

# THE 1<sup>ST</sup> KIPF-OECD ROUNDTABLE OF THE NETWORK ON FISCAL RELATIONS IN ASIA (RONFRA)

## Making fiscal decentralization work for inclusive growth in Asia

*Workshop organized by the Korea Institute of Public Finance and the OECD*

*Yeong Bin Gwan (1F), Hotel Shilla Seoul*

*December 18-19, 2017*

### **Objective of the workshop**

The theme of the 2017 workshop is “Making fiscal decentralization work for inclusive growth in Asia”. Given the current economic context around the world, inclusive growth is a hugely important topic and has been made a key national policy objective in many countries. It is also promoted by international organizations – especially the OECD – as well as the ADB, the IMF, the World Bank, and the UN. The OECD has been a leading promoter of inclusive growth policies, and frameworks for analysis.

Since subnational governments are involved in so many aspects of policymaking, it is natural to investigate how and to what extent subnational governments can play a role for inclusive growth. However, there remains surprisingly little research on the links between inclusive growth and fiscal decentralization. The OECD and the KIPF held a workshop on this theme in Paris in May, involving experts from OECD member countries. However, achieving inclusive growth is arguably even more important for developing and emerging countries, because the inclusiveness of economic growth also affects economic growth trajectories and the pace of convergence. Without sufficiently inclusive economic growth, it can be hard for a converging economy to sustain economic growth.

The concepts of inclusive growth and fiscal decentralization are both very broad. Yet for individual countries, there are likely to be pressing challenges and important issues related to inclusive growth and fiscal decentralization. We invite papers and presentations that deal with such topics. Bringing such diverse issues together and having them discussed by experts in relevant academic and policy fields will give us an opportunity for new perspectives and sharing of information on the relationship between inclusive growth and fiscal decentralization.

# Program

\* Venue: Ruby, Yeong Bin Gwan (1F), Hotel Shilla Seoul

## Monday, December 18, 2017

09:00 – 09:20 **Registration**

09:20 – 09:25 **Welcoming Remarks**

**Hyung-Soo Park**, President, Korea Institute of Public Finance, Korea

09:25 – 09:40 **Activities of OECD Network on Fiscal Relations and the motivation of RoNFRA**

**Junghun Kim**, Chair, The OECD Network on Fiscal Relations across Levels of Government / Vice President, Korea Institute of Public Finance, Korea

### Session I

09:40 – 11:10

## Fiscal Decentralization and Inclusive Growth: An Overview and Challenges

Moderator **Jón Blöndal** Head of Division for Budget Policy,  
OECD Governance Directorate

### Fiscal Decentralization and Inclusive Growth: an Overview

Speaker **Junghun Kim** Vice President,  
Korea Institute of Public Finance, Korea

Discussant **Masayoshi Hayashi** Professor, Graduate School of Economics,  
University of Tokyo, Japan

### Promoting Productivity in a Decentralized Environment

Speaker **Sean Dougherty** Senior Advisor, OECD Network on Fiscal Relations

Discussant **Christine Wong** Director, Centre for Contemporary Chinese Studies,  
University of Melbourne, Australia

### A Global View on Subnational Governments in Asia: structure and finance

Speaker **Isabelle Chatry** Project Manager, Subnational Finance,  
Centre for Entrepreneurship, OECD

Discussant **Hanif Rahemtulla** Senior Public Management Specialist,  
Asian Development Bank

11:10 – 11:30 Group Photo and Coffee Break

Session II

11:30 – 13:00

---

## Inclusive Growth & Fiscal Decentralization in Asia: Issues & Policy Responses (1)

Moderator **Randall Crane** Professor in Urban Planning, UCLA, USA

---

### Public Policy for a Modernizing China: the Challenge of Providing Universal Access to Education under Fiscal Decentralization

Speaker **Christine Wong** Director, Centre for Contemporary Chinese Studies,  
University of Melbourne, Australia

Discussant **Jocelyn C. Cuaresma** Associate Professor and College Secretary,  
National College of Public Administration and  
Governance, University of the Philippines Diliman,  
Philippines

---

### Inclusive Growth and Decentralization in Japan: Current State and Challenges

Speaker **Masayoshi Hayashi** Professor, School of Economics,  
University of Tokyo, Japan

Discussant **Duangmanee Laovakul** Assistant Professor, Faculty of Economics,  
Thammasat University, Thailand

---

### Inclusive Growth and Decentralization in Korea

Speaker **Hyun-A Kim** Senior Economist,  
Korea Institute of Public Finance, Korea

