



Active with

INDIA

Better Policies for Better Lives





Angel Gurría,
OECD
Secretary General

INDIA – A KEY PARTNER

Achieving prosperity through economic and social development has been at the heart of the OECD's work since its foundation fifty one years ago. We see our mission of building a stronger, cleaner and fairer world economy as an endeavour that is both a shared responsibility and a common interest of the OECD and its partners. By bringing together the expertise of a wide range of policy communities, the OECD's fact-based analysis and recommendations aim at fostering a comprehensive 'whole-of-government' perspective to help address common policy challenges and support partner countries on their specific development path.

India's relationship with the OECD dates back to the late 1990s. Today, with India's increasing importance in the world economy, that partnership is more relevant than ever. We all share a vital interest in achieving a successful multilateral dialogue on policies and actions aimed at strengthening growth and development prospects, as well as at addressing global challenges such as climate change, energy and food security, and international financial stability. As a major economy, India can make a significant contribution to this dialogue. The participation of Indian government officials in OECD Bodies and horizontal projects has increased over the years. India is now able to influence the work agenda of the Organisation in areas such as taxation and fiscal affairs, competition policy and financial education and literacy, to name just a few.

We look forward to continuing to develop our partnership with India. This brochure provides a glimpse of the scope and depth of our common work and highlights the great potential that lies ahead for our future cooperation in order to design, promote and implement better policies for better lives.

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Economic Outlook

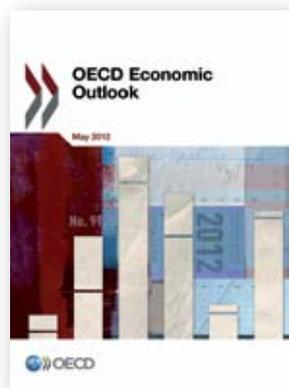
For many years the Indian economy has been an outstanding performer, growing at one of the fastest rates in the world. Yet the economy has slowed in 2011/12, with weaknesses focused in manufacturing and investment spending, and has been hit by relatively high inflation.

The second *OECD Economic Survey of India* (2011), produced in co-operation with the Government of India, focuses on some of the most pressing policy reform areas for the country, including **education, fiscal policy** and **the financial sector**. The Survey highlights that progress in raising enrolment in schools needs to be complemented by efforts to strengthen quality and improve learning outcomes so as to further reduce poverty. The fiscal framework also needs to be strengthened and subsidies to be reformed to ensure more effective government spending and budget management. Continued financial sector reform is required to support long-term growth, particularly with respect to banking and bond market regulation.

Twice a year, the OECD also releases its *Economic Outlook* which presents an analysis of recent developments in the global economy and provides economic projections for all OECD countries and key emerging economies, including India. The *Outlook* also offers recommendations on macroeconomic and structural policies needed to promote balanced growth. The Organisation's other flagship publication, *Going for Growth*, reviews structural reforms in OECD and emerging economies and identifies reform priorities to help foster higher long-term growth.



OECD Economic Surveys: India 2011
ISBN 9789264093249



OECD Economic Outlook May 2012
ISBN 9789264130470



*Economic Policy Reforms 2012
Going for Growth*
ISBN 9789264168251

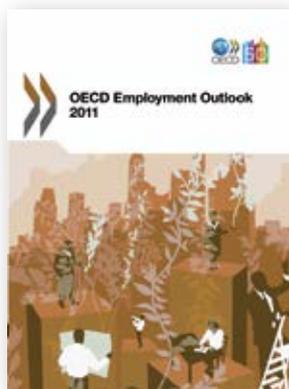
→ www.oecd.org/eco

Creating more and better jobs

Employment generation has been identified as a key challenge in India's 12th Five Year Plan 2012-17. Increasing job opportunities, particularly in non-agricultural sectors, enhancing labour market flexibility and strengthening social protection systems will be essential to trigger more inclusive and sustainable growth.

To help governments create more and better jobs, the OECD collects and compiles employment statistics that allow for cross-country comparisons on labour market indicators, policies and institutions. Through its annual *Employment Outlook*, the Organisation analyses labour market trends, monitors advanced and emerging economies' reforms and provides country-specific recommendations to help governments create jobs, particularly for vulnerable groups such as younger, older and disabled workers. The 2011 edition of the *Outlook* analyses the trade-offs and synergies between employment and social policy objectives that governments, including the Indian Government, are confronting when developing or reforming their social protection systems.

More recently, in the context of the G20 Labour and Employment Ministerial Meeting (May 2012), the OECD and the International Labour Organization (ILO) jointly produced the report "*Short-Term Labour Market Outlook and Key Challenges in G20 Countries*" which includes data and analysis for India.



OECD Employment Outlook 2011
ISBN 9789264114227



*Short-term Employment and Labour
Market Outlook and Key Challenges
in G20 Countries*

→ www.oecd.org/els

Promoting Social Inclusion

Well-targeted social policies and investment in people's skills and education are key to fostering more inclusive growth and reducing the incidence of poverty. Such policies have already been identified as a priority area in India's Eleventh Five Year Plan, which particularly stressed the need for improving the public provision of healthcare services.

The OECD's work on social policy continuously seeks out new best practices that suit changing socio-demographic factors and labour market conditions. With the global financial crisis putting social protection systems under budgetary pressure, the OECD is assisting governments to design effective policies that are sensitive to the human dimension of the crisis.

