

COUNCIL

Council

**IN-DEPTH EVALUATION OF THE ECONOMIC AND DEVELOPMENT REVIEW COMMITTEE
(EDRC)**

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EXECUTIVE SUMMARY

In 2007, a major financial and economic crisis started to unfold in and beyond OECD Members. This crisis highlighted weaknesses in the major international organisations' multilateral surveillance activities, whose warnings went unheeded or which failed to alert countries to the risks to their own and the global economy.

Within the OECD, multilateral surveillance falls under the responsibility of the Economic and Development Review Committee (EDRC) and the Economic Policy Committee (EPC), with the EDRC being accountable for the *Country Peer Reviews of Economic Policies* (Output Area 1.1.2).¹ The conclusions of this evaluation, which draw on analyses showing that the Committee has performed well in most regards, take into account the variable capacity of Economic Surveys to pick up on financial market related issues in the lead into the crisis which consequently meant that the possibility of informing Members' policy in this area at a crucial time was limited.

ASSESSMENT

Relevance: High

- The EDRC's work programme and mandate objectives are well aligned with, and of high relevance to, the needs of policymakers.
- The Output Area for which the EDRC is accountable has moved from a low to a medium priority for Part I funding during the review period.

Efficiency: High

- All the EDRC's products completed between 2005 and 2010 are judged as being of high or very high quality by Members, although quality has become more variable in the latter part of the review period. Recommendations developed within the framework of the Economic Surveys, however, represent a weak spot in an otherwise highly regarded product.
- The EDRC operates on the basis of a regularly updated set of *Agreed Principles and Practices* which detail and codify its responsibilities, functioning and much of the survey process. The functioning of the Committee is largely satisfactory in terms of both programming and the way in which it conducts its work. By contrast, the selection of structural topics is not documented and the reasoning behind the choices is not made clear to the Committee.
- The survey process has been strengthened through a number of initiatives introduced since 2008, which *inter alia* have both helped focus interventions by examiners in EDRC meetings so as to shape discussions and helped focus other delegates' questions on key policy issues and modifications to the survey assessment and recommendations. However,

1. The current mandates of both Committees imply *inter alia* that they share responsibility for highlighting economic risks, with a stronger focus on detailed country-specific level in the case of the EDRC and on both the national and the international level in the case of the EPC.

when draft Surveys are reviewed in the Committee, exchanges on structural topics can be weak, and more generally, many delegates are not active contributors to discussions.

- Engagement with non-Members is through *ad hoc* observerships and the integration of Enhanced Engagement and Accession countries into the Survey process. Over time, the participation of non-Members has been strengthened, firstly with the full alignment of non-Member Surveys with those of Members and, secondly, with non-Members taking an increasingly active role in the Surveys of their counterparts.
- The EDRC has close and crucial links with the Economic Policy Committee, particularly via the EPC's Working Party N°1 on Macro-Economic and Structural Policy Analysis (WP1). A key longstanding linkage in this context has been via the development by WP1 of 'concept' or 'framework' papers used as the basis for structural chapters in Surveys. After being relatively weak in the early part of the review period, this linkage has recently intensified. The EDRC and WP1 have also collaborated closely during the review period in the framework of the EPC initiated project on *Making Reform Happen*. In the case of other committees, the quality of interactions varies from case to case. A number of initiatives, both at delegate and Secretariat level, have been introduced to reinforce this aspect of the Committee's functioning.
- The IMF has been an important contributor to the EDRC's work. By contrast, the Committee's engagement with other international organisations, including those in a position to provide inputs on financial market issues and non-Members, has been limited.

Effectiveness: High

- The EDRC's work has had a significant and longstanding impact, especially in the case of Members' own Surveys and in terms of opinion forming up stream of future policy reforms. In the 2009-10 period, supporting measures in the form of Country Brochures and more active efforts by the Organisation to raise the visibility of the work appear to have reinforced the impact of the Surveys. In line with the Committee's objective, introduced in the 2009-10 Biennium, of improving understanding of the economic performance of the BRIC countries as major emerging economies, the impact of the non-Member Surveys was significantly higher towards the end of the review period.

RECOMMENDATIONS

Recommendation N°1: The EDRC should improve the design of Survey recommendations, particularly with respect to their focus, in order to reinforce their implementability and policy impact, and ensure they are more explicitly prioritised and their follow up over time strengthened.

Recommendation N°2: The EDRC should ensure that the consequences of financial market developments for the real economy and vice versa are adequately examined in Surveys.

Recommendation N°3: The EDRC should document more clearly in its *Agreed Principles and Practices* the process by which structural topics for Economic Surveys are decided and ensure that it is regularly informed about which structural topics are being taken up in forthcoming reviews, as well as the criteria used to select them.

Recommendation N°4: The EDRC should reinforce its capacity to have structured, in-depth discussions on structural topics through a greater participation in meetings of delegates with relevant expertise, including, where practical, by the use of electronic means to encourage contributions to be made directly from capitals.

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Recommendation N°5: The EDRC should seek to increase the level of involvement of the World Trade Organization, the Bank for International Settlements and the World Bank in its work, via their status as observers.

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1. The Economic and Development Review Committee and its policy context

1. The Economic and Development Review Committee (EDRC) was created in 1961 and charged primarily with responsibility for examining the economic situation of OECD Members. Its mandate was revised in 2006 and then renewed in 2008 until the end of 2013. The committee is composed of a single Level I body with no substructure. Its delegates are mainly drawn from the Economic (and Financial) Counsellors located in the Permanent Delegations.

2. The EDRC is assigned accountability for work conducted in Output Area 1.1.2 (Country Peer Reviews of Economic Policies).

3. The policy context for the work of the EDRC, as derived from the PWBs of 2005-06, 2007-08 and 2009-10, is that Members are facing key challenges and problems, and are increasingly focusing their attention on medium-term questions (notably sustainable growth including issues of climate change, demographic change, fiscal sustainability, education, labour market participation and, latterly, the operation of financial markets and their effects on economic performance) that need to be addressed through policy reforms.

4. The Secretariat of the EDRC is situated within the Economics Department (ECO).

2. Evaluation methodology and approach

5. This In-depth Evaluation was conducted between January 2011 and January 2012. The Terms of Reference of the evaluation and the draft version of this report were discussed in meetings of the Evaluation Committee during sessions in which the EDRC Bureau and the Secretariat were present.²

6. The evaluation focuses on the orientation of the Committee, its functioning and the Output Results for which it is accountable, as well as the policy use and impacts resulting from them. It covers the period as of 2005 to the present day with regard to the functioning of the Committee, and 2005 to 2010 in the case of the impacts of its work.

7. The Committee was evaluated with respect to the following evaluation criteria:³

- **relevance**, i.e. whether the Committee is addressing the policy needs of Members⁴ and if it is likely to continue to do so in the medium term;
- **efficiency**, i.e. if the Committee is optimising the relationship between its financial and human resource inputs and the quality of its Output Results, with a particular emphasis on its orientation and functioning as key factors in this regard;
- **effectiveness**, i.e. whether the Committee's Output Results are being widely used and if they are bringing about widespread and long-lasting policy development impacts at the level of Members.

2. The meeting to validate the Terms of Reference took place on 31 January 2011. The meeting to validate the draft final report was held on 14 February 2012.

3. For each evaluation criterion, the Committee can be rated as *very low*, *low*, *medium*, *high* or *very high*. Intermediate ratings may also be given, e.g. *high to very high*.

4. Members should be understood to include both Member countries and the institutions of the European Union.

8. In total, 31 interviews took place with delegates, OECD officials and representatives of stakeholder organisations. A survey was conducted to collect data from policymakers, to which 23 Members responded, a participation rate of 65.7%. When weighted by Members' contributions, the participation rate stands at 56.4%.

9. Data from the three Medium-term Orientation Surveys of 2003, 2005 and 2007, and the PIR 2009-10 were also mobilised, along with other appropriate in-house sources.

10. Data sources and processing are described in Annex II.

3. Conclusions and recommendations of the evaluation

11. The extent to which the work programme and policy objectives of the Economic and Development Review Committee are relevant is assessed as high and its performance in terms of how efficiently it has been functioning and how effectively it is achieving its objectives is also assessed as high. In this context, the evaluation identifies five areas where improvements could be made and corresponding recommendations are proposed.

3.1 Assessment of relevance

12. The assessment of **relevance** is based on a qualitative appreciation and synthesis of indicators reflecting:

- the degree to which Members consider that the Output Area for which a committee is accountable represents a priority for the OECD's policy work in terms of changes in Part I funding;
- the degree of alignment between a committee's mandated objectives/expected PWB outcomes and the policy needs of Members' policymakers, using data from the evaluation survey.

13. The work programme and policy objectives of the Committee are assessed as being of high relevance.

14. This rating is based on the observation that, over the period covered by the evaluation, all the Committee's policy objectives are of high relevance to the majority of Members and takes into account the consolidation of the Output Area for which it is accountable as a middle-ranking priority for changes Part I funding.

15. Supporting analyses and findings can be found in paragraphs 46 to 53 in Annex I to this report. Key elements of the assessment are summarised below.

16. The extent to which a committee is able to influence policy development in key areas is determined by its capacity to understand policymakers' needs and transpose them into a set of objectives to be achieved via the implementation of a programme of work. Five policy objectives, drawn from the mandate and work programme of the EDRC, were assessed with respect to policymakers' needs. All were considered to be well-aligned with the policy needs of the majority of Members.

17. Successive Medium-term Orientation surveys covering the review period provide OECD Members with an opportunity to collectively identify future priorities and desired budget reallocations from a whole-of-government perspective. The results indicate that Output Area 1.1.2 (Country Peer Reviews of Economic Policies) has gone from a lower to middle ranking priority in respect to changes in Part I funding since the start of the review period.

3.2 *Assessment of efficiency*

18. The assessment of a committee's efficiency is based upon a qualitative appreciation and synthesis of its:

- technical efficiency, i.e. the extent to which it is producing work of a quality commensurate with the resources it draws from the Part I budget;
- process efficiency, i.e. the extent to which it orients and implements its work in an optimal fashion.

19. The performance of the Committee with respect to the criterion of efficiency is assessed as high.

20. This rating is motivated by the high quality of the ERDC's products and how well the Committee generally functions to oversee the implementation of a large and demanding work programme. It also takes into account specific weaknesses identified in the Economic Surveys, including in the context of the run up to the financial and economic crisis, and the review process in the Committee.

21. Supporting analyses and findings can be found in paragraphs 56 to 117 in Annex I to this report. Key elements of the assessment are summarised below.

3.2.1 *Technical efficiency*

22. While the quality of the EDRC's work has become more variable in the latter part of the review period, it continues to be judged as being of *high* or *very high* quality by at least two-thirds of Members.

