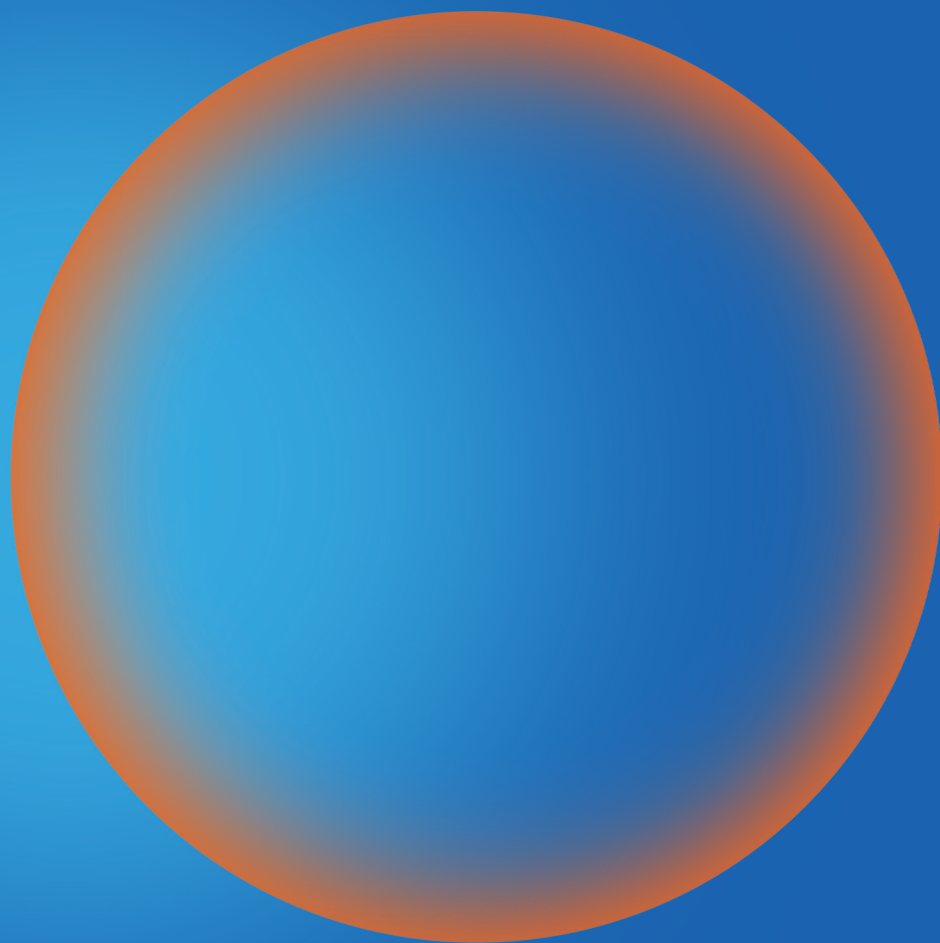


# Meeting of the OECD Council at Ministerial Level

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## STRATEGIC ORIENTATIONS OF THE SECRETARY-GENERAL



**The Secretary-General's  
Strategic Orientations  
for the 2023-24 Biennium**

## *THE SECRETARY-GENERAL'S STRATEGIC ORIENTATIONS FOR THE 2023-24 BIENNIUM*

1. This note sets out my Strategic Orientations on priorities for the Organisation over the coming biennium. These views have been shaped by the evolving global economic, political and social context and Council's discussions on the themes for the 2022 Ministerial Council Meeting (MCM), as well as the outcomes of the 2021 MCM and the 2021 Global Strategy Group Meeting. They also reflect my ongoing dialogue with Leaders, Ministers, Ambassadors, and other stakeholders, as well as my consultations with Council in the context of preparations of the 2023-24 Programme of Work and Budget (PWB).
2. We are facing one of the most challenging moments in history. After two difficult years marked by the COVID-19 pandemic, we are all deeply distressed to watch the terrible atrocities inflicted on the people of Ukraine as they continue to unfold in the course of Russia's unprovoked, unjustifiable and illegal war of aggression. The war has caused a deeply distressing humanitarian disaster and thrown the global economic recovery into doubt.
3. The analysis in the *March 2022 OECD Economic Outlook: Interim Report*, and the preliminary projections for the forthcoming June 2022 *OECD Economic Outlook*, indicate that the war in Ukraine will have a sizeable negative impact on global growth while pushing inflation, which was already rising in many countries, higher still. Compared to the December 2021 *OECD Economic Outlook*, global GDP growth in 2022 is likely to be lower by over 1 percentage point, with inflation more than 2½ percentage points higher than previously foreseen. Moreover, the negative impacts will not be distributed evenly. Surging energy and food prices will hit the world's poor hardest, and countries bordering the conflict will suffer a major economic shock hard coming on top of the continuing legacies of the COVID-19 pandemic.
4. The effects of the war will operate through many channels, and have already begun to appear.
  - The humanitarian cost of the war is high and growing. Over 6.5 million people have already fled Ukraine since the start of the war, far more than the flow of asylum-seekers into Europe at the height of the Syrian refugee crisis in 2015-16, which was on the order of 1 million per year. This is on top of the more than 8 million internally displaced Ukrainians. The inflow of refugees from Ukraine seen so far could result in substantial first-year costs in the major host economies.
  - The major influence of Russia and Ukraine on the global economy comes from their role as important suppliers in a number of commodity markets, including oil and gas, wheat, corn, fertilisers, and a range of metals and minerals. The prices of many of these commodities have increased sharply since the onset of the conflict, owing to the risk that the war will result in the removal of a substantial part of supply from world markets. Headline inflation rose further in many economies in March and April, hitting household purchasing power and confidence. The implications of the war for food prices is of particular importance for many emerging-market and developing economies (EMDEs). Any disruptions to wheat and other agricultural exports from Russia and Ukraine could result in serious shortages in many EMDEs, and exacerbate food price increases that are already weighing on vulnerable social groups in all countries. In March, the FAO Food Price Index jumped to its highest level since its inception in 1990.