Discussant **Peter Vujanovic** Former Head of Indonesia Desk,  
OECD Economics Department

---

13:00 – 14:15 Lunch (Hotel Shilla, host: KIPF)

---

## Inclusive Growth & Fiscal Decentralization in Asia: Issues & Policy Response (2)

Moderator **Christine Wong** Director, Centre for Contemporary Chinese Studies,  
University of Melbourne, Australia

### Decentralization to Promote Regional Development in Indonesia

Speaker **Peter Vujanovic** Former Head of Indonesia Desk, OECD Economics  
Department

Discussant **Randall Crane** Professor in Urban Planning, UCLA, USA

### Strengthening the Internal Revenue Allotment System towards Greater Equity

Speaker **Jocelyn C. Cuaresma** Associate Professor and College Secretary,  
National College of Public Administration and  
Governance, University of the Philippines,  
Philippines

Discussant **Hyun-A Kim** Senior Economist  
Korea Institute of Public Finance, Korea

### Fiscal Federalism in Russia and its Contribution to Inclusive Growth

Speaker **Hansjörg Bloechliger** Head of Russia Desk,  
OECD Economics Department

Discussant **Cigdem Akin** Senior Public Management Economist, ADB

15:45 – 16:15 Coffee Break

**Session IV**

16:15 – 17:30

---

**Inclusive Growth & Fiscal Decentralization in Asia:  
Issues & Policy Response (3)**

Moderator **Masayoshi Hayashi** Professor, Graduate School of Economics,  
University of Tokyo, Japan

---

**Fiscal Decentralisation and Governance in Thailand**

Speaker **Duangmanee Laovakul** Assistant Professor, Faculty of Economics,  
Thammasat University, Thailand

Discussant **Junghun Kim** Vice President,  
Korea Institute of Public Finance, Korea

---

**Fiscal Decentralization and Inclusive Growth in Vietnam**

Speaker **Truong Ba Tuan** Vice President,  
National Institute for Finance, Vietnam

Discussant **Leila Magda Rivera** Director, Department of Budget and Management,  
Philippines

---

**Fiscal Decentralization: the Case of Malaysia**

Speaker **Muhammad Syah Bin Ab Raub** Government Officer, Fiscal Policy Office,  
Fiscal and Economic Division, Ministry of Finance,  
Malaysia

Discussant **Truong Ba Tuan** Vice President, National Institute for Finance,  
Vietnam

---

18:30 – 20:00 Dinner (Hotel Shilla, host; KIPF)

---

# Tuesday, December 19, 2017

Session V

09:00 – 11:00

## Inclusive Growth, Decentralization and Development Agendas (with ADB)

Moderator **Hanif Rahemtulla** Senior Public Management Specialist, ADB

### [Introduction on Fiscal Decentralization and Inclusive Growth: towards the SDGs](#)

Speaker **Randall Crane** Professor in Urban Planning, UCLA, USA

### [Fiscal Decentralization and Development: The Case of Lao PDR](#)

Speaker **Sifong Oumavong** Director, Macroeconomic and Fiscal Policy Division, Fiscal Policy and Law Department, Ministry of Finance, Lao PDR

### [Fiscal Federalism and Inclusive Growth: The Case of Nepal](#)

Speaker **Bishnu Prasad** Joint Secretary, Ministry of Finance, Nepal  
Nepal

### [Fiscal Decentralization, the Case of Cambodia](#)

Speaker **Vanmunin Chhieng** Deputy Director, General Department of Sub-National Administration Finance, Ministry of Economy and Finance, Cambodia

### [Vietnam's Experience and Lessons](#)

#### [Learnt on Sub-national Public Debt Management](#)

Speaker **Nghia Nguyen** Director, Planning and Risk Management Division, Debt Management and External Finance Department, Ministry of Finance, Vietnam

### [Cooperative & Competitive Federalism Approaches to Promote Outcome-Oriented Growth](#)

Speaker **Ajay Kumar Nema** Director, NITI Aayog, India

Discussants **Randall Crane** Professor in Urban Planning, UCLA, USA.

**Sean Dougherty** Senior Advisor,  
OECD Network on Fiscal Relations

**Rachana Shrestha** Senior Public Management Officer,  
South Asia Regional Department, ADB

Session VI

---

Roundtable: The Future of Fiscal Decentralization in Asia

11:00 – 12:00

Moderator **Junghun Kim** Vice President,  
Korea Institute of Public Finance, Korea

---

Panel Experts and Country representatives

---

12:00 – 13:30 Lunch (Hotel Shilla, host: KIPF)

---