2012 GLOBAL FORUM ON DEVELOPMENT (GFD)

Briefing on the preparation of the event

DAC Meeting, 19 September 2011

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GLOBAL FORUM ON DEVELOPMENT (GFD) 2012:
BRIEFING ON THE PREPARATION OF THE FORUM

This note provides an update on the next OECD GFD, following a meeting of the Steering Group that took place on 8 September 2011.

The next GFD will be part of the second multi-year thematic cycle (2010-2011), which has focused on domestic resource mobilization. While the 2010 GFD examined the revenue side of public finance, looking at tax policy and capacity in its international and domestic dimensions, the next GFD will explore the expenditure side.

The GFD Steering Group is currently composed of the Chairs of the DAC and DEV Governing Board, the Directors of DCD, DEV and GOV, the Co-Chairs of the Informal Group on DAC Engagement (Mexico and United Kingdom) and two non-OECD members of DEV (Egypt and South Africa).

The Steering Group agreed on the following key issues:

1. Co-organisers of the Forum

The three co-organisers of the Forum will be DCD, DEV and GOV with inputs from ECO and DAF.

2. Dates

The GFD will be held on 1.5 day, with 3 sessions of half a day each.

The Steering Group discussed two options:

- Option 1: 16-17 or 17-18 January 2012, preceding the OECD Council on Development, which will deliberate on the OECD Strategy on Development (20 January);

- Option 2: A date between the OECD Council on Development and the MCM (e.g. March-April 2012, back to back with the Ministerial Governing Board Meeting);

3. Participants

Participants would include:

- Public expenditure experts (e.g. audit offices / parliamentarians);
- Policy-makers from emerging, developing and OECD economies;
- Civil society;
- Think tanks;
- OECD staff and delegates;
- Media.
4. **Purpose of the event**

- To receive external feedback on the OECD’s work on development and suggestions on how it should evolve, particularly in the context of the new OECD Strategy on Development;
- To familiarise a wider audience with OECD work on governance and public expenditure, and to share specific OECD policy recommendations with key decision makers;
- To mark 50 years of DEV;
- To build on relevant commitments made at HLF-4 (commitments on making institutions more effective for sustainable development).

5. **Format**

The event would be an interactive forum, mixing plenary and dynamic break-out sessions, and combining of OECD and non-OECD contributions.

6. **Sessions**

**Session I - Enhancing effectiveness of government expenditures**

Session I would set the stage and examine the framework conditions and good practices to enhance the effectiveness of government expenditures in the context of better and more sustainable governance. It would focus on budget systems and processes, and on the role of oversight institutions like parliaments and audit in strengthening budget accountability. The session would draw – inter alia - on (i) work on the strengthening of public financial management systems undertaken by the Working Party on Aid Effectiveness in the context of preparations for the Busan High-Level Forum on Aid Effectiveness (HLF-IV); and (ii) work on performance-informed budgeting conducted by GOV. Participants will be asked how governments can share their experiences and learn from each other and how international partners can support the strengthening of budget processes and practices.

**Session II – Public spending in Infrastructure**

Session II would focus on enhancing the effectiveness, efficiency and transparency of public spending in infrastructure in particular. Discussions would include a systemic assessment of the policy enabling environment for the infrastructure investment cycle, including private sector involvement, from planning to delivery. It would also ask how to ensure overall coordination between the different steps of infrastructure projects. This session would draw – inter alia – on (i) work conducted by DEV, especially case studies based on sectoral infrastructure analysis for Africa, Asia and Latin America, feeding into the Regional Outlooks (AEO, SAEO and LEO) and the Perspectives on Global Development (PGD); (ii) work by GOV on multi-level governance for public investment and/or (iii) work by GOV on Principles for PPP Governance. The session could also look at how international partners can support domestic efforts at improving the effectiveness of infrastructure spending.

**Session III – Fiscal stability and fiscal responsibility**

This session would be based on GOV’s work in the area of fiscal rules, fiscal sustainability and fiscal responsibility. The fiscal policy debate would be framed to have a development angle, as infrastructure planning and investment require stable economic environment, predictability, budget transparency and fiscal councils for improved decision making and accountability. This session could also draw on contributions from ECO on fiscal consolidation and fiscal councils, and from SBO’s work on fiscal space. The design and implementation of fiscal rules, fiscal consolidation at the sub-national level and multi annual budget forecasts could be brought in.