- The war also threatens to create new supply-chain bottlenecks, just as some of the problems arising from the pandemic were easing. For example, commercial air travel and freight traffic by air and sea have had to be rerouted, becoming more expensive (including because of higher insurance rates) or ceasing altogether. Supplier delivery times rose once again in many countries in March and indicators of freight waiting times and shortages of intermediate goods also rose. The exacerbation of supply-side constraints will prolong inflation pressures and detract from global economic growth.
  - Large output falls in both Russia and Ukraine entail a direct negative effect on global economic activity as well as reducing these two countries' demand for goods and services from other countries. This direct effect is relatively minor given that Russia and Ukraine together account for less than 3% of global GDP and less than 2% of world trade flows. Their financial linkages with other countries are also generally limited, though important for some individual companies.
5. The significant uncertainty arising from the war adds to the challenges already facing policymakers from unexpectedly strong inflationary pressures and imbalances related to the pandemic. OECD consumer price inflation was 8.8% in March, the highest rate since October 1988, with further increases set to occur due to the initial impact of the war on food and energy prices.
  6. There are also other potential longer-term policy challenges arising from the war. These include the need to sustain humanitarian support to an even higher number of refugees over an extended period and help them enter host country labour markets, pressures for higher spending on defence in Europe and elsewhere, and the potential fragmentation of the global economy into rival blocs separated by barriers. The war also reinforces the need for all countries to strengthen energy and food security.
  7. While taking all the necessary and appropriate steps to mitigate the many challenges and risks caused by the war, we should also plan now how we can best support the democratically-elected government in Ukraine. How the OECD can best work with others to support Ukraine's reconstruction and recovery effort and how Ukraine can best be integrated more strongly and deeply into the community of market-based democracies around the world post-war.
  8. The OECD stands in strong solidarity with the Ukrainian people. My proposal on OECD support for Ukraine's recovery and reconstruction sets out what could be done in the short-, medium- and long-term leveraging our existing co-operation with the necessary ambition in the current context, in close coordination with relevant international partners such as the UN, multilateral banks such as the EIB and the EBRD and international economic organisations such as the IMF and the World Bank Group. While these ideas are necessarily preliminary, they are also ambitious. In recent times, the Ukrainian President, Volodymyr Zelenskyy, the President of the European Council, Charles Michel, and others have directly called for a new Marshall Plan for Ukraine. While it is hard in the midst of the current intense military conflict to envisage exactly when such a plan can be implemented, and the OECD's role, there are some things that can be done now that would send an important positive signal and give hope to the democratically-elected government and people of Ukraine. As a first step, we are establishing an OECD Ukraine Liaison Office, initially in Paris and as soon as possible in Kyiv.
  9. In the interim, we remain agile in responding to requests for OECD support from Ukraine; for example, by leveraging our private sector networks to see whether manufacturers can play an active role in providing farm machinery, seeds, fertilizers and pesticides, as well as fuel and logistical support, to maintain farm production. Building on the successful model and experience of the Digital COVID-19

