

**Joint Statement of Priorities for
Inter-American Development Bank - OECD Co-operation**

April 7, 2003

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1. Complementarity of the two institutions

The Organisation for Economic Co-operation and Development (OECD) and the Inter-American Development Bank's (IDB) agendas have become interwoven by shared objectives of economic and social progress and poverty reduction, economic integration, higher levels of trade and investment, sustainable development, competitiveness, and responsible and transparent governance. Shared objectives call for much closer co-operation, given the interests and complementarity of membership of both institutions.

The G7/G8 asked the international organisations and multilateral development banks to co-operate more closely, avoid duplication of efforts and seek synergies. In the framework of OECD's Global Forums and Latin America Programme, as well as its Development Centre, we have in fact been developing co-operation for some time and there has been increased collaboration between the staff of both institutions in recent years. What follows is a reaffirmation of our strong commitment to this process and a statement of potential future priorities which are intended to facilitate a further expansion of co-operation between our two institutions. We will seek to reduce, not increase, the transaction costs of our partnership and aim for greater effectiveness at all levels. The main beneficiaries of such co-operation will be the countries of Latin America and the Caribbean.

2. Building on comparative advantage

The two organisations have accumulated expertise on structural policies in differing country contexts. OECD Member countries have developed policy know-how, good practices, standards and guidelines based on their experiences which can be of great benefit to non-member countries in the Latin American and Caribbean region, most of whom are IDB members. The OECD's multidisciplinary approach to policy dialogue through peer reviews and the direct involvement of practitioners from member governments in its work are recognised strengths. The IDB has extensive in-country presence, and long experience with institutional and policy reform in widely differing settings. It is able to combine intellectual and financial support to its borrowers, and engage in capacity building and technical assistance.

3. A shared approach

Putting the two sets of skills together necessarily involves first, continuing to enrich the policy debate in the OECD with the experience of the Latin American and Caribbean region; second, ensuring that the lessons of OECD experience are made accessible to policy-makers in the region; and third, that the dialogue about how these lessons can best be adapted and applied in different country contexts, is facilitated through capacity building and other initiatives at the regional and national levels. This will be based on a demand-driven approach responding to the needs of countries in the region. Resources to ensure this program of activities should be adequately defined, as needed and on a case-by-case basis.

4. Priority areas for co-operation

Priority areas for co-operation include the following:

- Competition and regulatory policy;
- Competitiveness and growth policies;
- Trade, integration and investment;
- Private pensions, insurance and financial markets;
- Labour legislation and employment policy;
- Public governance and institutional strengthening;
- Local financing and development policies;
- Taxation;
- Small and medium enterprises and entrepreneurship policies;
- Information and communications technology, and
- Anti-corruption.

In addition to the subjects listed above, we will seek opportunities to develop further our co-operation in areas where it is not yet well established, or it is functioning well on an ad hoc basis, but could be expanded in the coming years. These could include: agriculture; education, including performance indicators and related work; environment; and sustainable development.

We will keep these prospects under review.

5. Staff development and exchanges

We are committed to strengthening our knowledge networks, especially by including each other's staff in formal and informal staff development initiatives, staff exchanges, and participation in capacity building and technical development programs.

6. Mutual access to information

We are committed to joining forces to make fuller use of the enormous opportunities, which now exist thanks to high-speed Internet links and new secure network protocols, to make information available electronically to staff in both organisations, as well as to different categories of clients.

7. Reviews of progress

We will review progress in co-operation jointly, and discuss prospects for future collaboration based on such agendas, periodically at the level of senior managers in Paris and in Washington, and report our findings to our respective members/shareholders.

8. Contact points

Overall co-ordination of the IDB's responsibility for the relationship with OECD is vested in its Special Representative in Europe, in co-ordination with the Managers of the Sustainable Development Department, the Research Department, and the Integration and Regional Programs

Department. The IDB's Special Office in Europe will serve as the regular contact point for co-operation with the OECD. On the OECD side, the Deputy Secretary-General responsible for the cluster contributing to the development of non members will ensure overall co-ordination. The Deputy Director of the Centre for Co-operation with Non-Members and the Head of the CCNM Latin American Programme will assist him and serve as the regular contact point for IDB staff. Individual activity co-ordinators in both organisations in charge of specific work areas will remain directly responsible for co-operation in these areas.

IN WITNESS WHEREOF, the Parties hereto, each acting through its duly authorized representative, have signed this Joint Statement of Priorities in the city of Paris, France in two (2) original counterparts in the English language, as of this 7^h day of April, 2003.

ORGANISATION FOR ECONOMIC
COOPERATION AND DEVELOPMENT

INTER-AMERICAN
DEVELOPMENT BANK

Donald Johnston
Secretary General

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President