Working Party of Senior Budget Officials

OECD PARLIAMENTARY BUDGET OFFICIALS AND INDEPENDENT FISCAL INSTITUTIONS
Sixth Annual Meeting

ANNOTATED AGENDA

The Knesset, Jerusalem
31 March-1 April 2014

Meeting Chair: Ami Zadik, Director, Department of Budget Control, the Knesset, Israel.

For further information, please contact Lisa VON TRAPP at OECD Headquarters
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6th ANNUAL MEETING OF OECD PARLIAMENTARY BUDGET OFFICIALS AND INDEPENDENT FISCAL INSTITUTIONS

ANNOTATED AGENDA

Sunday, 30 March 2014

from 19:00 Welcome Cocktail
(Leonardo Plaza Jerusalem at 47 King George St)
A book launch for Restoring Public Debt Sustainability: The Role of Independent Fiscal Institutions will be held during the welcome cocktail.

Welcome
• Shmulik Hizkiya, Chief Knowledge Officer, the Knesset, Israel.

Book Launch
• Adi Brender, Head, Macroeconomics and Policy Division, Bank of Israel, Israel.
• George Kopits, Senior Scholar, Woodrow Wilson International Centre for Scholars, Member, Portuguese Public Finance Council.

Monday, 31 March 2014

8:30 - 9:00 Registration – The Knesset (Kiryat Ben Gurion, Kaplan Street)
9:00 - 9:15 Opening by the Chair and OECD Secretariat and Delegates’ Introductions
9:15 - 11:00 Session 1: Roundtable on New Institutions
The trend towards establishing parliamentary budget offices and fiscal councils continues among OECD Member and partner countries. This session will provide an overview of new institutions that have been, or are being established, in Chile, Greece, Romania and Spain, as well as an update from Mexico. Following the main presentations, the session Chair will first call on the delegates from Australia, Austria, Finland, France, and Italy to lead off the discussion with a brief update on their institution’s developments in the past year.

Chair: Ami Zadik, Director, Department of Budget Control, the Knesset, Israel.
Presenters:

- **Klaus Schmidt-Hebbel**, President, Advisory Fiscal Council, Chile; former Chief Economist, OECD.
- **Bogdan Dumitrescu**, Head of Staff, Fiscal Council, Romania.
- **José Luis Escrivá**, President, **Autoridad Independiente de Responsabilidad Fiscal (AIREF)**, Spain.
- **Raúl Mejía**, Director General, **Centro de Estudios de las Finanzas Públicas**, Mexico.

11:00 - 11:30 Welcome Address

- **Hon. Yuli-Yoel Edelstein**, Speaker of the Knesset, Israel.

11:30 - 11:45 Coffee Break

11:45 - 13:00 Session 2: Developing a first framework for Evaluating Independent Fiscal Institutions

Following on last year’s discussion, this session will present a first attempt to develop a common framework for evaluating independent fiscal institutions. The paper underpinning the framework will look at a variety of questions—why should we evaluate IFIs? What does an effective IFI look like? What types of evaluation tools are currently being used by IFIs? What can IFIs learn from frameworks developed by other institutions such as SAIs? Who should participate in evaluations? Delegates comments will be incorporated into a revised version of the framework paper to be circulated after the meeting.

**Chair**: Robert Chote, Chair, Office for Budget Responsibility, United Kingdom.

**Presenter**: Kevin Page, Jean-Luc Pepin Research Chair, Faculty of Social Sciences, University of Ottawa, Canada.

13:00 - 14:45 Family Photo, tour of the Knesset and Luncheon

14:45 - 16:30 Session 3: The Role of Independent Fiscal Institutions in Costings

Around half of the independent fiscal institutions in OECD member countries, and some parliamentary research services, play a role in costing policy proposals or scrutinizing government costings. Both the Netherlands CPB and the Australian Parliamentary Budget Officer are also tasked with costing election platforms. This session will look at aspects of the costing role. For example, what special skills does this role imply? What rules of engagement with Ministry of Finance and government departments more broadly, or with political parties? What strategies can institutions use to obtain necessary information and data? What types of analytical tools or models are used? How can institutions leverage partnerships with other jurisdictions? What strategies might smaller institutions with more limited resources use?
Chair: Jean-Denis Frechette, Parliamentary Budget Officer, Canada.