23. Against this positive backdrop, the recommendations of the Economic Surveys constitute something of a weak spot for a number of reasons. In particular, they are not prioritised despite the large number that reports contain, they are often high level and imprecise, sometimes they are not fully up to date with current policy approaches and take insufficiently into account issues of feasibility. Follow-up, particularly in terms of understanding why implementation has not taken place, is limited and when recommendations have been implemented, there is limited recognition of achievements which could be helpful when there is a need to defend reforms from being rolled back.

Recommendation N°1: The EDRC should improve the design of Survey recommendations, particularly with respect to their focus, in order to reinforce their implementability and policy impact and ensure they are more explicitly prioritised and their follow up over time strengthened.

24. In the context of the financial and economic crisis, the Surveys were successful in flagging up risks to the Euro Area arising from a lack of fiscal consolidation in some Member States and the challenge of fiscal co-ordination between them. Risks arising from household indebtedness and the housing market bubble were also identified, although these were not highlighted in a compelling or consistent way over time. Significantly, however, the Surveys did not adequately analyse interactions between the financial sector and the real economy, which was a crucial element in the lead in to the crisis.

Recommendation N°2: The EDRC should ensure that the consequences of financial market developments for the real economy and vice versa are adequately examined in Surveys.

3.2.2 *Process efficiency*

25. Dating from 1961, the EDRC mandate was revised two years in advance of its expiry date, in 2006, to clarify the scope of its work and make explicit the policy objectives it aims to achieve. The revision process was one in which the Committee was fully engaged. With respect to the programming process, while there is little variation from one Biennium to next in the work programme as a result of the nature of the EDRC's specialised products, the importance of the BRIC economies for Members was made explicit as part of its Expected Outcomes in the PWB 2009-10. Against this backdrop, the main variables of the EDRC work programme are the timing of surveys and their structural focus. The current survey cycle consists of examinations of Members taking place on average every 24 months. The programme is implemented with an appropriate degree of flexibility so as to optimise the timing of the conducting and delivery of surveys. In respect to the choice of structural topics, while the outcome of the process is announced well in advance of the conducting of surveys, the process itself is not well documented and the reasoning behind the choices, which are made by the Secretariat and the examined country, are not made clear to the Committee as a whole.

Recommendation N°3: The EDRC should document more clearly in its *Agreed Principles and Practices* the process by which structural topics for Economic Surveys are decided and ensure that it is regularly informed about which structural topics are being taken up in forthcoming reviews, as well as the criteria used to select them.

26. The EDRC meets up to 25 times per year with the vast majority of these sessions ('regular' meetings) being dedicated to reviewing draft Surveys. The remaining 'special' meetings deal with strategic and operational issues such as global relations, co-ordination with other Committees, changes to the *Agreed Principles and Practices*, etc. Given the number of meetings, delegates are mainly Paris-based economic counsellors whilst the Chair, as of 2009, has been remunerated through the Part I Budget. Furthermore, the Committee's delegates also meet in the settings of Bureau meeting which take place in extended form, and retreats and workshops organised to discuss and enrich understanding of substantive issues of particular relevance to Surveys.

27. The EDRC's responsibilities, functioning and much of the survey process is codified in a detailed way in the abovementioned *Agreed Principles and Practices*. Over the review period, particularly as of 2008, a number of initiatives have been taken with a view to optimising the functioning of the Committee, notably:

- discussion of relevant international spillovers stemming from government policies;
- inclusion of the Chair's summing up in meeting summaries;
- assigning a non-Member as one of the examining countries in non-Member Surveys;
- seminars organised jointly with other committees and/or with the participation of their secretariats;
- monitoring of meetings of other committees by the EDRC Bureau.

28. The Survey process works well at all stages having been strengthened significantly from 2008 onwards. In the specific setting of the regular EDRC meetings, improvements have taken place in terms of focusing interventions by examiners and the resulting shaping of discussions, and the focusing of the other

delegates' questions on key policy issues, and modifications to the survey assessment and recommendations. However, when draft Surveys are reviewed in the EDRC, exchanges on structural topics can be weak, and more generally, many EDRC delegates are not active contributors to discussions.

Recommendation N°4: The EDRC should reinforce its capacity to have structured, in-depth discussions on structural topics through a greater participation in meetings of delegates with relevant expertise, including, where practical, by the use of electronic means to encourage contributions to be made directly from capitals.

29. In the area of global relations, the focus has been on the Enhanced Engagement and Accession countries through *ad hoc* observerships and their integration into the survey process. In this context, non-Member surveys have been, as of 2008, fully aligned with those of Members. Following the approval of a new strategy in 2010 and the recognition that there remained a need to better involve non-Members in the Committee's work, they are now starting to successfully take an active role as examiners in the Surveys of their counterparts.

30. The EDRC has close and crucial links with the Economic Policy Committee via the EPC's Working Party N°1 on Macro-Economic and Structural Policy Analysis (WP1) and Working Group on Short-Term Economic Prospects (STEP). Some EDRC delegates, in their role as economic counsellors also attend EPC meetings as well as some of its sub-body meetings and the EDRC Chair attends the EPC and WP1 on an *ex officio* basis. At an operational level, these links include both drawing on inputs from the work of these bodies for the Surveys and feeding their results into the work of WP1. In the specific case of WP1, a key longstanding linkage has been via the development of 'concept' or 'framework' papers that have been used as the basis for structural chapters in EDRC Surveys. The strength of this particular linkage has evolved over time, ebbing during the early part of the review period to the extent that there have been concerns that the needs of the EDRC are less well catered for than in the past. However, more recently the link has intensified again in key areas including green growth, tax and growth, healthcare, climate change, housing, infrastructure, social mobility and income distribution. Furthermore, the taking into account of EDRC needs when project selection takes place in WP1 may to some extent be facilitated by recent changes to this process. The EDRC and WP1 have also collaborated closely during the review period in the framework of the EPC initiated project on *Making Reform Happen*.

31. The EDRC, via the Secretariat, also interacts with a wide range of other committees, since 2005 most frequently with the Committee on Fiscal affairs (CFA), the Education Policy Committee (EPC) and the Employment, Labour and Social Affairs Committee (ELSAC). How well these interactions take place varies from survey to survey and from Committee to Committee. It is in recognition of the importance of ensuring that surveys are well informed by the OECD's work in specific policy areas and in the light of difficulties experienced that a number of initiatives have been launched during the review period at the level of both delegates and the Secretariat. As previously indicated, seminars and meetings have been organised jointly with other committees and/or with the participation of their secretariats while the Bureau has instigated a system of monitoring the meetings of other committees and reporting back on items of interest for the EDRC. While the monitoring initiative has so far not been particularly fruitful, the seminars have demonstrated their worth in terms of informing EDRC delegates on key issues, most recently, in the areas of competition, healthcare and education. There have also been some recent changes initiated within the Secretariat to ensure that contacts with concerned directorates are more systematic and take place early in the Survey process.

32. With respect to the Committee's interactions with other international organisations, this above all concerns the IMF, which is systematically present in regular EDRC meetings and is an active contributor to discussions. This strong engagement with the IMF helps to minimise inconsistencies between the results

of the two Organisations' multilateral surveillance activities. The EU, via the participation of the Directorate-General for Economic and Financial Affairs and the European Central Bank in its delegation, is also actively engaged in the work of the Committee. The EDRC has, however, been less successful in involving the World Bank, the World Trade Organization and the Bank for International Settlements in its work during the review period.

Recommendation N°5: The EDRC should seek to increase the level of involvement of the World Trade Organization, the Bank for International Settlements and the World Bank in its work, via their status as observers.

33. BIAC and TUAC do not participate in EDRC meetings and consultations with them have been extremely rare over the period covered by the evaluation. However, meetings with business and unions take place during the missions to the reviewed country.

3.3 *Assessment of effectiveness*

34. The assessment of **effectiveness** primarily draws on the results of the evaluation and PIR surveys of informed policymakers in Member countries and reflects the extent to which Output Results are being used *and* are having a policy impact, i.e. influencing the development of policy in line with the Committee's objectives and eventually leading to long-lasting policy changes.

35. The performance of the Economic and Development Review Committee with respect to the criterion of effectiveness is assessed as high.

36. Supporting analyses and findings can be found in paragraphs 123 to 127 in Annex I to this report. Key elements of the assessment are summarised below.

37. This rating is based on the finding that the work of the EDRC completed between 2005 and 2010 is having a significant impact on policy and contributing to long-lasting policy change across much of the OECD Membership in the area of structural policy. By contrast, it also takes into account the variable capacity of Economic Surveys to pick up on financial market related issues in the lead into the financial and economic crisis (and hence the limited possibility to inform Members' policy in this area) and their apparently limited impact in terms of opinion forming or on policy with regard to fiscal consolidation and co-ordination within the Euro Area.

38. Surveys of Members have had a *medium* or higher impact in one-half or more of Members. This impact is significantly higher, as could be expected, in the case of Members' own surveys, and is stronger in terms of opinion forming upstream of future policy reforms than through directly influencing policy. The impact of Economic Assessments/Surveys of non-Members on opinion forming and Members' policy has been lower than Surveys of Members, which is again as to be expected.

39. The impact of the EDRC's work in 2009-10 is assessed as being significantly higher, and it was during this period that supporting measures were initiated, in the form of Country Brochures developed specifically for high-level policymakers, and that more active efforts were made by the Organisation to raise the visibility of the work, particularly in Members. A significantly higher impact also resulted from the EDRC's non-Member surveys when the Committee made explicit for the first time the objective of *improving understanding of the economic performance of the BRIC countries as major emerging economies*.

40. The EDRC's work is also assessed highly in terms of its contribution to long lasting policy change, particularly through informing the general public about the need for structural policy reforms and

more generally in providing supporting messages and strengthening the case for reforms. It is also used to help design reforms and to provide an important incentive to continue pushing forward their implementation, and the reform process more broadly.

4. Proposed action

41. In the light of the preceding, the Council is invited to adopt the following draft conclusions:

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- a) noted document [C\(2012\)31](#);
- b) noted that the Evaluation Committee (hereafter “EVC”) assessment with regard to the Economic and Development Review Committee (hereafter “EDRC”) was “high” for the evaluation criteria of relevance, efficiency and effectiveness;
- c) approved the following recommendations proposed by the EVC, namely that the EDRC should:
 - i) improve the design of Survey recommendations, particularly with respect to their focus, in order to reinforce their implementability and policy impact, and ensure they are more explicitly prioritised and their follow up over time strengthened;
 - ii) ensure that the consequences of financial market developments for the real economy and vice versa are adequately examined in Surveys;
 - iii) document more clearly in its Agreed Principles and Practices the process by which structural topics for Economic Surveys are decided and ensure that it is regularly informed about which structural topics are being taken up in forthcoming reviews, as well as the criteria used to select them;
 - iv) reinforce its capacity to have structured, in-depth discussions on structural topics through a greater participation in meetings of delegates with relevant expertise, including, where practical, by the use of electronic means to encourage contributions to be made directly from capitals;
 - v) seek to increase the level of involvement of the World Trade Organization, the Bank for International Settlements and the World Bank in its work, via their status as observers;
- d) invited the EDRC to take the appropriate measures for the implementation of recommendations set out in sub-paragraph c), items i) to v) above;
- e) noted that the successful implementation of recommendation c) iv) also depended on Members appointing delegates with the relevant expertise to the EDRC;
- f) invited the EVC to monitor the implementation of the recommendations and to submit a report on this matter to the Council before the end of March 2013.