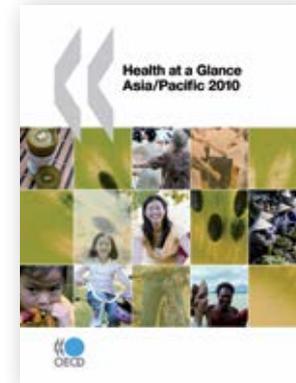
Through the **OECD/Korea Policy Centre**, the OECD publishes biennially three Asia/Pacific editions of the *Society at a Glance*, *Pensions at a Glance* and *Health at a Glance* publications, which each include data on India. These publications aim to monitor and benchmark social outcomes and disseminate best practices among OECD and Asia/Pacific economies. The OECD has also released a special report on *Health Expenditure in India* (2010) and provided input into the *High-Level Expert Group Report on Universal Healthcare in India* in 2011. The Organisation is currently working with the Asian Development Bank (ADB) and ILO on developing a *Social Protection Index for Asia*, which will include data on social expenditure and recipients in India.



Society at a Glance: Asia/Pacific 2011
ISBN 9789264105690



Pensions at a Glance: Asia/Pacific 2011
ISBN 9789264106994



Health at a Glance: Asia/Pacific 2010
ISBN 9789264096189

→ www.oecd.org/els
→ www.oecd-korea.org

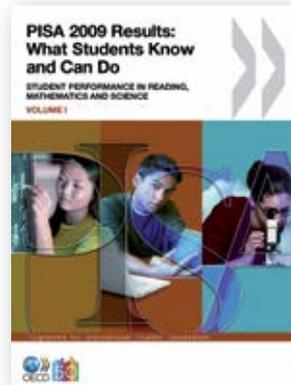
Raising the quality and access to education and skills development

Access to education and skills development is key to greater inclusiveness. India plans to enhance the delivery and quality of education and skills development with a view to creating new job and income opportunities, particularly for poorer households.

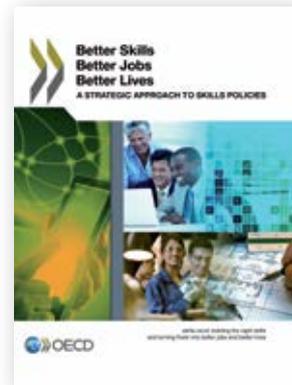
The OECD supports India's efforts through its *Programme for International Student Assessment (PISA)* –a set of standardised tests that weighs reading comprehension, mathematics and science among 15 year olds—it allows the country to benchmark the quality of its schooling to that of 70 other economies and to benefit from peer learning opportunities. Himachal Pradesh and Tamil Nadu took part in the *PISA 2009* exercise and three additional states are expected to participate in the next *PISA 2012* round.

In May 2012, the Planning Commission and the OECD Centre for Educational Research and Innovation (CERI) launched a joint *Initiative on Education and Innovation* to foster innovation in India's higher education system and help align it with the skill requirements for an innovative economy. Further events are planned at state-level, culminating in an international conference in late 2013.

Finally, the OECD is also working with the Indian Institute for Competitiveness on skills development at the local level in the context of the *OECD Employment and Skills Strategies in Southeast Asia Initiative*, in partnership with the ILO. A report on skills development in India will be released end 2012.



*PISA 2009 Results:
What Students Know and Can Do
Student Performance in Reading,
Mathematics and Science Volume 1
ISBN 9789264091443*



*Better Skills, Better Jobs, Better Lives
A Strategic Approach to Skills Policies
ISBN 9789264177338*

→ www.oecd.org/edu

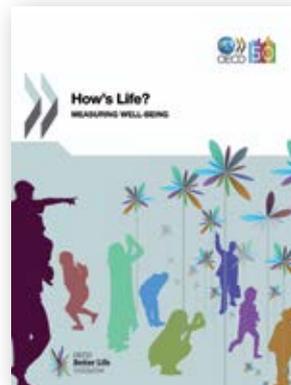
→ www.oecd.org/cfe/leed/employment/essa

Measuring Well-Being

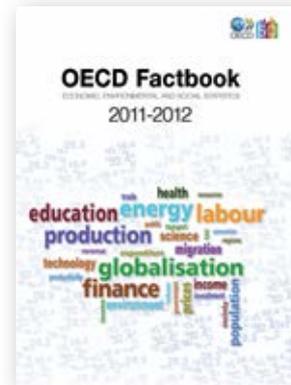
Statistics provide the fundamental underpinning for all OECD analytical work of relevance to India. The OECD develops international statistical standards and co-ordinates statistical activities both within the OECD and with other international agencies. One of the key pillars of deepening engagement between the OECD and India is to include the country's data in OECD statistical databases and moving closer to standardised and comprehensive statistical indicators, which are the basis for making meaningful comparisons across countries.

Indian statisticians participate in OECD statistical working groups, such as the OECD-Eurostat Expert Group on Disparities in a National Accounts Framework, and make frequent visits to the OECD and OECD member countries to learn about commonly-used statistical methodologies.

India has also expressed strong interest in the OECD's *Better Life Index* and measuring well-being work. Indian experts have participated in past conferences and the Indian Ministry of Statistics and Programme Implementation and the OECD jointly organised the 4th *OECD World Forum on Statistics, Knowledge and Policy* which focused on measuring well-being for development and policy-making (16-19 October 2012 in New Delhi).