Presenters:

- Laura van Geest, Director, CPB Netherlands Bureau for Economic Policy Analysis, Netherlands.
- Bob Sunshine, Deputy Director, Congressional Budget Office, United States.
- Phil Bowen, Parliamentary Budget Officer, Australia.
- Kyung Bok Cook, Chief, National Assembly Budget Office, Korea.
- Eliezer Schwartz, Senior Economist, Department of Budget Control, the Knesset, Israel.

16:30 - 16:45 Coffee Break

16:45 – 17:45 Session 4: Launch of the OECD PBO Network Web Portal

Last year members of the OECD PBO Network expressed interest in setting up a member-only web portal to facilitate communication throughout the year and to bring together institutional and technical resources. A first edition of the portal has been developed in partnership with the University of Ottawa, with feedback from various network members. This session will present the portal and seek feedback from delegates on how it might be further built-on and improved in terms of functionality and content.

Chair: Ami Zadik, Director, Department of Budget Control, the Knesset, Israel.

Presenter: Sahir Khan, Senior Fellow, Faculty of Social Sciences, University of Ottawa, Canada.

from 17:45 Visit to the Shrine of the Book and Gala Dinner

Welcome

- Shirley Avrami, Director, Research and Information Center, the Knesset, Israel.

Keynote Address

- Avishay Braverman, MK, Chair, Economic Affairs Committee, the Knesset, Israel.

***Please note that we will leave directly from the Knesset and that transportation back to Tsarfat (Paris) Square will be provided at the close of the gala dinner***
Tuesday, 1 April 2014

8:30 - 10:00  Session 5: Structural Budget Balance

The Structural budget balance is actual budget balance net of the cyclical component and one-off and other temporary measures. It plays a key part in EU fiscal rules and domestic rules in EU Member countries. Other countries, such as Chile, have made a structural budget balance rule central to their fiscal policy. International institutions (e.g. OECD, IMF) also publish estimates of the structural budget balance for their Member countries. However, there are serious measurement challenges - in particular measuring the output gap in real time and accurately and ensuring that the output gap estimate is not politically biased -- and different estimates have important implications for fiscal consolidation efforts. This session will explore challenges (including specific challenges for small, highly open economies), different methodologies, and potential roles for independent fiscal institutions.

*Chair: Adi Brender*, Head, Macroeconomics and Policy Division, Bank of Israel, Israel.

*Presenters:*
- *Klaus Schmidt-Hebbel*, President, Advisory Fiscal Council, Chile, former Chief Economist, OECD.
- *Sebastian Barnes*, Economic Counsellor to the Chief Economist, OECD, and Council Member, Irish Fiscal Advisory Council.
- *Xavier Debrun*, Deputy Division Chief, Fiscal Affairs Department, International Monetary Fund (IMF).

10:00 - 10:30  *Coffee Break*

10:30 - 12:00  Session 6: Fiscal Risks: New Approaches to Identification, Management and Mitigation

The experience of recent years suggests that the mechanisms and frameworks in place in many OECD countries to address the challenges posed by fiscal risks are not yet sufficiently well-developed and that more effective models must be identified and instituted. Implicit and/or unacknowledged contingent liabilities in key sectors of the economy (notably the banking sector) had a major impact on public finances. In some countries, over-reliance on growth in certain sectors of the economy was exposed. In others, precipitated by the broader economic crisis, a wide range of fiscal risks were realised at the same time. The paper on which this session is based seeks to draw lessons from the crisis on how to improve identification, management and mitigation of fiscal risks, including a critical re-assessment of pre-existing concepts and procedures and the implications for budgetary institutions and processes, in particular the potential role for external surveillance by independent fiscal institutions.

*Chair: John Hassler*, Chair, Fiscal Policy Council, Sweden.

*Presenter: George Kopits*, Senior Scholar, Woodrow Wilson International Center for Scholars, Member, Portuguese Public Finance Council.
Discussants:

- Robert Chote, Chair, Office for Budget Responsibility, United Kingdom.
- Ludovít Ódor, Member, Council for Budget Responsibility, Slovak Republic.