ANNEX I

ANALYSIS AND FINDINGS

1. The Economic and Development Review Committee

42. The Economic and Development Review Committee was created in 1961 and charged primarily with responsibility for examining the economic situation of OECD Members. Its mandate was revised in 2006 and then renewed in 2008 until the end of 2013. The committee is composed of a single Level I body with no substructure. It is assigned accountability for implementing work in Output Area 1.1.2 (Country Peer Reviews of Economic Policies). Its delegates are mainly drawn from the Economic (and Financial) Counsellors located in the Permanent Delegations. The Secretariat of the EDRC is situated within the Economics Department (ECO).

2. Policy context

43. The policy context for the work of the EDRC, as derived from the PWBs of 2005-06, 2007-08 and 2009-10, is that Members are facing key challenges and problems, and are increasingly focusing their attention on medium-term questions (notably sustainable growth including issues of climate change, demographic change, fiscal sustainability, education, labour market participation and, latterly, the operation of financial markets and their effects on economic performance) that need to be addressed through policy reforms.

3. Orientations and functioning

3.1 *Analysis of relevance*

44. The analysis of relevance focuses primarily on the extent to which a body addresses the policy priorities, needs and interests of OECD Members.⁵ The extent to which a committee is considered to be relevant depends in part on whether a policy field in which it works is considered by Members to be appropriate for Part I funding. The capacity of a committee to understand end-users' policy needs, transpose them into objectives and design a work programme that is in alignment with these objectives provides a specific basis for analysing the relevance of a committee's aims (or intended impacts) as expressed in its mandate and the Programme of Work and Budget.⁶

45. Data are drawn from different sources to make this analysis:

5. In the interest of clarity, references to Members include both Member countries and the European Commission.

6. It is also usual to assess the relevance of a committee's work at a more operational level through the participation of capital-based delegates in meetings, which is used as a proxy for their interest in its work programme. However, the vast majority of EDRC delegates are economic counsellors from the Permanent Delegations. Delegates from capitals are usually the heads of delegations of country subject to review and delegates from the examining countries.

- Medium-term Orientations Surveys conducted in 2003, 2005 and 2007 covering the period 2004 to 2010;
- a questionnaire survey addressed to Members' policymakers.

3.1.1 Overall relevance of the EDRC and its work

46. The Medium-term Orientation surveys⁷ of 2003, 2005 and 2007 indicate that Output Area 1.1.2 has gone from a lower priority at the start of the review period to a middle-ranking priority for Members with respect to reallocation of Part I funding (See Table 1).

Table 1 Members' priorities in Output Area 1.1.2⁸

	Responses	Increase	Constant	Decrease	Exit	Categorisation
MTP 2003	29	2	20	7	0	Lower priority
MTO 2005	31	5	24	2	0	Middle-ranking priority
MTO 2007	31	1	29	1	0	Middle-ranking priority

Source: Medium-term Prioritisation Exercise (MTP) of 2003 [C(2003)202], Medium-term Orientations (MTO) Survey for 2007-08 conducted in 2005 [C(2005)188] and Council13-14 November 2007, Room Document No.3.

3.1.2 Members' needs and Committee objectives

47. The extent to which a committee is able to influence policy development in key areas is determined by its capacity to understand policymakers' needs and transpose them into a set of objectives to be achieved via the implementation of its programme of work.

48. The work of EDRC is intended to contribute to the achievement of the OECD's Strategic Objective *to Promote Sustainable Economic Growth, Financial Stability and Structural Adjustment*.

49. In the framework EDRC's 2008-13 mandate, the Committee's overarching policy objective⁹ is *to promote policies designed to achieve the highest sustainable economic growth and employment and a*

7. The objective of the MTO survey is to ascertain Members' views as to the desired direction of resources in the OECD's policy work over the medium term. In the context of In-depth Evaluation, the desire of Members to move resources into or away from an Output Area is used as a proxy for the relevance of the work vis-à-vis their policy needs. The survey has been refined since its inception in 2003, but the basic question that it poses is unchanged, i.e. *whether resources allocated to each of the 'substantive' Output Areas in the Organisation's Strategic Management Framework should be increased, remain about constant, or be decreased*. [C(2007)52/REV1].

8. The period covered by the three exercises is from 2006 to 2010. *Higher Priority Output Areas* are defined as seven or more Members indicating that they would prefer to increase activity in the concerned policy field. *Lower Priority Output Areas* are defined as seven or more Members indicating that they would prefer to reduce or exit from activity in the concerned policy field. *Middle-ranking Output Areas* are thus characterised as being situated between the two. The 2009 MTO extends beyond the period covered by this evaluation, but indicates that Output Area 1.1.2 remains a middle-ranking priority.

rising standard of living in Member countries and to contribute to sound economic expansion in Member as well as non-member countries.

50. During the period from 2005 to 2010, as expressed in successive Programmes of Work and Budget, the expected outcomes of the output results produced under the Committee's responsibility within Output Area 1.1.2 (Country Peer Reviews of Economic Policies) were:

- to inform the formulation of economic policies, in particular structural policies, of examined countries (PWB 2005-06, 2007-08 and 2009-10);
- to improve the understanding of Member and non-Member countries of the policy context and trade-offs facing reviewed countries (PWB 2005-06, 2007-08 and 2009-10);
- to contribute to the policy considerations of examined countries by bringing perspectives and experience of other Members to bear (PWB 2005-06, 2007-08 and 2009-10);
- to improve understanding among a wider public of the economic prospects and policy requirements facing examined countries (PWB 2005-06, 2007-08 and 2009-10);
- to improve understanding of the economic performance of the BRIC countries as major emerging economies (PWB 2009-10).

51. Following a process of synthesis, the abovementioned mandated objective and expected outcomes were transformed into five policy objectives reflecting the impacts the Committee was aiming to achieve through its work. Members' policymakers were subsequently requested to assess the extent to which the policy objectives corresponded to their needs. The performance benchmark used is that a policy objective is reported as highly relevant in 50% or more of Members responding to the survey.

52. All of five of the Committee's policy objectives were assessed by more than one-half or more of responding Members as addressing a high policy need (see Table 2). Of particular relevance are the following policy objectives:

- to improve the wider public's understanding of the economic prospects and policy requirements facing the country;
- to have a better understanding of the policy context and trade-offs facing economic policymakers, including those in other countries.

53. Furthermore, the more recently established policy objective of *improving policymakers' understanding of the BRIC countries as major emerging economies* is expected to become increasingly relevant in the medium term by three-quarters of Members.

9. The definition of policy objective used here is a statement that reflects an intended use and/or impact of a committee's work at country level. Similarly, expected outcomes are also defined as use and/or impact at country level.

Table 2 Relevance of mandated objectives and PWB expected outcomes to Members' policy needs in the area of country peer reviews of economic policies

Expected Outcomes/Policy Objectives	High relevance	Expected to rise in relevance
To improve the wider public's understanding of the economic prospects and policy requirements facing the country.	83%	48%
To have a better understanding of the policy context and trade-offs facing economic policymakers, including those in other countries.	74%	26%
To bring the views and experiences of other countries to bear on our policymaking considerations.	61%	26%
To formulate economic policies, particularly structural policies, informed through a process of peer review	57%	39%
To improve policymakers' understanding of the BRIC countries as major emerging economies.	50%	77%

Source: Evaluation survey (23 responses).

3.2 *Analysis of efficiency*

54. The efficiency of a committee is analysed on the basis of the extent to which it is functioning in an optimal manner and the quality of its Output Results and the resources employed to produce them.

55. Data from the following sources were primarily used to make this analysis:

- Members' assessment of the quality of the Committee's Output Results for the period 2005-2008, collected via a questionnaire survey and the PIR Survey for 2009-10;
- interviews with delegates of the Committee and OECD officials on the way in which it orients and implements its work, including the subject of interactions within the OECD and with non-OECD entities;
- interviews with officials in other international organisations and representatives of other stakeholders bodies interacting with the Committee;
- meeting summaries and other key documents produced by the Committee.

3.2.1 *Setting the policy direction of the EDRC*

56. The policy direction of an OECD body, i.e. the policy impacts that it intends to achieve through its work, should be expressed within its mandate and as expected outcomes in its programme of work. The extent to which intended policy impacts (i.e. policy objectives) are able to capture the needs of key policymakers depends on the processes through which mandates and work programmes are drawn up.

57. The mandate of the EDRC was revised and renewed in 2006¹⁰ and then renewed again in 2008 without change.¹¹ The pre-2006 mandate dated back to the creation of the OECD in 1961, consisting of an extract from the Report of the Preparatory Committee. The mandate was revised two years before the end of its duration, in 2006, since it was deemed not to reflect how the Committee was working. The opportunity was taken at this time to highlight that the work covered both macroeconomic and structural issues and to tie it explicitly to two of the Organisation's strategic objectives, as laid out in Article 1 of the Convention, thereby emphasising the Committee's intended contribution to raising the economic

10. [ECO/EDR/DIV/M\(2005\)12](#), [ECO/EDR/DIV/M\(2005\)17](#) & [C\(2006\)5](#).

11. [C\(2008\)20](#).

performance of Members and non-Members. The 2006 mandate revision was prepared through discussions at several of the Committee's special meetings and in its electronic discussion group.

58. The policy direction of the EDRC is also supported by three objectives presented in its *Agreed Principles and Practices*, a document which codifies and maps out the Committee's procedures and details the Economic Survey process. These objectives are:

- to promote better understanding of the (surveyed) country's economic situation and key challenges;
- to enrich the economic policy debate, domestically and internationally;
- to point towards ways of achieving better economic performance.

59. The draft overall work programme of the EDRC is developed by the Secretariat and submitted to delegates for approval. Members are examined by the Committee once or twice per Biennium and the date of reviews is fixed by the Secretariat and the countries to be examined, after consultation with the EDRC Chair. There is some flexibility in the timing so that particular national circumstances (e.g. the electoral cycle in the concerned country, emerging serious problems, etc.) and the demands the survey process will make on examining countries can be taken into account. Each survey covers in detail two or three selected structural topics in separate chapters, with one being designated as an 'in-depth' topic. The 'in-depth' topic is discussed early in the planning process and entered into the EDRC's forward planning document, which is updated three or four times a year.¹² The choice of structural topics depends on policy priorities of the country, as well as the availability of new research within the Organisation and in the academic community.¹³

60. The 2009-10 PWB also included, for the first time, an expected outcome relating to the Committee's global relations activities, which is *to improve understanding of the economic performance of the BRIC countries as major emerging economies*.