How's Life? Measuring Well-Being
ISBN 9789264121164



OECD Factbook 2011-2012
Economic, Environmental and Social
Statistics
ISBN 9789264124189

→ www.oecd.org/std

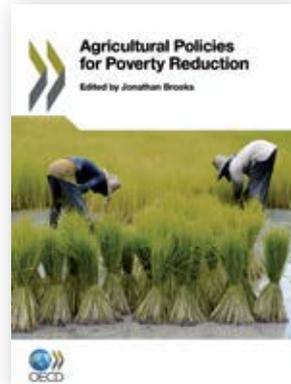
→ www.oecdbetterlifeindex.com

Increasing agricultural productivity and food security

India attaches high priority to increasing agricultural productivity growth as a means to raise its (primarily rural) population out of poverty. The OECD has been working closely with G20 economies, including India, to identify and promote policies that enhance food security and increase agricultural productivity. Last year, the OECD and the UN Food and Agriculture Organisation (FAO) co-ordinated a report for the G20 Cannes Summit on *Price Volatility in Food and Agricultural Markets: Policy Responses*. This year, the OECD and FAO again worked together on a G20 report entitled, *Sustainable Agricultural Productivity Growth and Bridging the Gap for Small Family Farms*. The OECD has collaborated with FAO and others in the development and implementation of the Agricultural Market Information System (AMIS) and the Rapid Response Forum (RRF), which aim to improve availability of information on commodity markets, to enable timely dialogue and co-ordination amongst governments in the event of an abnormal market situation.

The OECD and the FAO also annually publish the *OECD-FAO Agricultural Outlook*, which analyses world commodity market trends for key agricultural products. The 2012 edition provides detailed projections of the medium-term outlook for commodities for OECD countries and emerging economies, including India, for 2012-2021, and includes a special chapter on increasing agricultural productivity sustainably.

The OECD is a key reference for the certification and standardisation of certain agricultural and forestry inputs and commodities, which aim to facilitate international trade. India is an active member of both the OECD Tractor Codes and the OECD Seed Schemes.



Agricultural Policies for Poverty Reduction
ISBN 9789264168633



OECD-FAO Agricultural Outlook 2012-2021
ISBN 9789264173026

→ www.oecd.org/agriculture

Achieving greener growth and more sustainable development

Better natural resource management of water, land and forests and more sustainable development is a key priority of India's approach to its Five Year Plan 2012-17. By 2050, the Indian economy and population are projected to grow significantly, contributing to a quadrupling of global GDP and a world population of over 9 billion. If governments do not change their policies, the OECD's *Environmental Outlook to 2050* projects alarming environmental consequences, including an acceleration of climate change, further biodiversity loss and worsening water stress and health impacts from pollution.

The OECD supports countries in their efforts to design and implement strategies for more sustainable development and greener growth, through country-specific and multilateral surveillance and advice. Its latest report, *Green Growth and Developing Countries*, examines how greening the development pathway can accelerate economic growth and poverty reduction.

India has been actively engaged in supporting the international negotiations on biodiversity. It also took an active role in the OECD *Workshop on Finance Mechanisms for Biodiversity: Examining Opportunities and Challenges* co-organised with the World Bank, the Global Environment Fund and the European Commission in Montreal, in May 2012.



*OECD Environmental Outlook to 2050
The Consequences of Inaction
ISBN 9789264122161*



Green Growth for Developing Countries

- www.oecd.org/greengrowth
- www.oecd.org/env

Water

Managing scarce freshwater resources and ensuring access to water supply and sanitation is a significant challenge in India. The *OECD Environmental Outlook to 2050* projects that by 2050 almost the entire population of India and surrounding countries will be located in areas under severe water stress. The effective use of a range of policy instruments is essential for efficient, equitable and sustainable water resources management and service delivery.

In 2010, the OECD participated in a series of Dialogues on water in India, and promoted the use of economic instruments to frame the national water strategy. In 2011, a member of the Planning Commission presented the paradigm shift in water resources management in India at the OECD Global Forum on Environment conference on *Making Water Reform Happen*. OECD analyses concur with this paradigm shift from supply augmentation towards greater reliance on improved water efficiency, greater use of recycled water, cutting-edge sewage treatment systems, and empowerment of water users. The OECD is keen to further support water reforms in India, building on two strengths:

- Many OECD and partner countries have accumulated experience with overcoming the difficulties and challenges of pursuing water reforms. Their experience provides insights to overcome political, economic and social barriers to water policy reforms, and can help to improve the prospects of India's success with its own reform agenda.
- The OECD has developed a specific set of tools and processes that have proved successful in facilitating water reforms. We have particular expertise in water governance and regulation, and the use of economic instruments for water management.



Meeting the Water Reform Challenges
ISBN 9789264169999



A Framework for Financing Water Resources Management
ISBN 9789264179813



Water Quality and Agriculture: Meeting the Policy Challenge
ISBN 9789264168053



Meeting the Challenge of Financing Water and Sanitation: Tools and Approaches
ISBN 9789264120518

→ www.oecd.org/water

India and the OECD collaborating in the context of the G20

The OECD has been an active partner of the G20 since the Pittsburgh Summit in 2009, participating both at the highest level (Sherpa, Deputy, Ministers and Leaders) as well as the more technical level of working groups. The OECD contributes as a member to virtually all G20 working groups and provides data, analytical reports and policy recommendations for consideration by G20 members.

Specifically, the OECD has supported the successive G20 Presidencies in mainstreaming their priorities into the G20 agenda (eg. Development for the Korean Presidency, Agriculture for the French Presidency, Green Growth for the Mexican Presidency) and has progressively become a “strategic advisor” and recognised partner of the Group. OECD expertise has been recognised by the G20 countries in numerous areas, such as green growth, food security, trade, disaster risk management, tax, labour, financial inclusion, anti-corruption and development.

