

For Official Use**English - Or. English****27 October 2021****COUNCIL****Council****IN-DEPTH EVALUATION OF THE ECONOMIC AND DEVELOPMENT
REVIEW COMMITTEE****Executive Summary****JT03483954**

IN-DEPTH EVALUATION OF THE ECONOMIC AND DEVELOPMENT REVIEW COMMITTEE

The Economic and Development Review Committee (hereafter “the Committee” or “EDRC”), established in 1961, has as its primary objective to improve the economic performance of Members and selected non-Members on a sustainable basis by promoting a better understanding of their key economic challenges to help strengthen their economic policies. It does so through its Economic Surveys and peer review processes. The EDRC’s Chair is generally a well-known expert who is not usually an existing EDRC delegate while the Committee’s delegates are Economic Counsellors from the Permanent Delegations to the OECD based in Paris.

This In-depth Evaluation assesses the performance of the EDRC notably against the primary objective outlined above. This IDE finds the objectives and work of the Committee to have a “medium to high” relevance for Members. Economic Surveys are used by the examined countries as input for policy development, to stimulate or support reform proposals, as a reference in policy discussions, and for background knowledge, frequently alongside other materials. Other countries’ Economic Surveys are used by Members as background information for internal notes, talking points or research; monitoring economies; or for benchmarking and identifying good practices in peer economies. Use of other countries’ Economic Surveys tends to occur when it is part of an individual’s work portfolio (hence the importance of knowing and disseminating them to the full range of end-users). Benchmarking and identifying good practices requires some knowledge of what other countries’ Economic Surveys contain.

In some instances, it is possible to point to a direct influence of the OECD Economic Surveys on policy development; generally, however, the exact contribution can be difficult to pinpoint amidst the other sources and factors that affect policy formulation and reform. The quantitative assessment suggests that, considering Members’ assessments of Member Economic Surveys, the impact rating would be “high to very high”. Members’ assessments of the impact, on the design and implementation of their policies, of non-Member Surveys lead, on the contrary, to a “very low” rating. This means that, understandably, non-Member Economic Surveys have little impact on Members’ policy making but serve rather as reference material. A similar pattern exists for non-Members, which rate non-Member related Product Groups as having a “very high” impact but Member-related Product Groups as having a “medium” impact.

Interviews with policymakers in selected Members confirm the important role played by the Economic Surveys in policy-making processes of examined Members. In addition, Economic Surveys have been referenced in OECD G20-related documents, particularly as relates to the themes of “Strong, Sustainable, Balanced and Inclusive Growth”, as well as “Sustainability – Climate Sustainability and Energy.”

Several factors influence Economic Surveys’ use and impact in Members. Overall, the quality of the Economic Surveys is well regarded and value is placed on an external view. Where suggestions are offered, they often aim to further reinforce the usefulness of recommendations, such as by ensuring they are sufficiently actionable, prioritised, and take countries’ specificities into account. The comparative advantage of the OECD on structural issues, the cross-country perspective and the fact that the Economic Surveys allow for international comparisons are seen as an advantage of the EDRC. The pertinence of thematic chapters is positively viewed and noted to be a key factor in facilitating their use.

The domestic policy environment and timeliness play important roles in facilitating (or hindering) the impact of an Economic Survey. Where the timing is right, the Economic Survey may find a receptive

audience and encourage reform. In other instances, the local context may not be fully conducive to change at the time of Survey publication. In some instances, recommendations have been repeated from one Survey to the next. In the right circumstances, this can be helpful as the Economic Surveys address policies that may be difficult to change and it can garner political attention.

The Committee functioning is “highly satisfactory”. Delegates offer a positive assessment of the outcomes of the priority setting processes, although earlier discussion around the programme of work and budget would be welcome. The Committee meets frequently – approximately 20 times per year – to conduct country examinations, meetings which participants find well-run, substantive, and informative. Delegates tackle other issues in “special meetings”. These, too, are seen as useful. At present, however, their schedule is ad hoc and greater predictability would be welcome.