61. With regard to the process of developing the work programme, the current length of the survey cycle (24 months maximum) is considered by delegates as an appropriate compromise in the light of the timescale over which structural reforms are implemented and the resource implications, both within the Organisation and in Member administrations, of conducting more frequent Surveys. The degree of flexibility in programming Surveys, allowing electoral and organisational constraints to be taken into account, was viewed as essential and thus gave rise to a similarly positive appreciation. The process through which the structural chapters in Surveys are selected was largely viewed by delegates as being well balanced and having the right degree of flexibility. However, it was observed that since delegates, apart from those of the reviewed country, were not involved in the selection process, the choice of the chapter topics was on occasion difficult to comprehend. Furthermore, no procedure for selecting these topics is presented in the *Agreed Principles and Practices*.

3.2.2 Functioning of the EDRC

62. The way in which an OECD body organises itself, and prepares and implements its work influences its capacity to attract appropriate delegates from capitals and its ability to mobilise the expertise required to produce, in tandem with the resources available within the Secretariat, high quality products in

12. A recent change in the planning process has been, as of November 2011, to list the two or three selected structural topics per country.

13. The Process of Structural Surveillance in Economic Surveys: Current practice. Note by the Secretariat, 31 May 2011.

a timely fashion. Quality¹⁴ and timeliness, along with the awareness of products among potential end-users, are considered as key determinants of use and policy impact.

63. The mandate of the Economic and Development Review Committee describes its activities as *examining on a regular basis and making comments and country-specific recommendations on the macroeconomic and structural policies of the Member countries and selected non-Member economies and on the interaction of these policies in raising economic performance*.

64. The EDRC meets anything up to 25 times per year to either review draft Surveys (its ‘regular’ meetings of which there are around twenty) or deal with internal business (its ‘special’ meetings). Members are usually represented by the economic counsellors situated in the permanent delegations and, in most cases, delegates from capitals attending meetings are there to represent their country during its examination or as examiners from the countries charged with this task. Sometimes, however, countries send officials from capitals to attend meetings or very occasionally from their embassy in the examined country.

65. Because of the regularity of EDRC meetings, the post of the Chair is remunerated.¹⁵ Up to and including 2008, the Chair’s post was government funded, but funding was switched to the Part I budget as of 2009 with a view to widening the field of candidates.¹⁶ Within this framework, the Chair is appointed as a Council Expert, with the expectation that he or she will serve a number of years. The Chair’s position is subject to annual confirmation in parallel with the designation of the Committee’s two Vice-Chairs. Six additional delegates are elected each year and along with the Chair and the Vice-Chairs constitute the extended bureau. This body, which when it meets is open to all EDRC delegates, has the role of preparing proposals for the Committee to discuss in its special meetings.

66. In 2009, there was some discussion in the Committee on expanding the number of Vice-Chairs to three and more generally on encouraging *greater involvement of the committee through activation of the vice-Chairs, the extended bureau and other members of the committee*.¹⁷ The decision was taken, however, to remain with two vice-Chairs, though the Committee agreed that a broader discussion on the role and effectiveness of the Bureau would be useful.

67. In addition to the special meetings that usually take place up to three times a year to deal with internal business away from the regular meetings, retreats have been held to provide an opportunity for economic counsellors to brainstorm about new areas of work, to participate in seminars provided by external experts, etc. The retreats have been hosted on a voluntary basis by a Member. The Economic Counsellors may also meet in informal sessions to discuss issues of importance for the Economic and Development Review Committee (and more recently the Economic Policy Committee). In this context, reflections are currently underway on how the surveys can be changed to improve their policy impact,

14. In terms, for instance, of analytical soundness, accuracy/reliability, practicality, policy relevance, presentation and conciseness.

15. [C\(2008\)205/REV1](#) & [C/M\(2008\)21/PROV](#). This is also the case for the Development Assistance Committee (DAC). No such arrangements exist for any other OECD substantive committee.

16. The change in funding arrangements was made for three reasons: i) for nationals of countries unable or unwilling to provide funding to be able to seek election as Chair; ii) to protect the Committee against the withdrawal of funding by a government; and iii) to ensure that the Chair is, and is seen to be, independent from his/her government [[C\(2008\)205/REV1](#)].

17. [ECO/EDR/DIV/M\(2009\)2](#).

better reflect OECD-wide issues and priorities (e.g. the social dimension and green growth) and better address multiple audiences.¹⁸

68. Economic counsellors are universally positive about how the combination of different settings they meet in provides a way of organising their activities, highlighting in particular the flexibility that it gives the Committee. It was also observed that bureau meetings more often than not were in ‘extended’ format and open to all economic counsellors, though the extent to which all of them understand this was questioned. The retreats have given way in recent years to seminars organised by permanent delegations in particular areas of interest for Members and are often aimed at reinforcing understanding of Survey recommendations, for example in the areas of fiscal councils and growth models, as well as on structural policy issues such as health systems and education policies (see below).

69. The EDRC’s functioning is codified through its *Agreed Principles and Practices*, updated in 2006 and then again in 2010.¹⁹ This document outlines the Committee’s responsibilities, which are stated as:

- meet and examine the economic developments and policies of each Member²⁰, with the treatment of different countries to be equitable;
- review and modify as necessary the draft Survey of each Member and approve the final version before publication;
- carry out multilateral surveillance and report where appropriate to other bodies of the Organisation;
- consider reviews of non-Members which it determines should be reviewed.²¹

70. A significant addition to the *Agreed Principles and Practices* during its most recent revision was to extend its responsibilities to *discussing any relevant international spillovers stemming from government policies*. In this context, the Germany survey of 2010 was followed up by a working paper which covered the topic of global imbalances.²² Delegates commenting on the adding of this dimension to the responsibilities of the Committee flagged its high importance, though they also tended to consider dealing with it in the framework of a country-focused process as something of a challenge.

71. The focus of the surveys has also undergone adjustments as a result of the evolving policy context. For example, in the aftermath of the financial and economic crisis, the Committee decided to focus the first chapters on this topic. The question was subsequently raised by the Committee of how the work could take up the issue of post-crisis exit strategies in the surveys.

72. The *Agreed Principles and Practices* document also details the respective responsibilities and roles of the Committee and the Secretariat, planning, documentation, preparation and conducting of examinations, and Survey approval and publication.

18. Note by the Economics Department discussed at the EDRC meeting of 15 June.

19. [ECO/EDR/DIV\(2006\)1](#) & [ECO/EDR/DIV\(2011\)1](#).

20. Also included within the reference to Member or examined country are the euro area and the European Union which are both the object of economic surveys.

21. While the responsibility for the publication of reviews of Members rests with the Committee, in the case of non-Members, it rests with the Secretariat.

22. *Germany's Growth Potential, Structural Reforms and Global Imbalances*. Economics Department Working Papers No. 780.

73. Examining countries, of which there are two per survey, are allocated to each Member according to a set of principles based on their attributes (G7, non-G7, EU Member State, Non-EU Member State, and avoidance of reciprocal relations between examining and examined countries). The rota is largely fixed over time, but evolves to take into account new considerations (modified/new reviews, e.g. of the euro area, accession of new Members, etc.), the last major revision having been agreed in September 2010.²³

74. Data collection and analyses undertaken in the course of a survey are conducted by the Secretariat, sometimes with the support of external consultants, with missions to capitals organised in consultation with the economic counsellors. Two missions per survey are conducted:

- an early ‘structural mission’, which has a strong emphasis on fact finding as well as trying to establish some common ground on the analysis of economic problems a country is facing;
- a ‘policy mission’, focusing on discussing the initial survey assessment.

75. Economic counsellors assessed this process as globally working very well, while at the same time pointing out areas where they had, according to their own experiences, observed that improvements could be made, for example the emphasis placed on fact-finding during missions (much of which could be done at a distance) at the expense of strategic discussions with key policymakers, and very limited involvement of examiners in the missions. Delegates coming from examined countries contributing to the evaluation, although limited in number, also echoed the overall positive appreciation of the economic counsellors. One underlined that a major determinant of a survey’s success is the extent to which examining countries are well prepared, while another indicated that, since 2008, he had seen “a strong improvement in the process” and that “there is now a good formula in place for directing the survey process that gives satisfactory results”.

76. The resulting draft reports, produced under the responsibility of the Secretariat, include an assessment and a set of policy recommendations, as well as an explicit follow up of earlier recommendations. These reports are examined at one-day ‘regular’ meetings which are structured to optimise use of the time available.²⁴ In these meetings, following a pre-meeting session between the Chair, the examiners and the Secretariat, the two examining countries lead the questioning on the basis of a *Questions for Discussion* note, prepared by the Secretariat in consultation with the Chair, with inputs from both examined and examining countries. The examinations generally start with an opening statement from the delegates of the reviewed country followed by two rounds of questions reflecting the agenda and the aforementioned note. Each of the two rounds is typically launched by interventions from the examining countries followed by a general discussion among delegates. Responses and comments from the Secretariat and a response by the delegation of the examined country draw the rounds to a close.²⁵ Examinations are concluded by the Chair at the end of the meeting who provides guidance to the Secretariat on the final drafting of surveys. Since 2009, summary records of regular meetings have been modified to include a record of the Chair’s summing up, which previously was not the case. These aim to provide a long-term record of discussions to help support the consistency of examination of surveys over time.

77. An analysis of self-evaluations, made by economic counsellors of regular EDRC meetings held over the review period, indicates that their quality has improved in all aspects. This is particularly so in

23. [ECO/EDR/DIV\(2010\)1](#).

24. Efforts are ongoing in this regard, with an agreement in 2010 that the Committee would move to a new organisation of the review process allowing it to focus more on dealing with the major areas of disagreement within a survey [[ECO/EDR/DIV/M\(2010\)2](#)].

25. There has been a recent refocusing of discussions towards areas of the survey where disagreements arise.

terms of the focus of interventions by examiners, how well they allow discussions to be appropriately shaped, as well as the focusing of the other delegates' questions on key policy issues and modifications to the survey assessment and recommendations. Observations made by many economic counsellors in the course of interviews emphasise the importance of the various previously outlined initiatives, particularly those implemented since 2008, in ensuring the quality of the review process that takes place during the meetings. Feedback from representatives of examined countries about the quality of the review process was also universally positive. In contrast, a majority of interviewees observed that the degree of regular active involvement in meeting discussions (around one-third to one-half of delegates) was close to the minimum critical mass for a proper peer review to take place. Furthermore, some remarked that discussions on structural issues were sometimes weak as a result of the particularly specialised nature of some of the topics.