Hub, our forthcoming Ukraine Hub will serve as a one-stop-shop to inform and support policymakers in OECD Member countries, as well those countries and regions most affected by the crisis. We will focus initially on the humanitarian crisis and the immediate economic and social impacts. As the situation evolves, our attention will likely shift to the longer-term domestic and global recovery efforts as well as the more structural and systemic adjustments to be considered.

10. Addressing the social and economic impacts of the COVID-19 pandemic and its longer-term consequences remains a key policy priority, while using the recovery phase to better align our economies with a more sustainable future. Disparities in access, distribution and uptake of vaccines across countries remains a major source of uncertainty. New outbreaks of the virus remain a risk to the economic outlook. We must continue to pursue an all-out effort to reach the entire world population with vaccines as quickly as possible. At the same time, we should build greater resilience to future health crises.
11. Despite increasing climate ambition globally, we continue to face a devastating environmental crisis. Urgent action is required. The COVID-19 crisis has contributed to an acceleration of the digital transformation. While this is delivering many benefits and opportunities, it also creates risks. These include persistent and, in some cases, widening digital gaps across economies and societies. As highlighted by the Ukraine crisis, we also need to redouble our efforts to tackle cybersecurity and mis- and disinformation. Our economies and societies also face longstanding structural challenges, including sluggish productivity growth, declining business dynamism, population ageing, rising inequality and lower trust in institutions.
12. The OECD is delivering policy analysis, data, evidence-based standards and tools to identify what works. We are supporting our Members and Partners in navigating these twin – green and digital – transitions and challenges.
13. The year 2021 was historic for the OECD. Our 60<sup>th</sup> anniversary was an opportunity to renew and reinforce our shared values – multilateralism, democracy, open markets, inclusiveness, sustainability, peace and prosperity – through the adoption of the OECD 60<sup>th</sup> Anniversary Vision Statement and new Global Relations Strategy.
14. We brokered a landmark global agreement to address the tax challenges of the digital economy. We made significant contributions to global dialogue on the COVID-19 recovery. We adopted cutting-edge standards on competitive neutrality, as well as on enhancing access to and sharing data. We also delivered ground-breaking inputs to support COP26 discussions, including launching the International Programme for Action on Climate (IPAC), and promoting transparency and action on climate finance.
15. In the 2023-24 biennium, we must build on these achievements. Our work will be framed around the five priority areas set out in my speech at Part One of the 2021 MCM.