In this context, the OECD has been collaborating with Indian authorities on their various topics of specific interest. For example , we supported the Indian tax administration’s efforts at fighting tax havens by stepping up the work of the Global Forum on Transparency and Exchange of Information for Tax Purposes (hosted and supported by the OECD); and by opening the joint OECD/Council of Europe Convention on Mutual Administrative Assistance in Tax Matters to adherence by non-OECD members. India ratified the Multilateral Convention on Mutual Administrative Assistance in Tax Matters on 27th February 2012 after G20 Leaders strongly encouraged all jurisdictions to adhere to the amended convention and committed to leading by

example (Final Declaration of the Cannes Summit, November 2011). India has also shown keen interest in OECD work on Agriculture and Food Security undertaken at the request of the G20 – which served as a basis for the elaboration of G20 Action Plans on Agriculture - as well as in our broad contribution to the G20 Seoul Multi-Year Action Plan on Development. India has also conveyed strong interest in our innovative work on trade in value-added and in our analysis of international trade through the lens of global value chains. This approach was first introduced by the OECD - jointly with WTO and upon the request of the Mexican Presidency - at the G20 Trade Ministerial meeting held in Puerto Vallarta (Mexico) in April 2012. The OECD stands ready to further collaborate with Indian authorities in developing this promising and groundbreaking approach to global trade.

Improving aid effectiveness and South-South cooperation

India has a long tradition of providing South-South co-operation, especially to its neighboring countries. Its co-operation with Africa has also been rising, particularly since the First India-Africa Forum Summit in 2008. India recently established the Development Partnership Administration within the Ministry of External Affairs to implement its grant and technical co-operation programmes.

With the OECD's new development strategy, the organisation is focusing on sharing knowledge and policy experiences, useful analytical tools, and to learn and partner with those having different policy experiences and traditions. There are no "one size fits all" solutions for today's challenges and the benefits from better sharing and learning from others can be significant. The OECD offers its experience of 50 years of "better policies for better lives" and of its development work with both member and non-member countries across the world. In this context, the OECD's Development Assistance Committee (DAC) – a unique international forum where bilateral donors work together with key multilateral agencies to promote development co-operation and other development-related policies – welcomes closer co-operation with India and stands ready to engage in policy dialogue and knowledge sharing, fostering joint action on development co-operation and other policies that contribute to sustainable development.

Collaboration between the OECD and India in the area of development co-operation has been expanding. In 2011, India endorsed the Busan Partnership for Effective Development Co-operation which sets out shared principles, common goals

and differential commitments for improving aid effectiveness. The OECD was also invited to conduct a seminar in New Delhi in 2011 focused on aid management and aid statistics.

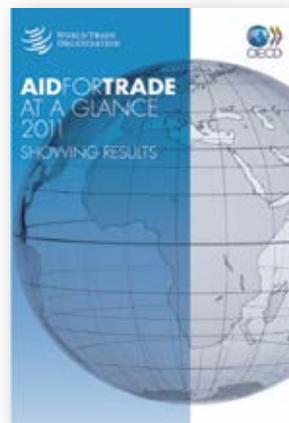
India has attended several DAC Senior- Level Meetings and regularly participates in the OECD Global Forum on Development, as well as the OECD-WTO's tracking of aid for trade.



부산 세계개발원조총회

4th High Level Forum on Aid Effectiveness

29 Nov –1 Dec 2011, Busan, Korea



Aid for Trade at a Glance 2011

Showing Results

ISBN 9789287037800

→ www.oecd.org/dac

Promoting an open multilateral trading system

Trade and investment liberalisation have played an important role in India's rise as an economic powerhouse. The OECD has examined the relationship between trade, growth and jobs in OECD and emerging economies (including India), in the context of the International Collaborative Initiative on Trade and Employment (ICITE). The results of this work have been published in *Policy Priorities for International Trade and Jobs*.

In 2011 the OECD completed the report, *Openness and Changing Patterns of Comparative Advantage*, which underscores the importance of physical and human capital, the availability of credit, and the quality of regulations, notably labour market institutions, for improving the capacity of emerging economies, like India, to integrate fully into global markets.

Services trade is an area of strong mutual interest between the OECD and India, and discussions are ongoing to deepen collaboration in this area. The OECD is developing *Services Trade Restrictiveness Indexes* that can help participating economies identify regulatory best practices in specific services sectors. As a major services provider, India could both benefit from and contribute to this new initiative.



Policy Priorities for International Trade and Jobs
ISBN 9789264180178

→ www.oecd.org/trade

Improving the business climate and fighting investment protectionism



"It was desirable to subject our investment policy to a review by an international body like the OECD, a group of developed economies of the world, which would provide an opportunity to secure international recognition of India's progress in improving the investment environment and support future investment reform plans."

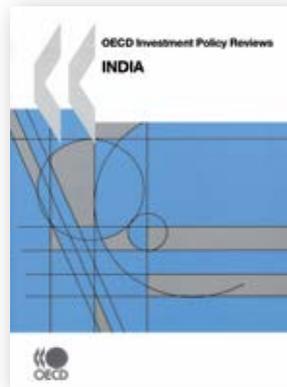
Anand Sharma

Minister of Commerce and Industry, Government of India

India has significantly reduced barriers to international investment since 1991. As a result, the country's economy has grown significantly and FDI inflows have accelerated. Further improving investors' confidence via a more friendly and predictable business environment will be key to sustaining growth in the coming years.

The OECD and the Government of India have been collaborating on investment-related issues for many years. In 2004, both sides organised a *Global Forum on International Investment*. In 2009 they produced an *Investment Policy Review of India*, which outlines India's investment policy framework and includes recommendations for further improving the investment climate.

India also regularly participates in the *OECD Freedom of Investment Roundtables*. Through these, the OECD and its partners regularly monitor G20 countries' trade and investment protectionism, in collaboration with UNCTAD and the WTO. The OECD also conducts work on investor-state dispute settlement mechanisms, which is likely to be of interest to Indian investors.



OECD Investment Policy Reviews India
ISBN 9789264076952

→ www.oecd.org/daf/investment/india

Strengthening competition law, enforcement and cooperation

India's transition from a state-planned to a market-based economy prompted the introduction of a modern competition law to protect and promote competition in markets.