12:00 - 13:30 Luncheon

13:30 - 14:30 Session 7: Data Visualization

This session will explore new ways to communicate complex budget data and trends to parliamentarians and the public in easy-to-access and easy-to-understand formats – a trend that has been spurred in large part by the often innovative ways civil society organizations and a new class of journalists are using open data and data visualization tools to tell powerful stories. The session will look at concrete examples of how an Israeli NGO collaborated with government and other partners to make the Israeli budget more accessible and how the use of data visualization has evolved over time in the US Congressional Budget Office.

Chair: Eliezer Schwartz, Senior Economist, Department of Budgetary Control, the Knesset, Israel.

Presenters:

- Yuval Admon, CEO, Open Budget, The Public Knowledge Workshop, Israel.
- Bob Sunshine, Deputy Director, Congressional Budget Office, United States.

14:30 - 15:30 Session 8: Principles and Politics: The Two Worlds of Parliamentary Budgeting

The OECD has drafted a set of "High-Level Principles of Budgetary Governance" which are currently undergoing a first round of consultation and discussion within the Working Party of Senior Budget Officials and its associated networks. These Principles focus mainly on budget work within government but have important implications for Parliament's role and responsibilities. Of particular interest to parliamentarians are those principles that pertain to openness and transparency, citizen influence and participation, and accountability and trust. For centuries in some Member countries but only for decades in others, the national legislature has intermediated between citizens and the state, translating individual and group demands into budget allocations and public programs. This session considers how this vital role may be affected by greater openness (e.g. through modern IT) and more direct citizen input and participation in budgeting. Is there a trade-off between accountability (promoted by the Principles) and responsibility (embedded in the norms of democratic politics)?

Chair: Gilat Beniad-Narkys, Deputy Director, Research and Information Centre, the Knesset, Israel.

Presenter: Allen Schick, Professor of Public Policy, University of Maryland, Senior Fellow, Governance Studies, Brooking Institution, United-States.
15:30 - 16:00  Session 9: Proposals for future work, report by the OECD Secretariat

Chair: Ami Zadik, Director, Department of Budget Control, the Knesset, Israel.

This session is designed to update participants on current and future projects by the OECD in the field of budgeting and public expenditures. It is also an opportunity for participants to identify emerging priority areas for future work, the nature of their interest in the subject and their willingness to participate in particular studies.

16:00  Closing by Chair and OECD Secretariat

16:00 - 18:00  Meeting of EU Independent Fiscal Institutions
MEETING INFORMATION

Registration Form
All delegates must complete the meeting registration form and return it to the OECD Secretariat via Hélène Leconte-Lucas by email to: helene.leconte-lucas@oecd.org or by fax: +33 1 44 30 63 34.

Travel Arrangements and Security
All delegates are kindly requested to send their passport and flight details to Maya Cohen-Rahamim in the Knesset Foreign Affairs Department by email to maycohen@KNESSET.GOV.IL, in order to facilitate security at the airport.

Visa Requirements
Please check if nationals of your country require a visa to enter Israel.

Transport from Ben-Gurion International Airport to Jerusalem
There are several options for transport from Ben-Gurion International Airport (near Tel Aviv) to Jerusalem:

- **Nesher Tours Taxi**: Nesher Taxi, located at the terminal exit, provides a regular 24-hour transportation service at the airport. Although no reservation is required, we recommend that you order a Nesher Taxi the day before your departure (Tel: +972 (2) 625-7227 or see website for more phone numbers). Nesher taxis carry up to 10 passengers, and take each passenger to his/her home/hotel. It is about a 50 minute drive to Jerusalem (and an additional 30-40 minute travel to different parts of the city). The cost is approximately 60 Shekels or 12 Euros.

- **Private Taxi**: A private taxi will take you directly from the airport to your hotel in Jerusalem in about 50 minutes and costs approximately 250 Shekels or 50 Euros.

Accommodations
Although the main conference hotel is the Leonardo Plaza (where the welcome cocktail will be held), the Knesset has made arrangements for special rates (prix de faveur) at several hotels both in the centre of Jerusalem and closer to the entrance of the city and the Knesset. For those delegates staying in the city centre, the Knesset will arrange transport by bus from "Tsarfat (Paris) Square" to the meeting venue. Buses will depart at 8am.