**First, optimising the strength and quality of the ongoing recovery from COVID-19 while responding to the economic and social impacts of the war in Ukraine.**

16. Our essential mission of the past – to promote stronger, cleaner, fairer economic growth and to raise employment, living standards and well-being – remains our critically important mission for the future.
17. We need to continue to help governments at all levels and work with stakeholders to overcome the economic, social and health challenges caused by the pandemic. We will support countries to integrate

the lessons learnt from the crisis into economic, employment, social and health reforms. The focus will be on driving the twin – green and digital – transitions while ensuring social cohesion, social mobility and equality of opportunity. In this regard, we will develop an OECD Observatory of Social Mobility and Equal Opportunity, to be led by the Centre on Well-being, Inclusion, Sustainability and Equal Opportunity, to gather new evidence on this important cross-cutting issue.

18. Core to our mission and that of all governments is the preservation, restoration and creation of as many quality, productive and rewarding jobs as possible. Most jobs will be created by viable, successful and growing private-sector businesses that are operating in open, efficient and competitive markets. Small- and medium-sized enterprises (SMEs), particularly new innovative firms and start-ups, will be key actors in job creation. The OECD has a critical role to play in identifying framework conditions, policy incentives, and targeted support measures that will allow SMEs and new dynamic firms to serve as engines for the recovery.
19. Fulfilling our mission also involves expanding and improving active labour market policies. This includes investing in effective education and skills policies with a particular focus on upskilling and re-skilling, as well as on digital skills. We also must promote a culture of lifelong learning. Existing barriers to labour force participation need to be addressed, especially for some groups in society that face persistent challenges. Our global Skills Surveys will enable countries to track progress on opportunities and outcomes. We will also help countries build the necessary social policies to support and protect those who struggle, including labour migration and integration policies. All levels of government and firms have an important role to play.
20. We need to continue to build the evidence base and to reinforce our capacity to advise governments on how to best balance pro-growth policies (including industrial, innovation, competition, trade and investment) with appropriate social and environmental policies, sound fiscal policy, good corporate governance and responsible business conduct.
21. We must remain mindful of intergenerational equity, fairness and opportunities for all. Across all areas of our policy work, we should focus on building a better world with better opportunities for the young people of today and of tomorrow, guided by the updated OECD Youth Action Plan, the draft Recommendation on Creating Better Opportunities for Young People, and our ongoing work on child well-being. This includes developing hands-on, practical guidance on the design and implementation of youth policies for OECD Members. We must also continue to support reforms to address the economic and social consequences of population ageing.
22. Similarly, we should ensure full alignment with the OECD's vision for the coming decade by mainstreaming gender into all OECD analysis, research, and policy advice and by producing robust and ground-breaking gender disaggregated data in all areas of our work. The upcoming reports on Member country implementation of the OECD Recommendations on Gender Equality in Education, Employment and Entrepreneurship and on Gender Equality in Public Life, as well as improving the ongoing review of the OECD Social Institutions and Gender Index (SIGI), will be central to our efforts. In addition, we must strive to establish a gender peer review, an OECD baseline diagnosis of gender policies and institutional settings in our governments to allow Members to move forward with a solid and sustainable gender agenda.
23. We must advance the statistical agenda on economic performance and social progress, especially in terms of promoting greater timeliness, granularity and interconnectivity. We will do so by providing

platforms for governments to share policy practices and tools to improve well-being. We will continue to develop our global surveys on educational outcomes. We will also implement our Smart Data Strategy, modernising the collection, analysis and dissemination of data, in line with our Recommendation on Good Statistical Practice. We will tap into new data sources and data science techniques, and collaborate internationally on data standards and tools.

24. Importantly, we also need to identify the key lessons from the pandemic to ensure that we are better prepared for future challenges. This includes work on restoring and reinforcing trust, in order to re-establish a solid foundation for our democracies in the future.