In recent years, India has progressively put in place the key elements of a modern competition law and enforcement framework, including the establishment of the Competition Commission of India (CCI). The OECD works closely with the CCI to address the various challenges facing a new competition regime. It helps strengthen the institution and its enforcement capabilities through tailored training programmes for CCI staff. The introduction of a National Competition Policy in India will be accompanied by an OECD capacity building project on implementing the *OECD Competition Assessment Toolkit*, to guide all Ministries, regulators and other government bodies on avoiding laws and regulations that unnecessarily restrict competition.



"We look forward to positive engagement with the OECD's Competition Committee and hope that it will be mutually beneficial for India as well as OECD".

Ashok Chawla

Chairman, Competition Commission of India

India is heavily involved in the OECD's work to develop and implement international standards on competition enforcement and cooperation. It is an Observer to the OECD's *Competition Committee* and participates in the *Global Forum on Competition*. CCI's operational staff regularly participates at the OECD-Korea Policy Centre's training programme for enforcement officials from across the Asia-Pacific region.



The Competition Assessment Toolkit

→ www.oecd.org/competition

Strengthening corporate governance and responsible business conduct

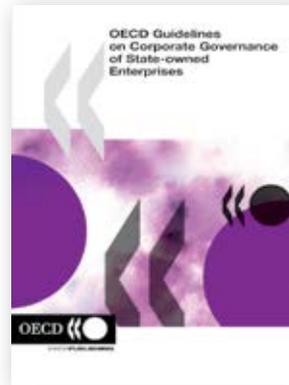
A sound corporate governance framework, which relies on internationally accepted standards and best practices, helps companies remain competitive and access domestic and international capital. Good corporate governance is also key to financial market stability and economic growth.

India and the OECD are working together to improve the country's corporate governance system. The Securities Exchange Board of India and the Ministry of Corporate Affairs are participants in the *OECD-Asian Roundtable on Corporate Governance* as well as in meetings of the OECD Corporate Governance Committee. The Government also took part in an in-depth review of *Related Party Transactions and Minority Shareholder Rights* (2012) and is engaged in a bilateral *OECD-India Policy Dialogue on Corporate Governance* since 2011.

Both sides also cooperate on improving the governance, transparency and accountability of state-owned enterprises (SOEs). The Department of Public Enterprises and the Standing Conference of Public Enterprises are regular participants at the meetings of *OECD-Asia Network on Corporate Governance of SOEs* and the *OECD Working Party on State Ownership and Privatisation Practices*. Finally, since the update of the *OECD Guidelines for Multinational Enterprises* (2011), the OECD has also worked more closely with India on responsible business conduct.



OECD Principles of Corporate Governance
ISBN 9789264015975



*OECD Guidelines on Corporate
Governance of State-owned Enterprises*
ISBN 9789264116061



*Related Party Transactions and Minority
Shareholder Rights*
ISBN 9789264098251

- www.oecd.org/daf/corporate
- www.oecd.org/daf/investment/guidelines

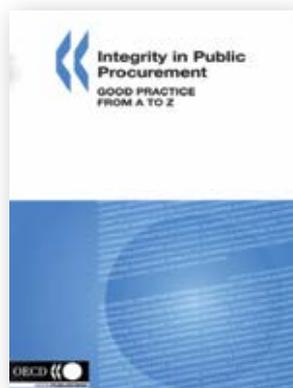
Fostering public sector integrity

Fostering improved public governance through greater public sector integrity, accountability and transparency, including in the area of public procurement, is a major priority for Indian and OECD policymakers alike. A sound integrity framework is key for ensuring efficient delivery of services to the public, promoting a level playing field for business and, ultimately, reinforcing trust in government.

The *OECD Integrity Framework* provides guidance on how to prevent fraud and corruption in government. Building on over 15 years of experience, it examines the implementation and coherence of instruments, processes and structures to effectively manage risks of fraud and corruption and to embed high standards of conduct among public officials. The OECD is committed to share with India its experiences and lessons learned in this field.

The Organisation also conducts *Public Sector Integrity Reviews* that assess the functioning of national integrity management policies and benchmark these against international best practice. Risk analysis to identify vulnerabilities to corruption and assess implementation problems lies at the heart of such Reviews.

India regularly participates at the meetings of the OECD Public Governance Committee and the Public Sector Integrity Network.



*Integrity in Public procurement
Good Practice from A to Z
ISBN 9789264027503*



*Public Sector Integrity
A Framework for Assessment
ISBN 9789264010598*

→ www.oecd.org/gov/ethics

Fighting foreign bribery

India is among the world's fastest-growing economies. However, with increased exposure to foreign markets comes increased risk of corruption, which poses a threat to India's growth and Indian companies' ability to compete. Fighting bribery in international business transactions is an important area of work of the OECD. The OECD Working Group on Bribery monitors the implementation of the *Convention on Combating Bribery of Foreign Public Officials in International Business Transactions* by its 39 OECD and non-OECD Parties. Joining the *Convention* would strengthen India's corporate reputation and investment climate, promote the efficiency of Indian companies and give India the ability to impact the development of international criminal law.

India has actively participated in the meetings of the OECD Working Group on Bribery since 2009. The OECD has also held awareness-raising events for the Indian private sector in collaboration with the Federation of Indian Chambers of Commerce and Industry in 2011 and 2012. In addition, India has been a member of the *Asian Development Bank (ADB)/OECD Anti-Corruption Initiative for Asia and the Pacific* since 2001, and has endorsed the *ADB/OECD Anti-Corruption Action Plan for Asia and the Pacific*. In September 2011, over 700 participants from 28 Asian countries attended the 16th Steering Group Meeting and the 7th Regional Conference of the ADB/OECD Initiative, in New Delhi.