78. A final drafting of surveys takes place on the day following the regular meeting, in the framework of a bilateral session between the Secretariat and the examined country, although discussions can take longer than one day in practice. Revised drafts (executive summary, assessment and recommendations, and substantive changes to the main body of the report) are subsequently made available on OLIS and in the EDRC's Electronic Discussion Group for scrutiny by Members. It is through this means, and on the basis of an agreed set of rules, that the approval of the survey by Members takes place. At the end of the process, usually about one month after the examination, the survey is published under the EDRC's responsibility.²⁶

79. The final bilateral drafting sessions represent a particularly sensitive moment in the survey process since they are sometimes used by the examined country as an opportunity to seek modifications to the report, while the Secretariat has the task of ensuring that changes do not go beyond those outlined in the Chair's summing up at the end of the plenary session. As formalised in the EDRC's Agreed Principles and Practices, the revised report has to be approved by the Committee, with delegations being given the opportunity to consider if the revisions 'fully reflect the centre of gravity of the Committee's deliberations' and, if necessary, to discuss the redrafted report in a subsequent plenary EDRC meeting.

80. Feedback from interviewees on the bilateral drafting sessions indicates that an appropriate set of checks and balances are in place and that these generally function well, with economic counsellors reported to be increasingly active in the approval of the revised Surveys.

81. In the context of the 2005-06PWB it was decided, in response to budgetary pressures and quality concerns of delegates, that the maximum period between reviews be revised to no more than 24 months.²⁷ Prior to this, the review cycle had been set at a maximum of 18 months.²⁸ Over much of the period covered by the evaluation, the core element of the work programme, consisting of surveys of Members, is reported as having been largely delivered according to plan, thanks to the eased schedule of reviews. By contrast, delivery of some non-Member Surveys has been subject to various delays and postponements.

3.2.3 *Global relations activities*

82. The capacity of a body to have an impact outside the OECD is to some degree linked to the extent to which its global relations activities promote the diffusion of know-how, practices, etc. to non-Members. It can also be the result of the involvement of non-Members in the work of a committee, either

26. This contrasts with IMF Article IV reviews, where the final text is issued not by the IMF Executive Board, but by the IMF staff.

27. [ECO/EDR/DIV/M\(2005\)3](#).

28. [ECO/EDR/DIV\(98\)3/REV3](#).

through regular or *ad hoc* observership, which allows products to take into account the needs of developing countries. In some cases, participation in the Accession and Enhanced Engagement processes, and/or the adherence of non-Members to a specific OECD instrument provides a more direct channel through which impact may occur.

83. Since 2005, when it agreed on an outreach strategy,²⁹ the work of the EDRC in the area of global relations has been strongly focused on the Enhanced Engagement countries. All have been reviewed at least on one occasion, with regular surveys of Brazil dating back to 2000.

84. In 2008, the Committee took the decision that all Accession and Enhanced Engagement countries could participate in its regular meetings as *ad hoc* observers.³⁰

85. With regard to the Accession countries, Chile has been reviewed on a regular basis since 2003, while surveys of Estonia, Israel and Slovenia commenced as of 2008. The Russian Federation has been the subject of regular surveys since 1995, three of which were conducted during the review period.

86. There have been some variations in the approach to reviewing non-Members, with some surveys taking a slightly different form to those of Members, the final product being labelled an 'economic assessment' finalised on the basis of a seminar-type meeting with expert individuals rather than countries as examiners. Since 2008, however, Surveys of Enhanced Engagement and Accession countries have been brought into alignment with those of Members.

87. A new strategy in the area of global relations was discussed by the Committee in 2010. This foresaw the continued integration of the Enhanced Engagement countries into the EDRC's work. It was observed in the course of the discussion that *while participation in their own reviews had occurred in the normal way, their participation in reviews of other countries had been limited*, with the conclusion that there was a need to encourage their greater involvement in the review process.³¹ Against this backdrop, there has been a recent move to assign another Enhanced Engagement country as one of the lead speakers during the meetings held to review the surveys of such countries. It is in this context that Brazil was involved as a lead speaker for the recent review of India, and South Africa in that of Brazil.

88. Delegates indicate that some progress has been made in engaging with non-Members. They also observe that there is some variability in the quality of the examinations over the review period, while providing very positive feedback on the recent initiative to involve non-Members as examiners in the review of other non-Members.

3.2.4 *Interactions within the OECD structure*

89. The capacity of an OECD body to draw on expertise relating to other policy fields and conversely to contribute to work conducted by other committees can enrich the quality of a project or workstream with a strong cross-cutting dimension. More broadly, it can also promote policy coherence.

90. The EDRC has close links with the Economic Policy Committee (EPC), with indicators, analyses and projections produced under the responsibility of the EPC's Working Party N°1 on Macro-Economic and Structural Policy Analysis and the Working Group on Short-Term Economic Prospects being systematically fed into the Economic Surveys, including the development of the structural chapters.

29. [ECO/CPE\(2005\)7/REV1](#).

30. [ECO/EDR/DIV/M\(2008\)16](#).

31. [ECO/EDR/DIV/M\(2010\)2](#).

Furthermore, issues raised in Working Party N°1 are often followed up by the EDRC in its surveys. The EDRC uses the Working Party N°1 *Going for Growth* work in its Surveys and vice-versa, while WP1 papers have also frequently included checklists on issues to cover in EDRC reviews. Some EDRC delegates, in their role as economic counsellors, also attend EPC meetings (and meetings of some of its sub-bodies), as well as participating in economic counsellors meetings linked specifically to WP1 and WP3 (Policies for the Promotion of Better International Payments Equilibrium). In addition, the EDRC Chair attends EPC and WP1 meetings on an *ex officio* basis.

91. A key longstanding linkage between the two Committees has been the development of framework papers by WP1 to be used as a basis for drawing up structural chapters by the EDRC, which themselves would provide an input into the drafting of synthesis papers by WP1. This linkage became less intense as the topics addressed by the EDRC widened in the early part of the review period and more structural chapters were developed without a framework paper on which to build. More recently, the link has intensified again in areas including green growth, tax and growth, healthcare, climate change, housing, infrastructure, social mobility and income distribution.

92. The EDRC and the EPC's WP1 also collaborated between 2006 and 2008 on an EPC initiated project entitled *Making Reform Happen*. This involved the review of case studies of successful and unsuccessful reforms in the EDRC and the production of synthesis papers on lessons learned.

93. The link between the EDRC and the EPC's WP1 was acknowledged by delegates as being absolutely crucial. The 'concept' or 'framework' papers produced by WP1 on various topics are considered to be useful inputs into the structural chapters of Economic Surveys, and in some areas such as tax and growth and green growth, as absolutely essential for assessing countries against best practices and making recommendations. Some, however, expressed the concern that a gap may have developed between the topics considered by the two bodies as priorities and that the needs of the EDRC were less well catered for than in the past, particularly in the context of some of WP1's work being focused on the G20. Some also questioned how much the results of surveys were being fed back into the work of WP1. The recent changes to the process of selecting projects in WP1 are seen by some interviewees as to some extent providing a means to help address these issues.

94. With respect to horizontal relations beyond the Economic Policy Committee, these take place in the context of the development of the structural chapters of the country surveys which focus on specific policy issues falling under the competence of other OECD Committees. These interactions largely take the form of consultations with concerned directorates on the structural chapters of surveys, early and/or in draft final stages of their development. Sometimes other directorates also participate in missions to the examined countries and very occasionally draft chapters themselves. More generally, the EDRC is an extensive user, as referenced in the economic surveys, of the reports, analyses and data produced under the responsibility of other committees.³² Since 2005, those most frequently concerned are the:

- Committee on Fiscal Affairs (CFA);
- Education Policy Committee (EDPC);
- Employment, Labour and Social Affairs Committee (ELSAC).

32. However, delegates from other committees also attend EDRC meetings when their policy area is being examined in-depth during a survey of their country. By way of an example, seventeen surveys having included an education chapter have been reviewed by the EDRC since 2008. Delegates from the EDPC or the other OECD education bodies were part of the examined country delegation in thirteen of these sessions.

95. The Competition Committee, the Committee on Industry, Innovation and Entrepreneurship, the Environment Policy Committee and the Health Committee have also been regularly concerned by the provision of inputs into structural chapters.

96. An analysis of previous IDE reports³³ provides a partial snapshot of the extent to which the challenge of ensuring adequate co-ordination across policy areas has been overcome, with the EDPC and ELSAC – two of the Committees most frequently concerned by horizontal interactions – providing two somewhat contrasting cases. Interactions with ELSAC via the Directorate for Employment, Labour and Social Affairs (ELS) successfully take place and result in high quality work on issues such as family policy, work incentives, pensions, distribution of income and migration. By contrast, the increasingly frequent coverage of education policy and systems in country surveys has highlighted a need to strengthen co-ordination between the EDRC and the EDPC in order to improve the quality of work in this area, notably by ensuring that *education policy perspectives and findings are duly recognised and incorporated* in it. Against this backdrop, a set of initiatives are now underway to bring about improvements in this area through a more timely information on upcoming country surveys, which include a special chapter on education, the holding of joint meetings of the respective Chairs and/or Bureaus of the EDPC and the EDRC on forward looking issues of shared interest, and the strengthening of co-operation and co-ordination between the committees, as well as at Secretariat level.³⁴ It is in this context that a joint EDPC-EDRC bureau meeting and an informal joint EDPC-EDRC seminar were held in November 2011.

97. Feedback from economic counsellors highlights the variable nature of relations with other OECD bodies, while at the same time acknowledging that fruitful interactions do occur as part of the survey process. In this context, cases were provided of successful linkages (e.g. environment policy and green growth) and where it was observed that problems had arisen (e.g. healthcare, education and information technology and communication policy). It was also observed that interactions with other bodies did not always take place sufficiently early in a survey and that the range of expertise and work of the OECD was not fully drawn upon.³⁵

98. This is most evident in the light of the financial and economic crisis in the field of financial markets, as there appears at best little in the way of interaction with the Committee on Financial Market (CMF) or the use of its products to inform the Surveys.³⁶

99. In order to improve the understanding of EDRC delegates of key issues, particularly those that regularly come up in country surveys and in which delegates are not necessarily experts, seminars (as mentioned above) have also been held, involving other parts of the Organisation beyond the Economics Department, for example in the areas of pensions (2005), competition (2009), healthcare (2010) and most recently, as indicated above, education (2011). Furthermore, a recent initiative, dating from 2010, has been to set up a system of monitoring of the work of ten other committees through the participation of EDRC

33. [C/ESG\(2006\)1](#), [C/ESG\(2006\)2](#), [C\(2007\)99](#), [C\(2007\)121](#), [C\(2010\)92](#) and [C\(2010\)149](#).

34. [EDU/EDPC\(2011\)1](#) and [EDU/EDPC/M\(2011\)1](#).

35. A recent initiative, launched in September 2011, has been the holding of ‘strategy meetings’ to ensure earlier and closer co-operation with within the Secretariat in the Survey process.