**Second, leadership on climate action to help secure global net-zero by 2050 in a way that is effective and fair.**

25. More and more countries, cities, regions and firms are committing to net-zero emissions by no later than 2050. The challenge now is to turn those commitments into tangible outcomes and to achieve this objective in a cost-effective, economically responsible and publicly-supported way that does not leave people behind, especially those in jobs, sectors and places where the transition may be felt hardest.
26. Russia's aggression in Ukraine and the cascading impacts on energy price stability, global supply chains and food security, coming on top of the lingering impacts of COVID-19, have added further pressure on governments seeking to act quickly on climate, while creating new short-term challenges.
27. My note on the OECD's contributions to global action on climate change sets out a whole-of-Organisation approach to climate change, which will help guide our efforts in the coming biennium. The approach is framed around five pillars: i) policy pathways to net-zero; ii) adaptation and resilience to climate change; iii) public and private finance, investment, innovation and business action; iv) monitoring and measuring progress towards ambitions; and v) multilateral and multidisciplinary approaches to build co-operation and drive progress. This approach includes the International Energy Agency (IEA), the Nuclear Energy Agency (NEA) and the International Transport Forum (ITF). The Climate Leadership Task Force and the Climate Action Working Group are providing strategic direction on climate change. This ensures coherence and synergies across the OECD's work on climate-related data, multidimensional analysis, and policy advice.
28. In the 2023-24 biennium, as we strive to deliver more integrated climate policy advice, all Directorates and Committees should reflect not only on their potential contributions to OECD action on climate, but on how their work is situated within this broader whole-of-Organisation approach. This must include work to foster greater mutual understanding and common ground with non-OECD members. This approach is embodied by the OECD Horizontal Project on Building Climate and Economic Resilience, as well as tracking progress through IPAC. As part of this work, we need to leverage the OECD's unique cross-cutting expertise with a new focus on enabling transitions and supporting governments in identifying and removing barriers that prevent faster action.
29. In line with the mandate from the 2022 Environment Policy Ministerial Meeting, we should update OECD standards on the environment and consider the possible development of new standards, mindful of avoiding duplication, including, inter alia, on climate change, biodiversity, deforestation, land degradation, plastics, chemicals, sustainable supply chains, transport and environmental compliance assurance.



30. We need to ensure globally more ambitious climate action in a way that is effective and fair. Effective in that ambitious efforts in individual jurisdictions help reduce global emissions rather than just shift them from one to other parts of the world. Fair in that all jurisdictions carry a proportionate and verifiable share of the emissions reduction burden. Over the past few months, I had very productive exchanges with Leaders and Ministers on my proposal to create an Inclusive Forum on Carbon Mitigation Approaches. The Inclusive Forum will build on the successful model of the G20-OECD Inclusive Framework on BEPS to help facilitate an evidence-based multilateral exchange of information about the different policy approaches around the world to reach net zero emissions. Over time, better data and information sharing and the sharing of best practices to reach net zero emissions will help inform better decisions around the world. The inclusive dialogue of the forum will help contribute to a globally more coherent and better-coordinated approach on climate mitigation policies. This inclusive multilateral dialogue would involve advanced and emerging economies, as well as developing economies from around the world on an equal footing. This dialogue, informed and facilitated by technical and objective analysis, will help ensure the global effectiveness of combined carbon mitigation efforts, also by working to avoid any negative spill-overs, which may slow progress in lifting climate ambition and effort to the level required to achieve net zero emissions, like trade distortions and carbon leakage. To date there is no forum that provides comprehensive analysis on policies to address climate change, their comparative effectiveness and costs. The Inclusive Forum will be developed in a horizontal manner, led jointly by the Economic Policy Committee (EPC), the Environment Policy Committee (EPOC) and the Committee on Fiscal Affairs (CFA).