Horizontal linkages with other OECD bodies are strongest with the Economic Policy Committee (EPC) and, particularly, its Working Party 1 (WP1). The Committee has also engaged with Horizontal Projects including “Building the OECD Housing Strategy” and Going Digital Phase II. It often benefits from EDRC delegates’ engagement with other bodies and projects in their role as Economic Counsellors to do so. Committee-to-committee engagement is limited, although the EDRC did reach out to the Working Group on Bribery in International Business Transactions on issues of corruption. The Committee could consider similar opportunities to engage directly with other OECD bodies, whenever relevant and worthwhile, to support the Committee’s aim of ensuring consistency in its treatment of issues that feature across Economic Surveys.

With respect to global relations, the Committee has reviewed 38 non-Member Surveys during the evaluation period. While, as indicated above, non-Member Surveys understandably have a notably lesser policy impact for Members than their own Economic Surveys, there is some evidence that their impact has been felt in non-Member countries. Interviews suggest that engagement with the Committee could be greater for some non-Members. For 2021-22, Key Partner Surveys will be financed by voluntary contributions. While some delegates perceive that the new financing arrangement could increase ownership by Key Partners of their economic reviews, it also presents the possibility that some Key Partner Surveys may go unfunded, hence not carried out.

A number of international organisations are able to participate in regular meetings of the EDRC. Feedback from international organisations on their engagement with the Committee is positive, highlighting the value of the Economic Surveys for contributing to and complementing their knowledge base.

Business at OECD (BIAC) and the Trade Union Advisory Committee (TUAC) have no formal engagement with the Committee, however, country missions usually include consultation with representatives of business and trade unions often associated with these two organisations. Interviews suggest that both BIAC and TUAC view the EDRC and its work as important and impactful and would welcome greater engagement with the Committee. While the added value of BIAC and TUAC participation in regular meetings is unclear for some delegates, others note that Economic Surveys address themes of mutual interest and could see benefit in considering some form of consultation.

Against this backdrop, the IDE sets out six recommendations to further enhance the Committee’s performance and the impact of its products.

Assessment¹

<i>Relevance</i>	<i>Medium to High</i>
<i>Effectiveness</i>	<i>High</i>
<i>Quality of Committee Products</i>	<i>Medium to High</i>
<i>Committee functioning</i>	<i>Highly Satisfactory</i>

IDE recommendations

Recommendation N° 1: The Economic and Development Review Committee should review its EDRC Delegate Evaluation form and EDRC Feedback Questionnaire and use them more systematically, with the aim of strengthening impact.

Recommendation N° 2: In order to further increase relevance and impact of Economic Surveys, and to better leverage them, the Committee should further promote their use both among Members and non-Members.

Recommendation N° 3: Whenever relevant and worthwhile, notably in view of the thematic chapters and following recent experience, the Economic and Development Review Committee should continue to identify opportunities to engage with other OECD bodies, to support the Committee's interest in ensuring consistency in its treatment of issues that feature across Surveys.

Recommendation N° 4: The Economic and Development Review Committee should reflect on the experience of virtual meetings to determine if any lessons could be identified to facilitate increased remote participation by non-Members during and after the COVID-19 pandemic.

Recommendation N° 5: The Economic and Development Review Committee should assess the possible consequences of having replaced the Part I funding of Key Partner Surveys by voluntary contributions, on the basis of the experience acquired during the first biennium having this arrangement and, depending on the outcome of this assessment, possibly revise the arrangement.

Recommendation N° 6: The Economic and Development Review Committee should reassess its current approach towards Business at OECD (BIAC) and the Trade Union Advisory Committee (TUAC), with a view to further strengthening communication and feedback loops during the preparation of country missions.

¹ Relevance, effectiveness and quality are rated on a 9-point scale (Very Low / Very Low to Low / Low / Low to Medium / Medium / Medium to High / High / High to Very High / Very High); committee functioning is rated on a 5-point scale (Poor / Fair / Satisfactory / Highly Satisfactory / Excellent).