*Convention on Combating Bribery of
Foreign Officials in International Business
Transactions and Related Documents*

→ www.oecd.org/daf/nocorruption

Improving financial literacy and inclusion



“My compliments to the OECD for innovatively leading the effort on financial inclusion in the developing world” and for “taking proactive initiative in generating awareness about financial education.”

Pranab Mukherjee

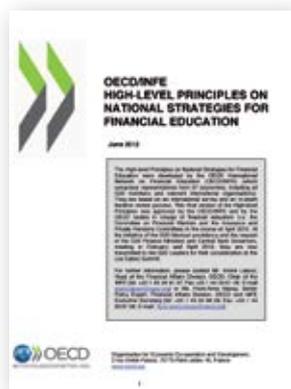
former Finance Minister

23 March 2010, India-OECD Workshop on Delivering Financial Literacy: Challenges, Approaches and Instruments

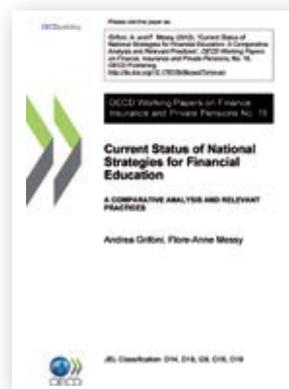
Acknowledging the importance of financial literacy for achieving more inclusive growth, India has designed a *National Strategy for Financial Education*. The Strategy, which involves coordination of four financial regulators -- the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI), the Insurance Regulatory and Development Authority, and the Pension Fund Regulatory and Development Authority-- is consistent with the OECD's *High-level Principles on National Strategies for Financial Education*. In addition, the key priorities of the Strategy have been informed by the OECD-led *International Network on Financial Education (INFE)*, which is composed of more than 100 countries and 200 institutions.

The four financial regulators listed above and the Ministry of Finance are all members of the INFE. RBI acts as the Network's Vice-Chair and SEBI as the co-leader of the Project on Financial Education and Women. In addition, SEBI is an important member of the Investor Education Expert Sub-Group. Finally, SEBI is also member of the *OECD Task Force on Financial Consumer Protection*.

In the framework of their cooperation, the OECD and Indian administration co-organised several events on financial education (e.g., in New Delhi in 2006, Hyderabad in 2008, and Bangalore in 2010). In early 2012, the OECD and SEBI also launched the first *International Conference on Investor Education* in Goa, and additional global events are scheduled.



OECD/INFE High Level Principles on National Strategies for Financial Education



Current Status of national Strategies for Financial Education

- ➔ www.financial-education.org
- ➔ www.oecd.org/daf/financialeducation

Promoting domestic tax reform and international tax cooperation

In June 2011, India and the OECD decided to strengthen their cooperation on tax-related issues through the development of a **three year partnership** that provides greater opportunities for structured dialogue and sharing of information and helps deepen India's participation in the OECD Committee on Fiscal Affairs. Since then, India has actively engaged in the Committee and its working parties as well as other tax fora, such as the *Global Forum on Transparency and Exchange of Information for Tax Purposes*, in which India takes a lead role as the Vice-Chair of the Peer Review Group. This Forum, which brings together over 100 OECD and non-OECD jurisdictions, is at the forefront of the fight against cross-border tax evasion. It monitors the implementation of internationally-agreed standards through country peer reviews.

In February 2012, India also became the first non-OECD country to ratify the *Convention on Mutual Administrative Assistance in Tax Matters*, a multilateral agreement developed by the OECD to promote international tax co-operation.

India and the OECD co-organised a high-level conference on transfer pricing in June 2011 in New Delhi. Another high-level event on combating aggressive tax planning was held in November 2012.

The multilateral events organised in the context of the OECD Global Relations Programme “...enable Indian auditors to learn and apply tax rules effectively, in line with international best practices”, Shri Sanjay Kumar Mishra, Joint Secretary, Foreign Tax and Tax Research Division, Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, India.



(Left/Right) - Rintaro Tamaki, Deputy Secretary-General of the OECD and Shri Sanjay Kumar Mishra, Joint Secretary, Foreign Tax and Tax Research Division, Central Board of Direct Taxes, Department of Revenue, Ministry of Finance of India.

- www.oecd.org/tax/transparency
- www.oecd.org/tax/globalrelations

Developing transport infrastructure



“India greatly values its membership of the ITF. It gives us an opportunity to engage with the world community on contemporary issues in the area of transport, learn from them and share our experiences. Many issues related to transport such as climate change, oil dependency, safety and security are global in scope and an inter-governmental organisation such as the ITF is the appropriate forum to address these issues and shape transport policies for the 21st century. We hope that ITF shall continue to play an important role in the years to come.”

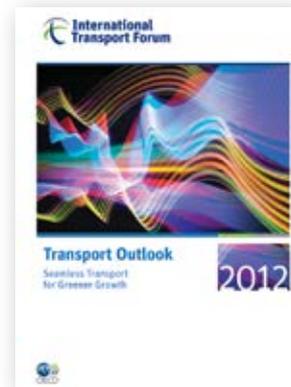
B.K. Chaturvedi

Member, Planning Commission

The development of transport infrastructure is a key priority for India. Its upcoming 12th Five Year Plan calls for its expansion and modernisation through Public-Private Partnerships (PPPs).