**Third, seizing the opportunities of the digital transformation while better managing some of the associated risks, challenges and disruptions.**

31. The digital transformation of our economies has accelerated during the COVID-19 pandemic. This transformation offers many benefits and opportunities – spurring innovation, improvements in efficiencies, goods and services, and the opening of new economic frontiers. But it also presents new and growing risks, including the digital divide among individuals, firms, regions and cities.
32. There is a need for broad reflection on models of digital and technology governance to ensure they are fit-for-purpose. The challenge is to collectively construct practices and policies that can effectively shape the trajectory of this transformation so that it supports and advances value-based and human-centric standards that respect people’s rights, the rule of law and democracy. We must continue to set and support implementation of landmark standards, such as those on Artificial Intelligence, that are anchored in both values and evidence. This includes work around digital security, mis- and disinformation, and the development and application of Block-chain technologies, forms of tokenised and crypto-assets, and the impact of these technologies on market stability, transparency and integrity. The OECD is also well-placed to share good practices and inform policy dialogue among Members and non-Members on digital and production transformation.
33. Our comparative data and policy analysis needs to help countries identify and assess existing and emerging technologies, and manage these opportunities, risks and challenges to ensure everyone has the opportunity to participate and benefit. This includes analysis on transitional support, place-based impacts, skills development requirements, workers’ rights for new forms of work, cybersecurity, privacy, financial literacy, consumer protection, online violence and illegal content, improved digital infrastructure (especially in remote rural areas), and impacts on economies, markets and competition.

34. A key priority in 2023-24 will be the continued development of governance frameworks for data and an evidence base and potential standards to support global dialogue on cross-border data flow and data free flow with trust. This will include its application in the context of digital identity, including through our Digital Trade Inventory.
35. In all of these areas, the OECD's work needs to be at three levels. First, we must keep up with ongoing technological advances (e.g. quantum computing) to stay at the frontier of policy discussions. Second, our policy advice must help Members realise the potential of digital transformation, including by strengthening the co-ordination of digital policies and ensuring policy coherence. Third, we should support international co-operation to diffuse the OECD's principles, standards and good practices, and strengthen our influence in the global policy community.
36. In the coming biennium, it will also be crucial to implement the landmark global agreement on the two-pillar solution to address the tax challenges arising from the digitalisation of the economy, as we continue to lead the global fight against tax evasion and multinational tax avoidance.

**Fourth, helping to ensure well-functioning global markets and a global level playing field with a rules-based trading system in good working order.**

37. The expansion of world trade and investment is one of the most important drivers of further economic development and better international economic relations. While global supply chains proved more resilient than expected during the COVID-19 crisis, they are facing renewed pressure in the wake of the war in Ukraine. We need to continue to strengthen the rules-based international trading system by ensuring that markets remain open to trade and investment to the greatest extent possible and by supporting trade diversification to strengthen supply chain resilience and the strategic autonomy of countries. There is an opportunity for OECD countries to speak with one voice within the WTO and other global platforms, and to push back against the forces of economic nationalism and protectionism while making sure, however, that the benefits of trade are widely and fairly shared. Our evidence on trade (through our work on Trade in Value-Added (TiVA), our Services Trade Restrictiveness Index, our Trade Facilitation Indicators, our work on trade-distorting subsidies in sectors from agriculture, fisheries, semiconductors, to steel and fossil fuels, and on Aid for Trade), and on investment (through our work on FDI Regulatory Restrictiveness Index, our FDI Qualities Indicators, and our work on monitoring investment measures) will be crucial to help inform global discussions and actions.
38. We need to promote policy settings that facilitate, encourage and incentivise the post-COVID recovery and investment. The resilience of global supply chains should be enhanced by anticipating risks, minimising exposure to shocks, building trust through public-private co-operation, and keeping markets open. We need policies that seek to provide the appropriate competitive environment and a level playing field in line with the new OECD Council Recommendation on Competitive Neutrality. We must avoid inefficient market concentration and distortions, and reduce barriers to new market entrants and smaller firms while addressing corruption and illicit trade. We must also leverage our existing standards, such as the OECD Guidelines for Multinational Enterprises, the OECD Due Diligence Guidance for Responsible Business Conduct and the OECD Initiative for Policy Dialogue on GVC, Production Transformation and Development, to build more resilient and sustainable global value chains. Our work on FDI Qualities can serve as important resource for policymakers in ensuring that international investment contributes to the realisation of the UN 2030 Agenda for Sustainable Development.