36. K. Shigehara and P. Atkinson’s 2011 paper on the lessons to be drawn from the financial and economic crisis in the area of international multilateral surveillance observes that issues of financial risks discussed in Financial Market Trends in 2003 were not subsequently pursued in the framework of the Economic Surveys (See OECD Economics Working Paper N° 860).

delegates (members of the extended Bureau) in their meetings and the provision of feedback to the rest of the Committee via its website.³⁷

100. The seminars are extremely widely appreciated as a useful and interesting means of enhancing the knowledge of delegates in specific areas relating to structural chapters and thereby increasing their capacity to contribute to reviewing surveys. By contrast, most delegates indicated that the reporting back to the EDRC on the work of other committees had not to date been of great utility.

101. Those interviewees in a position to comment on this project saw it as a challenging but valuable exercise for the Committee, which produced useful, though perhaps underexploited findings for its work.

3.2.5 *Interactions with other international organisations and stakeholders*

102. Co-ordination with other international organisations can help avoid unnecessary duplication, while the capacity of a committee to draw on expertise and resources available within other international organisations can raise the quality of a project or workstream and/or enable it to be produced more quickly. Similarly, the involvement of other stakeholder bodies can enrich the quality of a project and/or pave the way for broader acceptance of findings, recommendations, etc. Other international organisations may also be direct users of products and know-how acquired from their participation in a committee or channels through which these can find their way to non-Members. Consequently, the potential for having an impact beyond OECD Members is multiplied.

103. The European Union, via the European Commission (primarily DG Economic and Financial Affairs) and the European Central Bank, participates in EDRC meetings, while the IMF regularly attends meetings as an observer. Both entities implement multilateral surveillance activities of their own.

104. In the case of the EU, the *Integrated Guidelines Package (IGP) for Growth and Jobs*, which superseded the *Broad Economic Policy Guidelines (BEPG)* in 2005, aims to bring about changes to macroeconomic policy and growth-enhancing structural reforms through the guidelines and recommendations addressed to Member States. Reports on the implementation of guidelines and recommendations are the object of a multilateral surveillance process co-ordinated by the European Commission, with country reports being reviewed in the EU's Economic Policy and Employment Committees. Draft recommendations are discussed in the European Parliament and endorsed by Council. This process follows an annual cycle.

105. As for the IMF, its multilateral surveillance activities take place under Article IV of its Articles of Agreement. The reviews, conducted annually, focus on its Members' macroeconomic policies with structural policy issues being covered insofar as they have a bearing on macroeconomic performance in the shorter term. Specific assessments of the financial sector (Financial Sector Assessment Programs - FSAPs) provide an input into the surveillance process. Reviews take the form of a 'staff report', which is transmitted to the IMF Executive Board for discussion before, in an increasing number of cases, being made public, subject to the reviewed country's agreement. Likewise, the Board's view on the country may also be made public. The IMF presence in discussions aims primarily to avoiding inconsistencies with the results of its own multilateral surveillance activities.

37. The committees covered by this arrangement are the Education Policy Committee; Committee on Statistics; Employment, Labour and Social Affairs Committee; Health Committee; Committee on Fiscal Affairs and its Working Party N°2 on Tax Policy Analysis; Committee on Financial Markets; Regulatory Policy Committee; Corporate Governance Committee; Insurance and Private Pensions Committee and the Public Governance Committee.

106. The World Bank, the Bank for International Settlements (BIS) and the World Trade Organization (WTO) are all observers in the Committee and attend meetings when they have policy and/or geographical interests in a particular survey, though they have been largely absent during the review period. The European Free Trade Area (EFTA) also has observer status but does not attend meetings.

107. The systematic attendance and active participation of the IMF is highly appreciated by delegates who underline the importance of the additional perspective, including its stronger macro focus, that it brings to the survey process. In the case of the World Bank, its absence from surveys of emerging economies in particular is the object of some regret. Similarly, in the context of the financial and economic crisis and given the links between financial markets and the sovereign debt crisis, some delegates observed that an important institutional input was missing from the surveys.

108. BIAC and TUAC do not participate in EDRC meetings and consultations with them have been extremely rare over the period covered by the evaluation. However, meetings with business and unions take place during the missions to the reviewed country.

3.2.6 Resources

109. Part I budgeted resources allocated to the EDRC in Output Area 1.1.2 have increased by 10% in nominal terms since 2005, due largely to the reinforcing of the Committee's global relations budget. Voluntary contributions account for a relatively limited proportion of the Committee's overall budget, oscillating around an average of 2.7%, and are used almost wholly for Surveys of Members.

Table 3 Financial data on Output Area 1.1.2

Year	Part I Budgeted Resources (K EUR)	Voluntary Contributions (K EUR)	Total resources (K EUR)	Share of VCs
2005	8126	132	8258	1.6%
2006	8363	54	8417	0.6%
2007	8921	496	9417	5.3%
2008	8394	222	8616	2.6%
2009	8795	349	9144	3.8%
2010	8937	213	9150	2.3%
Change 2005-10	10.0%			

Source: PWB.

110. The EDRC Secretariat has increased in size by three posts over the review period.

Table 4 Human resource inputs

Year	2005	2006	2007	2008	2009	2010
Posts (FTEs)*						
Total posts (FTEs)	47.2	48.4	49.1	49.1	51.3	50.3
Of which						
A-grade	34.8	36.0	36.9	36.9	36.9	35.9
B-grade	12.4	12.4	12.2	12.2	14.4	14.4

Source: ECO

* Does not include posts at A6 level and above and B3 level and below; excludes accession process.

3.2.7 *Quality of Output Results*

111. The results of the questionnaire survey in respect to the quality of Output Results produced in the 2005-08 period are presented in Table 5 while results of the PIR survey covering 2009 and 2010 Output Results figure in Table 6. Quantitative results are summarised in Table 7.

112. Results are presented in the form of an indicator of the percentage of Members assessing Output Results as being of *high* or *very high* quality. Based on the assumption that the work of the OECD should be widely considered by Members as being of good quality, a positive result for an Output Result is judged as two-thirds or more of Members' policymakers make this response. Qualitative data, where available, is presented in the form of comments and observations as a complement to the indicators.³⁸

113. All the products completed by the Committee in the 2005 to 2010 period, whether Surveys are of Members or non-Members, are judged as being of either *high* or *very high* quality by policymakers in a minimum of two-thirds of Members. Members tend to assess the quality of their own Surveys (completed from 2005 to 2008) as being higher than the Surveys as a whole. Against the backdrop of this positive result, the percentage of Members assessing Surveys as being of less than *high* quality is greater in 2009-10 than earlier in the review period.

114. Observations made by mainly economic counsellors, and to some extent echoed in feedback from policymakers in capitals, reflect the growing variation in survey quality over the review period. Surveys are generally characterised as being solidly fact-based but also give rise to criticism in terms of their breadth of coverage and limited analytical depth, the length of reports, and the limited linkages between macro, fiscal and structural elements.

115. More widespread, however, are critical comments on recommendations, which, while having increased significantly in visibility in the way they are presented in reports, are not prioritised despite the large number – sometimes up to fifty in one single report. Furthermore, they are often viewed as being too high level and imprecise, sometimes not fully up to date with current policy approaches and taking insufficiently into account issues of feasibility. Some interviewees also highlight the limited efforts made to understand why recommendations, despite being repeatedly made, have not been implemented. Conversely, when recommendations have been implemented, sometimes in the face of strong opposition, it is observed that there is limited recognition of achievements, which some highlight as being helpful when there is a need to defend reforms from being rolled back.³⁹

116. Another dimension of the quality of OECD products is how much their contents respond to the information needs of users *inter alia* by taking into account current economic, political and social realities. In this context, a content analysis of a limited number of Surveys⁴⁰ produced in the run up to and during the financial and economic crisis gives rise to a number of observations:

- Surveys of the United States picked up on concerns, in 2004, about regulation and supervision of the two leading government-sponsored enterprises (GSEs) in the mortgage market in the light of their systemic importance, with the 2005 Survey highlighting the risk of household borrowing defaults and a house price correction. Concerns about the large mortgage loan portfolios accumulated by the GSEs were repeated in the 2007 Survey with references to the risk to financial and fiscal sustainability. However, the same Survey

38. Non-response rates of more than 33% are indicated.

39. Proposals to improve the Surveys were discussed in the EDRC in its Special Meeting of June 2011 [[ECO/EDR/DIV\(2011\)1](#)].

40. The Euro Area, Greece, Iceland, Ireland, Italy, Portugal Spain, United Kingdom and the United States.

indicated that: *The relatively small market segment of subprime lending recently came under stress, but there is as of now no sign that this will spill over to other market segments.*

- Surveys of Ireland, despite recognising housing price bubble and the resulting risks for macroeconomic and financial stability as well as its fiscal implications, envisaged a somewhat optimistic outcome both for housing market and the capacity of the banking sector to absorb shocks.
- The 2008 Survey of Iceland did not anticipate the difficulties encountered a few months later by the country's financial sector as a result of the collapse of its three major commercial banks, citing the positive assessments of supervisory and ratings agencies that the financial system was *broadly sound*.
- The 2004 Survey of the United Kingdom flagged up risks relating to the rising budget deficit, household indebtedness and the housing market bubble, but the latter was downplayed in the 2005 Survey. The 2007 Survey contained only general statements about a more uncertain outlook following financial market instability and the growth of the budget deficit.
- Surveys of Spain highlighted the risk posed by the housing market bubble and household indebtedness to macroeconomic stability, while being sanguine about the possible consequences on the financial sector of the boom turning to bust.

117. In the above cases, the Surveys did not adequately identify and investigate the financial market related issues in the lead in to the crisis. By contrast, where they have been more successful is in consistently highlighting the risks to the Euro Area arising from lack of fiscal consolidation in some Member States and the challenge of fiscal co-ordination between them.

