



5th Annual meeting of international organisations

Remarks by Mari Kiviniemi

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- Dear Colleagues, Ladies and Gentlemen,
- It is a pleasure to welcome you to the Fifth meeting of international organisations to shape better international rules for inclusive globalisation.
- As many of you may remember, the OECD launched this dialogue between IOs in 2014, with the objective of reflecting together on the quality and impact of the rules that international organisations develop. We have come a long way since then, with one cross-cutting report delving into the rule-making and governance processes of 50 IOs¹, 7 case studies of IOs and a renewed commitment from some 50 IOs to continue improving the quality of international rules.
- Today even more so than when we first met, we are at a pivotal moment in time for multilateralism as we know it. Therefore, it is a great honour to be holding our annual meeting in such a historic place for international co-operation, in a city representing one of the cradles of multilateralism. For more than 100 years, governments have come to Geneva to carry out delicate discussions and it is no wonder that it has become a natural hub for international organisations. Our presence here today is just another reflection of this.

¹ OECD (2016), International Regulatory Co-operation: The Role of International Organisations in Fostering Better Rules of Globalisation, OECD Publishing, Paris. <http://dx.doi.org/10.1787/9789264244047-en>OECD

- I would like to thank our colleagues from the United Nations Economic Commission for Europe, the International Organization for Standardization, and the International Electrotechnical Commission for hosting this event. As well as the Federal Ministry of Foreign Affairs of Switzerland for their financial support for the work of the IO partnership more broadly.

The world is changing – IOs must change with it

- In the past decades, the interconnectedness of countries and the integration of the world economy have increased drastically, partly due to the many technical revolutions of the past 30 years. The rapid flow of goods, services, people and finance across borders is not least testing the effectiveness and the capacity of domestic regulatory frameworks.
- Recent OECD work provides us with concrete examples of our growing interconnectedness:
 - Global trade in goods and services is now four times what it was in the early nineties.ⁱ
 - The rise in holdings of foreign assets since the 1990s has also been spectacular. The sum of all countries' foreign asset positions grew from about 60% of GDP in 1990 to more than 180% in 2015.ⁱⁱ
 - In the OECD, 40% of jobs are sustained by foreign demand.ⁱⁱⁱ Our interconnected, globalised economy, also enables small start-ups to become large multinationals, promotes innovation and benefits consumers.

- In this interdependent world, international organisations provide platforms for continuous dialogue and have the potential to catalyse the expertise needed to address the emerging policy challenges of our century. But to do so, we must be sure to strive for relevance, with always more evidence-based, inclusive, and effective international rules and standards.
- Looking around the room, it is clear that the community of international organisations is very diverse. All of us have different mandates, expertise and strengths, and are organised in different ways. Still, we all share the same driving force: to raise the bar of social and economic welfare, guided by people's needs and concerns. We were created by our Members to develop rules and standards that support the achievement of public policy objectives which transcend borders and are shared by many countries alike. Ultimately, as multilateral platforms bringing together actors from around the world, we were created to harness globalisation to bring out its benefits for populations worldwide.
- There are many striking examples of how countries' co-ordinated approaches within our organisations have led to tangible results for a fair and inclusive globalisation.
- The **OECD Global Forum on Transparency and Exchange of Information for Tax Purposes** has changed the paradigm for transparency in tax matters. The first automatic exchanges of tax information (AEOI) began in 2017, helping raise 85 billion euros so far in increased revenues for countries.

- The **OECD Mutual Acceptance Data system** also helps governments and industry save approximately EUR 153 million per year through reduced chemical testing and the harmonisation of chemical safety tools and policies across jurisdictions. We also offers fora for cooperation on emerging challenges, by facilitating the **Global Forum on Steel Excess Capacity** and by tackling online threats through the newly created **Global Forum on Digital Security for Prosperity**. I am sure many of you can share more of such successful examples.
- Multilateral co-operation is vital to reach such achievements and meet international targets like the Sustainable Development Goals and the Paris Agreement. Yet just when we need it most, people seem to be losing faith in multilateral approaches.
- With the growing mistrust against governments and skepticism against globalization, the effectiveness of IOs, as the traditional institutions set up to govern globalisation, is also increasingly questioned. In 2017, a few countries left several multilateral organisations, endorsing part of their populations' mounting appeal towards isolationism, largely provoked by the anxiety of those who feel left out from the benefits of globalization.
- In this high-paced globalized context, we must rebuild the trust of our Members and their populations in the rules and standards we provide and ensure their continued relevance in the face of the new policy challenges the world faces today.

A culture of excellence: setting high-quality, inclusive, and relevant rules for globalisation

- The OECD sees it as a strategic priority to strengthen and maximise the impact of its existing standards, and to identify the areas in which we need to develop new ones. We have, to this effect, launched an internal process for reviewing our legal instruments to ensure that they support the needs of business and citizens to the best of their ability. Our Legal Director, Nicola Bonucci, will tell you more about this initiative later today.
- More broadly, our continuous dialogue within the *partnership for effective international rule-making* confirms our common resolve to maintain a culture of excellence in our normative work. To do so, all of you are working hard within five working groups to (i) map the diversity of international instruments, (ii) support and incentivize implementation of international instruments, (iii) improve the procedures for consultation with stakeholders by IOs, (iv) strengthen the evaluation of use and impact of IO legal and policy instruments and (v) improve coordination between IOs in areas of overlap.
- To achieve these objectives, however, IOs cannot work alone. It is critical that we work together with our Members that both contribute to develop and make use of IO instruments, but also with leading academics with cutting-edge expertise on international rule-making and global governance.

- The group of IOs, Member States and academics gathered here today are best-placed to identify together the priorities to improve the quality of international rules and standards.

2018 is the year of multilateralism

- Against this background, the theme for the upcoming **OECD Ministerial Council Meeting *Refounding multilateralism for more responsible, effective and inclusive outcomes*** could not be more timely. Our world, our jobs, our cultures, our ambitions and hopes are inherently interconnected. Disengagement is not an option and we must move forward by rethinking, reshaping, fixing, improving, *refounding* multilateralism for more responsible, effective and inclusive outcomes.
- The IO partnership that we have built together since 2014 provides an unprecedented setting of peer learning for multilateral actors, invaluable to exchange experiences and learn from one another on international rule-making and standard setting. This is our opportunity to join forces to bring out the best of multilateralism.
- I thank you all for your precious commitment towards strengthening the quality of international rule-making and I look forward to fruitful exchanges today. Thank you!

ⁱ Key Issues Paper, 9 March 2018, p40

ⁱⁱ Key Issues Paper, 9 March 2018, p41-42

