and the details of best international practices. At the same time, in the context of universal development, mutual learning on an equal footing will also incentivise and contribute to the OECD’s search for innovative learning for the future.

Knowledge sharing for the post-2015 framework needs to include concrete elements beyond datasets – chiefly, new substance, new processes and new partnerships – to provide countries of all types with the know-how needed to face global challenges and opportunities today.


3. See also Harris et al., 2009.

4. Tacit knowledge can be through apprenticeship, knowledge relating to know-how and experiences; while explicit knowledge is codified, through for example academic text books or documentary films (Polanyi, 1958).

5. The original rates in South Korean won are KRW 970 million and KRW 17 billion. (personal communication for unpublished updates for 2013)

6. The Partnership in Statistics for Development in the 21st Century (PARIS21) is a unique initiative that aims to promote the better use and production of statistics throughout the developing world. Since its establishment in 1999, PARIS21 has successfully developed a worldwide network of statisticians, policy makers, analysts, and development practitioners committed to evidence-based decision making. With the main objective being to achieve national and international development goals and reduce poverty in low and middle income countries, the Partnership facilitates statistical capacity development, advocates for the integration of reliable data in decision making, and co-ordinates donor support to statistics (OECD, 2014e).

7. The Multilateral Organisation Performance Assessment Network (MOPAN) is a network of 18 donor countries with a common interest in assessing the organisational effectiveness of the major multilateral organisations they fund. See www.mopanonline.org.

8. See www.pbsbdialogue.org.

9. The Effective Institutions platform is an international partnership of over 50 (high, middle, and low income) countries and organisations (multilateral agencies, bilateral development agencies, civil society, think tanks) which aims to support country needs and expectations in strengthening their public sector institutions. The Platform was created in 2012 in response to international commitments (e.g. at the Busan High Level Forum) on the need to strengthen the effectiveness of our public sector institutions for the delivery of better public services. See http://www.oecd.org/site/effectiveinstitutions.

10. Learning (feedback) loops have been used since the 1940s as a model to express interdependencies, circular causal processes in which increasing or decreasing one element of the loop will result in an even greater increase or decrease of the other element: a vicious or virtuous circle. Feedback loops thus involve effects that act as catalysts.


12. The goods and services we buy are composed of inputs from various countries around the world. However, the flows of goods and services within these global production chains are not always reflected in conventional measures of international trade. The joint OECD–WTO Trade in Value-Added (TiVA) initiative addresses this issue by considering the value added by each country in the production of goods and services that are consumed worldwide. TiVA indicators are designed to better inform policy makers by providing new insights into the commercial relations between nations. See www.oecd.org/sti/ind/measuringtradeinvalue-addedanoecd-wtojointinitiative.htm.

ONLINE RESOURCES

www.oecd.org/knowledge-sharing-alliance; KSA@oecd.org

For more information contact Martina Kampmann or Cristina Martinez (martina.kampmann@oecd.org; Cristina.martinez@oecd.org)

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The United Nations (UN) Millennium Development Goals (MDGs) were established in 2000/1 and consist of eight development objectives to be achieved by 2015. It is widely agreed that the MDGs have been effective in mobilising worldwide awareness, leveraging resources, guiding global development efforts and increasing accountability. It is also impressive how close the world will get to most of the MDGs by 2015. There is need, however, for a successor framework once the MDGs expire in 2015 to keep the momentum built to date. The OECD played a pivotal role in defining the MDGs. With two years to go, the OECD is increasing its efforts to support the achievement of the MDGs, and at the same time thinking about how it can help the UN in developing a new agenda and framework post-2015. The OECD has a number of areas of expertise which could play an important role in shaping this post-2015 agenda and framework. In the overview brochure for this series, the OECD proposes eleven areas which would be of particular relevance (Beyond the MDGs: Towards an OECD contribution to the post-2015 agenda). This brochure focuses on one of these – policy dialogue, knowledge sharing and engaging in mutual learning.

Element 1: Measuring what you treasure and keeping poverty at the heart of development
Element 2: Developing a universal measure of educational success
Element 3: Achieving gender equality and women’s rights
Element 4: Integrating sustainability into development
Element 5: Strengthening national statistical systems
Element 6: Building effective institutions and accountability mechanisms
Element 7: Developing and promoting peacebuilding and statebuilding goals
Element 8: Ensuring policy coherence for development
Element 9: Policy dialogue, knowledge sharing and engaging in mutual learning
Element 10: Promoting the Global Partnership for Effective Development Co-operation
Element 11: Measuring and monitoring development finance

For more information contact Martina Kampmann or Cristina Martinez (martina.kampmann@oecd.org; Cristina.martinez@oecd.org)