39. We need to support international efforts to “build back better” and help bridge the infrastructure investment gap through operationalising the G20 Principles for Quality Infrastructure Investment and other best practices. We will continue engaging with international fora, such as the G20 Infrastructure Working Group, and contribute to the implementation of innovative initiatives, such as the Blue Dot Network that aims to provide a common platform of shared standards for quality infrastructure investment that can support complementary G7 and other international infrastructure investment initiatives. The OECD is analysing how Environmental, Social and Governance (ESG) factors can be applied to sustainable infrastructure. An examination of the legal and regulatory barriers to quality infrastructure investment is expected to lead to recommendations on the legal and regulatory frameworks that could support investments in quality infrastructure. This is intended to support the decision-making of private investors into infrastructure investment, and could also contribute to and support international efforts, such as the EU Global Gateway.

**Fifth, global engagement: advancing OECD standards, through membership and partnerships and a sound approach to development.**

40. OECD membership remains the most direct and effective way for us to ensure the adoption and dissemination of our shared values, standards and good practices. Following Council’s historic decision in January, we are moving forward with the accession process for Brazil, Bulgaria, Croatia, Peru and Romania. We are developing the draft general text of the Accession Roadmap and the Accession Core Principles in consultation with Members, after which consolidated individual Roadmaps will be presented to Council for consideration and adoption by consensus. As the accession process advances, our technical assessments of each candidate country must be robust, with no guarantees and no fixed timeframes for a final decision on membership. It is imperative that we do not compromise on our requirement for candidate countries to demonstrate a clear commitment to our shared values, standards and good practices. We will continue to engage with Argentina to highlight the relevance of the opportunity they are letting down by not confirming their adherence to the values, vision and priorities reflected in the new OECD 60<sup>th</sup> Anniversary Vision Statement and 2021 Ministerial Council Statement.
41. Guided by our new OECD Global Relations Strategy, we must renew our engagement with the Asia-Pacific region. Strengthening our co-operation with Southeast Asia is a top priority, as well as ASEAN countries, China – guided by our Strategic Framework for Co-operation – and India. Given the central role of this region in driving global economic and population growth, migration, energy demand, innovation and more, it is a critical part of seeking effective solutions to global challenges. We should seek to design a new co-operation framework with Africa, in consultation with relevant African stakeholders, which promotes better mutual understanding and stronger co-operation on an equal footing. We should also strive to better define the framework for our future engagement with other partner regions while ensuring the effective implementation and high impact of all our regional programmes, including in the Middle East and North Africa (MENA), Eurasia, South East Europe, and Latin America and the Caribbean. We should also leverage on OECD bodies with members from these regions, such as the Development Centre and the Sahel and West Africa Club.
42. We will continue to reach out to Key Partners – Brazil, China, India, Indonesia and South Africa – and encourage them to participate actively in the work of OECD bodies, request adherence to our legal instruments, and agree to mechanisms for identifying mutually beneficial work priorities. Building on the success of our Strategic Framework for Co-operation with China, and the more recently adopted framework with Indonesia, we should develop similar strategic frameworks to guide our engagement

with other Key Partners. This will be particularly important in the 2023-24 biennium, as we prepare to support India and Brazil's G20 Presidencies in 2023 and 2024, respectively, to be followed by South Africa in 2025. We will continue to create synergies between our global relations work and our support for global governance fora, such as the G7, G20, APEC and ASEAN.

43. We must also continue to strengthen the effectiveness of our development co-operation and our policy dialogue with developing countries, including by improving the coherence and co-operation of the OECD's development cluster. This will include renewing the OECD's approach on development, as called for in the new OECD Vision Statement. Developing countries need our engagement and co-operation more than ever – to implement the UN 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDGs), as well as to ensure access to vaccinations, to trade, to investment, and to development finance. In particular, developing countries need support to deal with the climate challenge for their energy and digital transitions, ensuring no one is left behind. We will work to improve the efficiency and market integrity of sustainable finance, and to bridge the finance, investment and development communities to better mobilise and align private and public financial resources with the SDGs.