In 2009, India joined the *International Transport Forum (ITF)*, an intergovernmental organisation of 54 member countries, hosted by the OECD. The Forum aims to help shape the international transport policy agenda, ensuring its contribution to economic growth, environmental protection, social inclusion and the preservation of human life. The ITF identified Public Private Partnerships (PPP) for transport infrastructure development as a work priority for 2012/13. *“Funding Infrastructure”* will also be the central theme of ITF’s 2013 Annual Summit (May 2013) and an *ITF Roundtable on PPPs*, with the participation of the Planning Commission, was held on 26-27 September 2012.

The ITF is also advising the Government of India on long-term transport strategy, including investments for the provision of transport services. India's transport statistics are integrated into the ITF's databases and policy analysis. Indian experts have also participated in the ITF's Working Group on Road Safety. The country is also extensively covered in key ITF publications, such as the annual *Transport Outlook*.



*Transport Outlook
Seamless Transport for Greener growth*

→ www.internationaltransportforum.org

Fostering international energy cooperation



"I am very pleased to say that our co-operation with the IEA has increased significantly in terms of scope and depth since the 2009 Ministerial [...]"

We have senior officials participating in the IEA Governing Board and senior committees, and we have been holding workshops and seminars in the areas of energy efficiency, renewable energy, energy security, clean coal and energy statistics".

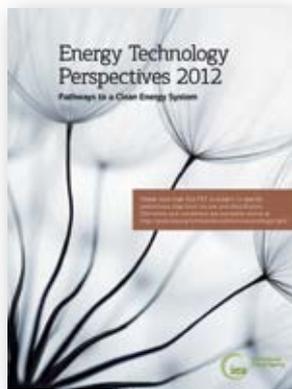
Shri Sushil Kumar Shinde

Former Minister of Power of India, 2011
IEA Ministerial meeting

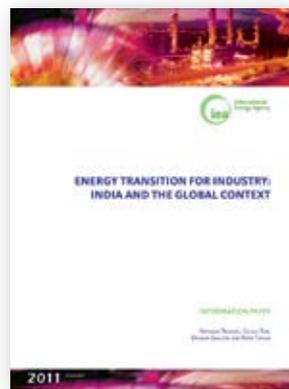
India is a key partner country of the International Energy Agency. The IEA and the Indian Government have agreed on a bi-annual "Joint Statement and Action Plan" which outlines strategic areas of cooperation. This has translated into increased attendance of Indian officials in IEA governing structures and scaled-up contribution to regular IEA activities. For example, the Ministry of Power participates annually in the IEA Governing Board and Ministerial meeting.

In addition, the IEA and the Ministry of Petroleum and Natural Gas have signed a "Memorandum of Understanding on Oil and Gas Security Cooperation" in October 2011. This is the first agreement of its kind with any IEA partner. So far, it has led to the activation of a hotline for emergency cooperation, the participation of Indian experts in the *Emergency Response Review of France* and the Joint IEA-India Emergency Response Exercise organised in New Delhi in May 2012.

Indian experts also provide input to the IEA's technology-related work, including the *Energy Technology Perspectives* publication and IEA technology roadmaps and policy pathways. Two India-specific publications focusing on the Indian Power and Industry sectors have also been issued in 2011. India is also participating in seven Implementing Agreements of the IEA's multilateral initiatives.



Energy Technology Perspectives 2012
Pathways to a Clean Energy System
 ISBN 9789264174887



Energy Transition for Industry:
India and the Global Context



Technology Development Prospects
for the Indian Power Sector

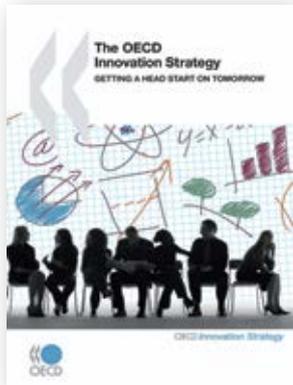
Nuclear energy

India has a large indigenous nuclear power programme with significant experience in the area of reactor design and fuel cycle. The country plans to expand its fleet of reactors and increase nuclear energy to 25% of the energy mix by 2050.

Over the past years, India has moved closer to the international community by concluding several agreements with the International Atomic Energy Agency and the Nuclear Suppliers' Group. Co-operation between India and the OECD Nuclear Energy Agency (NEA) has also significantly increased, with Indian experts participating in NEA committees and workgroups in the areas of safety, radioactive waste management, radiation protection and legal affairs.

Furthermore, on 4 April 2012, India became a member of the *Multinational Design Evaluation Programme* for which the NEA acts as the technical secretariat. This should facilitate convergence for the licensing of new nuclear reactor design.

Strengthening innovation



*The OECD Innovation Strategy
Getting a Head Start on Tomorrow
ISBN 9789264084704*



*The Information and Communication
Technology Sector in India*

India's 11th Five Year Plan (2007-2012) already emphasized the need to strengthen innovation. The President of India then declared 2011-20 to be the "Decade of Innovation". The OECD has worked with India's National Innovation Council and the Ministry of Commerce and Industry to identify opportunities to support efforts to develop an inclusive national innovation strategy.

In 2008, India endorsed the OECD's *Seoul Declaration on the Future of the Internet Economy*. The country has also been involved in the OECD work on biotechnology and on consumer policy, including product safety.



*OECD Science, Technology and
Industry Outlook 2012*
ISBN 9789264170322

In addition, Indian ICT policies have been examined in several OECD publications, including the flagship *Science, Technology and Industry Outlook* (September 2012). The *Outlook* reviews key trends in science, technology and innovation in OECD countries and in several major emerging economies including Brazil, China, India, Russia and South Africa. It examines countries' performance in science and innovation, trends in national science, technology and innovation policies and the design and assessment of innovation policies. The *Outlook* also provides individual country profiles, including for India.