Please contact the hotels directly to make reservations and indicate that you are participating in the OECD Conference at the Knesset. The rooms with special rates are limited and available in most of the hotels until February 27th. Reservations should be made in advance in order to guarantee the special rates.

**Hotels Located in City Centre**

1. **Leonardo Plaza Jerusalem (venue for the welcome cocktail)**
   - Address: 47 King George St., Jerusalem 91076
   - Contact: Reservations Manager, Miri, +972-50-5964378, Email: execlub@fattal.co.il
   - Deluxe new city rooms
   - Single occupancy including daily breakfast - $225 per night
   - Double occupancy including daily breakfast - $245 per night
Executive rooms facing the old city
Single occupancy including daily breakfast - $280 per night
Double occupancy including daily breakfast - $300 per night
Executive rooms include free access to business lounge.

2. **Prima Kings** (located across the street from the Leonardo Plaza hotel)
   Contact: Reservations Manager, Pimi or Yulia, 972-2-6201221, Mail: kings@prima.co.il
   Single room including daily breakfast - 490 Shekels (approximately $140) per night.
   Double room including daily breakfast - 600 Shekels (approximately $171) per night.

3. **Prima Royal** (located approximately 5-10 minute walk from the Leonardo Plaza hotel)
   Contact: Reservations Manager, Gal or Eliran, 972-2-5607114, Mail: royale@prima.co.il
   Single room including daily breakfast - 490 Shekels (approximately $140) per night.
   Double room including daily breakfast - 600 Shekels (approximately $171) per night.

**Hotels Located near the Knesset (approximately 10-15 minute walk)**

4. **Crowne Plaza**
   Contact: Sales Manager, Betty Sharon, Tel: 972-2-6588841, Fax: 972-3-7601177, Mail: bus1@hiil.co.il
   Single deluxe room including breakfast - $160
   Double deluxe room including breakfast - $195

5. **Prima Park**
   Contact: Reservations Manager, Eti, 972-2-6582203, Mail: park@prima.co.il
   Single room including daily breakfast - 400 Shekels (approximately $115) per night.
   Double room including daily breakfast - 480 Shekels (approximately $137) per night.

**Entry Passes**
Meeting badges can only be issued to registered delegates. Participants will receive badges at the opening cocktail or on Monday morning en route to the Knesset. Badges should be worn at all times while in the Knesset. Please carry your passport with you in order to enter the Knesset.

**Simultaneous Translation**
Simultaneous translation between English and French, the OECD’s two official languages, will be available throughout the meeting.

**Welcome Cocktail**
All delegates are invited to a Welcome Cocktail at **Leonardo Plaza Hotel** on the eve of the meeting, Sunday 30 March at 19:00.

**Visit to the Shrine of the Book and Gala Dinner**
At the conclusion of the first day of the meeting, on Monday, 31 March, all delegates (and spouses) are invited to visit the Shrine of the Book in the Israel Museum, followed by a Gala Dinner at Modern Restaurant. Further details will be delivered at the meeting. The Israel Museum is located by the Knesset. At the end of the Gala Dinner, a bus will be available back to "Tsarfat (Paris) Square".

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Weather
Average temperatures are approximately 13-22 °C. For an updated weather forecast: http://www.israelweather.co.il/english/index.asp

Currency
The official currency in Israel is the Shekel:
- 1 Euro is approximately 4.8 New Shekels;
- 1 USD is approximately 3.5 New Shekels;
Euros and US Dollars are accepted in most shops and restaurants.

Electricity
Power supply in Israel is 220V at 50 Hz. Most power sockets in Israel have three-pin holes, but many work with double-pin European plugs.

Other Services
The following services will be available to the participants on the Knesset premises: wireless connection, post office, medical assistance, and cloakroom.

Public Transportation to the Knesset
From the central bus station – Bus number 14 and 35.
From city centre – Bus number 7.

General Information
Please note that on Saturday most businesses are closed in Jerusalem and public transportation is unavailable. Sunday is a regular workday.

Should you require any additional information regarding Israel or Jerusalem, please do not hesitate to contact:
- Ami Zadik – azadik@knesset.gov.il
- Eliezer Schwartz – eshwartz@knesset.gov.il