Table 5 Quality of products the area of country peer reviews of economic policies (2005-2008)

Product groups	Year Main contributors Product type	% Members responding High or Very High Quality	Observations, including NME responses
Economic Survey(s) of responding country	2005-08 EDRC Peer reviews or surveys	90%	The final version is of good quality although the first draft is often of medium quality (Member). Some of the recommendations miss their target because they don't take our institutional specificities into account (Member). Non-response rate of 43%
Economic Surveys of OECD Members: Australia (2008); Austria (2007); Czech Republic (2008); Denmark (2008); EU (2007); Finland (2008); France (2007); Germany (2007, 2008); Greece (2007); Hungary (2007); Iceland (2008); Ireland (2008); Italy (2007); Japan (2008); Korea (2007, 2008); Luxembourg (2008); Mexico (2007); Netherlands (2007); New Zealand (2007); Norway (2008); Poland (2008); Portugal (2008); Slovak Republic (2007); Spain (2008); Sweden (2007, 2008); Switzerland (2007); Turkey (2008); United Kingdom (2007); United States (2007, 2008).	2007-08 EDRC Peer reviews or surveys	80%	Non-response rate of 51%
Economic Surveys of OECD Members: Australia (2006); Austria (2005); Belgium (2006); Czech Republic (2006); Denmark (2006); EU (2007); Euro Area (2005, 2006); Finland (2006); France (2005); Germany (2006); Greece (2005); Hungary (2005); Iceland (2005, 2006); Ireland (2006); Japan (2006); Korea (2005); Luxembourg (2006); Mexico (2005); Netherlands (2005); New Zealand (2005); Norway (2005, 2006); Poland (2006); Portugal (2006); Slovak Republic (2005); Spain (2005, 2006); Sweden (2005); Switzerland (2005); Turkey (2006); United Kingdom (2005); United States (2005).	2005-06 EDRC Peer reviews or surveys	82%	Non-response rate of 43%
Economic Surveys/Assessments of Non-Members: Chile (2007); India (2007); Indonesia (2008); South Africa (2008).	2007-08 EDRC Peer reviews or surveys	81%	Non-response rate of 54%
Economic Surveys/Assessments of Non-Members: Brazil (2005, 2006); China (2005); Chile (2005); Russian Federation (2006).	2005-06 EDRC Peer reviews or surveys	81%	Non-response rate of 54%

Source: IDE Survey

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Table 6 Quality of products the area of country peer reviews of economic policies (2009-10)

Output Results	Year Main contributors Product type	% Members responding High or Very High Quality	Observations
<p>Economic Surveys of OECD Members: Australia (2010); Austria (2009); Belgium(2009; Denmark (2009); Canada (2010); Czech Republic (2010); European Union (2009); Euro Area (2010); Finland (2010); France (2009); Germany (2010); Greece (2009); Hungary (2009); Iceland (2009); Ireland (2009); Italy (2009); Japan (2009); Korea (2010); Luxembourg (2010); Mexico (2009); Netherlands (2010); New Zealand (2009); Norway (2010); Poland (2010); Portugal (2010); Slovak Republic (2010); Spain (2010); Sweden (2010); Switzerland (2009); Turkey (2010); United Kingdom (2009); United States (2010).</p> <p>Country brochures for high level policy makers: France, Greece, Hungary, Japan, Mexico, Spain, United Kingdom, United States.</p> <p>Seminar: Beyond the crisis - Returning to sustainable growth in Latin America.</p>	<p>2009-10</p> <p>EDRC</p> <p>Peer reviews or surveys</p>	74%	
<p>Economic Surveys/Assessments of Non-Members: Brazil (2009); China (2009); Indonesia (2010); South Africa (2010).</p> <p>Country brochure for high level policy makers: China.</p> <p>Seminar: Beyond the crisis - Returning to sustainable growth in Latin America.</p>	<p>2009-10</p> <p>EDRC</p> <p>Peer reviews or surveys</p>	74%	Non-response rate of 46%

Source: PIR Survey.

Table 7 Summary of Quality Assessment Results

Product groups	Year	% Members responding High or Very High Quality
Economic Survey(s) of responding country	2005-08	90%
Economic Surveys of OECD Members	2009-10	74%
	2007-08	80%
	2005-06	82%
Economic Surveys/Assessments of Non-Members	2009-10	74%
	2007-08	81%
	2005-06	81%

4. Policy impacts arising from the work of the Economic and Development Review Committee

118. Feedback from informed policymakers in Member countries used to make this analysis was collected from administrations via:

- a questionnaire survey covering the period from 2005 to 2008 with respect to the visibility, use and policy development impact of Output Results in Output Areas 1.1.2;
- the PIR survey covering the period 2009-10 with respect to policy development impact of Output Results in the same Output Areas.

119. The analysis of effectiveness addresses the question of whether a committee is achieving its objectives through the *use* of Output Results and their *impact* on policy development, both in the short to medium-term as well as over a longer-term horizon.

120. The results of the questionnaire survey in respect to the awareness, use and impact of Output Results produced in the 2005-08 period are presented in Table 8 while results of the PIR survey covering 2009 and 2010 Output Results figure in Table 9. Quantitative results are synthesised in Table 10.

121. Quantitative results are presented in the form of indicators of the percentage of Members registering a *medium* to *very high* level of awareness, use and policy impacts.⁴¹ The main performance benchmark used is that a *medium* to *very high* policy impact is reported in 50% or more of Members responding to the survey.^{42 43}

122. Qualitative results from both the questionnaire surveys are presented in the same tables in the form of observations and examples.

41. For products completed uniquely in the framework of the PWB 2009-10, policymakers were requested to provide an assessment of actual and/or potential policy impact, as appropriate.

42. The processing of data is explained in Annex II.

43. Non-response rates of more than 33% are indicated.

4.1 *Analysis of effectiveness in the short to medium-term*

123. Feedback from policymakers indicates that Economic Surveys of Members' Policies have had a *medium* or higher impact in one-half or more of Members, with impact being more important in the case of Members' own surveys as well as in terms of opinion shaping upstream of future policy reforms than through directly influencing policy.

124. Economic surveys/assessments of non-Members are less numerous and more sporadically conducted, as well as being less well known and used by Members. As a consequence, they have a lower impact in terms of both opinion shaping and policy in Members, though this appears to be significantly higher in 2009-10 than earlier in the review period.

125. The apparent gap between the levels of impact reported by Members in the 2009-10 period and that for 2005-08 is in part likely to be a result of the different designs of the questionnaires used to collect the data.⁴⁴ Actual impact, however, of Surveys completed in 2009-10 corresponds with the impact on opinion forming of Members' own surveys in the 2005-08 period. It is during 2009-10 that supporting measures in the form of country brochures, developed specifically for high-level policymakers, and more active efforts by the Organisation to raise the visibility of the EDRC's work particularly in Members were initiated.

44. The IDE survey breaks out various types of impacts in a different way to the PIR survey.

Table 8 Awareness, use and impact of products the area of country peer reviews of economic policies (2005-08)

Output Results	Year Main contributors Product types	% Members responding				Observations
		Medium to Very High level of awareness	Medium to Very High level of use	Medium to Very High impacts on...		
				...opinion forming	...policy develop-ment	
Economic Survey(s) of responding country	2005-08 EDRC Peer reviews or surveys	100%	90%	85%	75%	<p>Advice has been taken into consideration when designing the structural reform agenda (Hungary).</p> <p>Key economic policymakers in our administration are highly aware of the EDRC Survey of Japan. Its recommendations have certain impact on policy debate in <i>Japan</i>.</p> <p>The product has been useful as a source of international experiences and recommendations to lay the ground work for proposing policy changes (Mexico).</p> <p>Cross country comparisons. Focus on specific issues has helped shed light on particular policy areas. Helping build constituency for reform (New Zealand).</p> <p>OECD advice concerning economic policy is taken seriously by policymakers and have often had an impact on policy formulation and reforms (Norway).</p> <p>OECD Economic Surveys have a high contribution to long-lasting structural policy-reforms, since the arguments in the surveys are logical, objective and supported by thorough analysis, facts and evidence and thus, helps to pave the way for sound policy making through important peer reviews and the reports contains in-depth structural analysis which feed into other OECD products such as <i>Going for Growth</i>, and thus, the surveys are an invaluable cradle for developing sound policy recommendations based on best practices (Denmark).</p> <p>Non-response rate of 43%</p>
Economic Surveys of OECD Members: Australia (2008); Austria (2007); Czech Republic (2008); Denmark (2008); EU (2007); Finland (2008); France (2007); Germany (2007, 2008); Greece (2007); Hungary (2007);	2007-08 EDRC Peer reviews or	77%	48%	62%	56%	<p>The structural analysis presented in the Country Surveys highlights the positive impact of structural policies on the economy. However, the policy agenda is not strongly affected by such a technical analysis, and even less so when the study regards other</p>

Output Results	Year Main contributors Product types	% Members responding				Observations
		Medium to Very High level of awareness	Medium to Very High level of use	Medium to Very High impacts on...		
				...opinion forming	...policy development	
Iceland (2008); Ireland (2008); Italy (2007); Japan (2008); Korea (2007, 2008); Luxembourg (2008); Mexico (2007); Netherlands (2007); New Zealand (2007); Norway (2008); Poland (2008); Portugal (2008); Slovak Republic (2007); Spain (2008); Sweden (2007, 2008); Switzerland (2007); Turkey (2008); United Kingdom (2007); United States (2007, 2008).	surveys					<p>OECD Members (Italy).</p> <p>Key economic policymakers in our administration are highly aware of the EDRC Surveys which are helping to prepare for future policy reforms and having an impact on the policy development in <i>Japan</i>, although to a limited extent.</p> <p>Lack of use of the product has led to limited impact of the product (Mexico).</p> <p>Communication of the wider set of surveys is limited in <i>New Zealand</i>.</p> <p>Information and assessments of other countries’ experiences is valuable in order to improve domestic discussions (Norway)</p> <p>While the Economic Survey of Poland was well known in the public administration. The rest of these products were not really known (Poland).</p> <p>OECD Economic Surveys have a high contribution to long-lasting structural policy-reforms, since the arguments in the surveys are logical, objective and supported by thorough analysis, facts and evidence and thus, helps to pave the way for sound policy making through important peer reviews and the reports contains in-depth structural analysis which feed into other OECD products such as <i>Going for Growth</i>, and thus, the surveys are an invaluable cradle for developing sound policy recommendations based on best practices (Denmark).</p> <p>Non-response rate of 49%</p>
Economic Surveys of OECD Members: Australia (2006); Austria (2005); Belgium (2006); Czech Republic (2006); Denmark (2006); EU (2007); Euro Area (2005, 2006); Finland (2006); France (2005); Germany (2006); Greece (2005); Hungary (2005); Iceland (2005, 2006); Ireland (2006); Japan (2006); Korea (2005); Luxembourg	2005-06 EDRC Peer reviews or surveys	76%	42%	58%	52%	<p>Key economic policymakers in our administration are highly aware of the EDRC Surveys which are helping to prepare for future policy reforms and having an impact on the policy development in <i>Japan</i>, although to a limited extent.</p> <p>Lack of use of the product has led to limited impact of the product</p>