Removing barriers to trade in chemicals



*Cutting Costs in Chemicals
Management
How OECD Helps Governments
and Industry
ISBN 9789264085930*

On 3 March, 2011, India joined the OECD system for the *Mutual Acceptance of Data (MAD) in the Assessment of Chemicals*. This system is a multilateral agreement which saves governments and chemical producers around USD 150 million per year by allowing the results of non-clinical safety tests done on chemicals to be shared across OECD and other MAD-adhering countries. The MAD system requires that testing be carried out according to *OECD Test Guidelines* and *OECD Principles of Good Laboratory Practice*. By participating in this system, India has created new employment opportunities for facilities which test chemical substances, as well as removed potential trade barriers for chemicals produced in India and exported to OECD and other MAD-adhering countries that require that such substances be tested according to OECD Test Guidelines and Principles for Good Laboratory Practice.

India also plays an active role in OECD work on regulatory oversight in biotechnology and regulatory assessment of novel foods, contributing to the information and methods used in risk/safety assessment, especially for genetically modified crops grown in tropical climates.



*OECD and Risk/Safety
Assessment in Modern
Biotechnology
Food, Feed and
Environmental Safety*

→ www.oecd.org/ehs/mad

→ www.oecd.org/biotrack

Annexes

The Business and Industry Advisory Committee to the OECD

The Business and Industry Advisory Committee to the OECD (BIAC) is an independent international business association devoted to advising OECD policymakers. BIAC has two leading observer associations from India: the *Confederation of Indian Industry* (CII) and the *Federation of Indian Chambers of Commerce and Industry* (FICCI). Through their involvement, the Indian business community is able to contribute its perspectives and expertise to BIAC and OECD policy discussions on a broad range of regulatory issues affecting the Indian and international business environment.

CII and FICCI participate on a regular basis in BIAC policy committees and task forces and co-organise special events, such as the CII 1st and 2nd Green Manufacturing Summits (held in New Delhi, in March 2011 and on 31 August 2012).

The Trade Union Advisory Committee to the OECD

TUAC, the Trade Union Advisory Committee to the OECD, works with the Indian labour movement both directly and through the ITUC (International Trade Union Confederation) to ensure a voice for Indian workers in the OECD. The debates on employment reform, reducing income inequality and implementing the OECD Guidelines on Multinational Enterprises are all key issues for Indian workers as well as for TUAC. Cooperation has been stepped up since 2009 in the light of the global economic crisis and the Indian National Trade Union Congress (INTUC) takes part regularly in the TUAC Economic Policy Working Group that prepares the labour input to the G20 Summits and Ministerial Meetings. INTUC is an active participant of the L20 that is organised by TUAC and the ITUC and which provides a forum for representing workers concerns to the G20 governments.

Full Participant in OECD Bodies:

- OECD Network on Fiscal Relations Across Levels of Government (2011, first non-member to join)
- Mutual Acceptance of Data- Joint meeting of the Chemicals Committee and the WP on Chemicals, Pesticides, Biotechnology:
 - WG on Good Laboratory Practice (2011)
 - WG of National Coordinators of the Test Guidelines Programme (2011)
- Global Forum on Transparency and Exchange of Information for Tax Purposes (India is a Vice-Chair of the Forum's peer review group (2009)
- Joint OECD/ITF Transport Research Committee (2009)
- Governing Board of the Development Centre (2001)

Other/ Membership in organisations hosted by the OECD:

- Multinational Design Evaluation Programme, serviced by the OECD Nuclear Energy Agency (2012)
- Financial Action Taskforce (2010)
- International Transport Forum (2009)

Regular Observer in OECD Bodies:

- Competition Committee (2012)
- Committee for Information, Computer and Communications Policy and its subsidiary bodies (2009)
- Committee on Consumer Policy and its Working Party on Consumer Product Safety (2006)
- Committee on Fiscal Affairs and its subsidiary bodies (2006)- incl. the Forum on Tax Administration and the Forum on Harmful Tax Practices
- Working Party on Private Pensions, Insurance and Private Pensions Committee (2006)
- Steel Committee (1998)

Adherent to OECD instruments:

- OECD Convention on Mutual Administrative Assistance in Tax Matters (2012)
- OECD Council Decisions on Mutual Acceptance of Data in the Assessment of Chemicals (MAD) (2011)
- Busan Partnership for Effective Development Cooperation (2011)
- Declaration for the Future of the Internet Economy, "Seoul Declaration" (2008)
- OECD Seed Schemes (2008)*
- Paris Declaration on Aid Effectiveness (2005)
- Declaration on Fostering the Growth of Innovative and Internationally Competitive SMEs, "Istanbul Declaration" (2004)
- Bologna Charter on SME Policies (2000)
- OECD Tractor Certification Scheme (1988)*(* India contributes financially to these Schemes as a member).

Other:

- Joint Statement with the IEA (2009)

OECD *iLibrary*

OECD iLibrary provides access to publications from the OECD, the International Energy Agency (IEA), the Nuclear Energy Agency (NEA), the International Transport Forum (ITF), the OECD Development Centre and PISA (Programme for International Student Assessment).

The iLibrary is available 24 hours a day, 7 days a week and provides unlimited multi-user access to 1 000 journal issues, 2 900 working papers, 2 500 multi-lingual summaries, 6 200 e-book titles, 14 000 tables and graphs, 21 000 chapters and articles, and 390 complete databases with more than 4 billion data points.

→ www.oecdilibrary.org

The Organisation for Economic Co-operation and Development (OECD) is an international organisation helping governments tackle the economic, social and governance challenges of a globalised economy. It provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

The OECD member countries are: Australia, Austria, Belgium, Canada, Chile, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States of America.

www.oecd.org/India

The Global Relations Secretariat (GRS) helps coordinate the OECD's relations with non-member countries and with other international organisations.

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