### Supporting multilateral co-operation to address global challenges

44. One thread runs across all five priorities for the 2023-24 biennium – the need for solid multilateral co-operation and institutions. Faced with tendencies towards protectionism and de-globalisation, which may undermine open markets and multilateralism at large, we need to restore public trust in the value of global economic relations and in multilateral approaches to shared challenges. We must further strengthen our collaboration and engagement with the G7, G20, APEC and other international fora, to disseminate OECD standards globally, and to promote a level playing field, mindful as always of the evolving geopolitical context. We must work hand-in-hand with other international and regional organisations, including the United Nations system, to support collective policy action on new and emerging challenges. We should also expand the presence of the private sector and civil society in our discussions. We will do this by building on our excellent, decades-long collaboration with Business at OECD (BIAC), the Trade Union Advisory Council (TUAC) and the OECD Watch. We should also leverage platforms for collaboration such as Business for Inclusive Growth to develop longer-term partnerships where they can help us deliver valued outcomes to Members.

### Ensuring operational and management excellence

45. Alongside our outward-facing priorities, we will modernise the way we operate. The OECD should be a model of good governance, management excellence, integrity, resource efficiency and digital security. We will advance an independent external evaluation as part of these efforts. This evaluation will involve a root and branch review of the Organisation and assess whether we are equipped to deliver on our mission – to remain a global leader in providing high quality, evidence-based analysis, in benchmarking policies and in developing policy guidelines and legal instruments in the years ahead.
46. We will pursue improvements and reform in several priority areas. These will include: i) advancing a modern Human Resources Strategy to support the ongoing delivery of the Programme of Work and Budget, which recognises the importance of diversity in merit-based selection processes, including gender and national representation; ii) advancing the New Employment Package to address the long-standing issue of conversions and grading; iii) fostering staff professionalism and integrity, including through an appropriately strong ethics function; iv) ensuring the long-term financial stability of the

Organisation, by better defining the role of Voluntary Contributions in the funding mix, by pursuing reforms of the New Pension Scheme and by determining the optimal form of engagement with the Coordinated Organisations system; v) enhancing collaboration across all parts of the Organisation; vi) advancing a Communications Strategy to strengthen and better organise communications with Members and beyond, to plan for a new approach to dissemination of OECD data and information, and to ensure that the internal Secretariat communications function is efficient and fit-for-purpose; and vii) continuing to facilitate a smooth and safe return to the workplace as we move out of the pandemic.

47. We will modernise our digital platforms, enhance the digital experience of Members and online visitors, and improve digital security and data protection.
48. We will continue our own efforts as an organisation to achieve and maintain carbon neutrality and support sustainable operations.
49. Some opportunities for reform will be relatively straightforward. Others will require further reflection, including on resourcing the more ambitious reforms aimed at fit-for-purpose governance structures. In areas that require more systemic change, we will draw on the recommendations of the independent external evaluation, in consultation with Members.

## In conclusion

50. The world faces a range of complex and difficult challenges. Russia's unprovoked aggression against the democratically-elected government of Ukraine and its people have elevated geopolitical threats to their highest levels in decades. In many parts of the world, the institution of democracy is under threat. The crude appeal of authoritarianism appears to be winning more admirers. The COVID pandemic has stunted economic growth and harmed living standards. Trade protectionism persists in too many regions of the world and is on the rise in others. The use of economic coercion is expanding. The climate change threat is existential.
51. As in similar periods in the 20<sup>th</sup> century, the actions of like-minded democracies have never been more important. The OECD is the most influential coalition of like-minded democracies in the world. We should not underestimate the weight of our joint action nor the responsibility we share to exercise that influence for good purposes.

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

# OECD MINISTERIAL COUNCIL MEETING 2022

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