Output Results	Year Main contributors Product types	% Members responding				Observations
		Medium to Very High level of awareness	Medium to Very High level of use	Medium to Very High impacts on...		
				...opinion forming	...policy development	
(2006); Mexico (2005); Netherlands (2005); New Zealand (2005); Norway (2005, 2006); Poland (2006); Portugal (2006); Slovak Republic (2005); Spain (2005, 2006); Sweden (2005); Switzerland (2005); Turkey (2006); United Kingdom (2005); United States (2005).						(Mexico). While the Economic Survey of Poland was well known in the public administration. The rest of these products were not really known (Poland). OECD Economic Surveys have a high contribution to long-lasting structural policy-reforms, since the arguments in the surveys are logical, objective and supported by thorough analysis, facts and evidence and thus, helps to pave the way for sound policy making through important peer reviews and the reports contains in-depth structural analysis which feed into other OECD products such as Going for Growth, and thus, the surveys are an invaluable cradle for developing sound policy recommendations based on best practices (Denmark).Non-response rate of 40%
Economic Surveys/Assessments of Non-Members: Chile (2007); India (2007); Indonesia (2008); South Africa (2008).	2007-08 EDRC Peer reviews or surveys	55%	26%	21%	21%	The surveys improve awareness of core challenges for the <i>Danish</i> economy on the basis of arguments that are logical, objective and supported by analysis, facts and evidence. Thus, the surveys helps pave the way for sound policy making. Structural problems and recommendations to Non-OECD Members are very specific of developing countries and not very appropriate to policy developments in an advanced country such as <i>Italy</i> . Key economic policymakers in our administration are highly aware of the EDRC Surveys, and the Surveys are helping to prepare for future policy reforms and having an impact on the policy development in <i>Japan</i> , although to a limited extent. Lack of awareness about the products has led to low use and impact (Mexico). Non-response rate of 46%
Economic Surveys/Assessments of Non-Members: Brazil (2005, 2006); China (2005); Chile (2005); Russian	2005-06	60%	37%	21%	21%	Key economic policymakers in our administration are highly aware of the EDRC Surveys, and the Surveys are helping to

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Output Results	Year Main contributors Product types	% Members responding				Observations
		Medium to Very High level of awareness	Medium to Very High level of use	Medium to Very High impacts on...		
				...opinion forming	...policy develop-ment	
Federation (2006).	EDRC Peer reviews or surveys					<p>prepare for future policy reforms and having an impact on the policy development in Japan, although to a limited extent.</p> <p>Lack of awareness about the products has led to low use and impact (Mexico).</p> <p>OECD Economic Surveys have a high contribution to long-lasting structural policy-reforms, since the arguments in the surveys are logical, objective and supported by thorough analysis, facts and evidence and thus, helps to pave the way for sound policy making through important peer reviews and the reports contains in-depth structural analysis which feed into other OECD products such as Going for Growth, and thus, the surveys are an invaluable cradle for developing sound policy recommendations based on best practices (Denmark).</p> <p>Non-response rate of 46%</p>

Source: IDE Survey.

Table 9 Awareness, use and impact of products in the area of country peer reviews of economic policies (2009-10)

Output Results	Year Main contributors Product types	% Members responding			Observations
		Medium to Very High level of awareness	Medium to Very High level of use	Medium to Very High (potential) impacts on policy development	
Economic Surveys of OECD Members: Australia (2010); Austria (2009); Belgium(2009; Canada (2010); Czech Republic (2010); Denmark (2009); European Union (2009); Euro Area (2010); Finland (2010); France (2009); Germany (2010); Greece (2009); Hungary (2009); Iceland (2009); Ireland (2009); Italy (2009); Japan (2009); Korea (2010); Luxembourg (2010); Mexico (2009); Netherlands (2010); New Zealand (2009); Norway (2010); Poland (2010); Portugal (2010); Slovak Republic (2010); Spain(2010); Sweden (2010); Switzerland (2009); Turkey (2010); United Kingdom (2009) United States (2010). Country brochures for high level policy makers: France, Greece, Hungary, Japan, Mexico, Spain, United Kingdom, United States. Seminar: Beyond the crisis - Returning to sustainable growth in Latin America.	2009-10 EDRC Peer reviews or surveys	96%	NA	96%	Actual medium to very high overall impact in 85% of Members Actual medium to very high impact on policy in 82% of Members
Economic Surveys/Assessments of Non-Members: Brazil (2009); China (2009); Indonesia (2010); South Africa (2010). Country brochure for high level policy makers: China. Seminar: Beyond the crisis - Returning to sustainable growth in Latin America.	2009-10 EDRC Peer reviews or surveys	86%	NA	79%	Actual medium to very high overall impact in 74% of Members Non-response rate of 46%

Table 10 Synthesis of Awareness, Use and Impact Assessment Results

Output Results	Year	% Members responding		
		Medium to Very High level of awareness	Medium to Very High level of use	Medium to Very High (potential) impacts on opinion forming/policy development
Economic Survey(s) of responding country	2005-08	100%	90%	85%/75%
Economic Surveys of OECD Members	2009-10	96%	NA	96%
	2007-08	77%	48%	62%/56%
	2005-06	76%	42%	58%/52%
Economic Surveys/Assessments of Non-Members	2009-10	86%	NA	79%
	2007-08	55%	26%	21%/21%
	2005-06	60%	37%	21%/21%

4.2 *Analysis of effectiveness in the longer term*

126. Members' policymakers were also asked to make an assessment of the longer term and more cumulative contribution of the work of the Committee to lasting policy developments and reforms.

127. Almost nine out of ten responses to the survey indicate that the work of the Committee has been making a significant contribution (i.e. rated *medium* or higher) to long-lasting policy change. In this context, feedback emphasises the strong contribution of the surveys to informing the general public about the need for structural policy reforms and more generally in providing supporting messages and strengthening the case for reforms. The EDRC's work is also used to help design reforms and to provide an important incentive to continue pushing forward their implementation, and the reform process more broadly.

ANNEX II

METHODOLOGY

1. Approach and implementation

128. This In-depth Evaluation was conducted between January 2011 and January 2012. The focus of the exercise is on the Output Results for which the Committee is accountable, as well as the policy use and impacts resulting from them. It covers the period as of 2005 to the present day with regard to the functioning of the Committee, and 2005 to 2010 in the case of the impacts of its work. The following documents present the basic methodological framework used to guide the exercise:⁴⁵

- *Implementing In-depth Evaluation of OECD Committees* [[C/ESG\(2005\)1](#)];
- *In-depth Evaluation of OECD Committees. Terms of Reference* [[CEV\(2011\)1](#)].

129. The following data collection tools and sources of data were mobilised in the course of the evaluation:

- **A survey** addressed to relevant policymakers in Member-country governments and the European Commission. The questionnaire was sent to the Permanent Delegations which were requested to forward them to the relevant ministries, agencies, etc. Data collected through the questionnaire survey reflect informed opinions of policymakers in Capitals. In total, 23 OECD Members responded, a participation rate of 65.7% or 56.4% when weighted by Members' contributions.
- **Interviews** with delegates, OECD officials and representatives of other stakeholders (31 in total). Members of the committee bureau and chairs of its sub-bodies were systematically invited for interview while other delegates with a minimum of experience in the Committee were invited at random. Interviewees from among OECD officials were selected on the basis of recommendations from management. Data collected in interviews consist both of highly informed opinions and factual descriptions.
- **Review of existing data and documentation** (i.e. secondary data), in particular
 - mandates;
 - summary reports of meetings;
 - other key documents relating to the body's Work Programme;
 - Programme of Work and Budget (PWB) 2005-06, 2007-08 and 2009-10;
 - Medium-term Orientations surveys (MTO) 2003, 2005 and 2007.

45. As modified by [C\(2006\)98](#) & [C/M\(2006\)12/PROV](#), [C\(2006\)124/REV1](#) & [C/M\(2006\)16/PROV](#), and [C\(2008\)9](#) & [C/M\(2008\)4/PROV](#).

130. The analysis of data took three forms:

- data generated by the survey questionnaire were mainly quantitative in nature and were the object of a basic statistical analysis;
- data generated by the interviews were analysed to look for explanations of various phenomena primarily related to the functioning of the body and concrete examples of the influence of Output Results on policymaking for Members. The results of these analyses are presented in this report in such a way as to highlight the salient tendencies that emerge from interviews, or conversely, to highlight where there is a strong polarisation of viewpoints. Interview data are not attributed to individual interviewees, thus respecting their right to confidentiality. Where relevant, interview data are attributed to categories of interviewees (i.e. delegates, OECD officials, policymakers, other stakeholders);
- the results of the above analyses along with secondary data are analysed qualitatively with respect to the evaluation criteria and questions using a pattern matching approach.

2. Evaluation criteria and ratings

131. Committee performance is assessed by the Evaluation Committee and presented in a standardised form of qualitative rating of in respect to the evaluation criteria using the following scale: very low, low, medium, high, or very high.

132. The evaluation criteria correspond with those widely used by evaluation practitioners and are adapted to the specific situation of evaluating OECD committees. Their definition and how ratings are made are described below.

2.1 Relevance

133. The evaluation criterion of relevance is defined as whether a committee is addressing Member governments' and the European Union's policy needs and is likely to continue to do so in the medium term.

134. The assessment of relevance draws on three major components:⁴⁶

- the results of the MTO/MTP surveys provide a picture of the relevance of a particular policy area (defined as a PWB Output Area) for which a committee is wholly or partially responsible;
- the degree of capital-based delegate participation (i.e. the proportion of capitals represented by home-based rather than delegation-based delegates) and the interest of a wider range of stakeholders provide broad picture of the relevance of the work being done in a committee;
- the extent to which the explicitly stated policy objectives (within the PWB and/or mandate) of a committee correspond, and will continue to correspond in the medium term, with the needs of policymakers in Member countries.

135. Concerning the first two elements, which are part of a broad assessment of the overall relevance of a committee's work, the MTO/MTP exercise has the highest weight. The assessment of the relevance of committee objectives is given the same weight of the first two elements combined.

46. In the case of the EDRC, since most of its delegates are Paris-based it was not possible to conduct an analysis of capital-based delegate participation.

136. As a result, when most of the objectives of a committee are not addressing important issues for Members' policymakers, it will initially receive a low rating which would be modulated by the MTO/MTP results, the degree of capital based participation. The interest of wider stakeholders may also be taken into account, as necessary. Similarly, when most objectives are aligned with policy issues of high importance, the initial rating will be high, to be eventually modulated as above.

137. A second level of analysis of questionnaire data is undertaken, as necessary, which involves looking at the extent to which objectives are identified as corresponding with *rising* policy needs.

138. It should be noted that a low rating in respect to the criterion of relevance does not necessarily call into question the importance of a particular policy area to the OECD as an organisation (it is the MTO/MTP exercise that performs this function), but raises issues about what a committee's work in the policy area is aiming to achieve.

2.2 *Efficiency*

139. The evaluation criterion of efficiency is defined *as whether a Committee is optimising the relation between its financial and human resource inputs and the quality of its Output Results, with a particular emphasis on its orientation and functioning as key factors.*

140. The assessment of efficiency draws on the following major components:

- an analysis of the extent to which a committee provides itself with sufficiently clear orientations and functions in a satisfactory manner. The major elements considered in this context are:
 - the contents of the mandate (i.e. as a minimum presenting a series of policy objectives and describing the means by which a committee intends to achieve them);
 - the prioritisation of projects (including the respect of resource constraints on implementing the resulting work programme);
 - co-ordination between a parent body and its substructure (ensuring optimal functioning of a committee as a whole);
 - a committee's working methods (and their consequences for the conducting of its work/implementation of its Work Programme);
 - interactions with other OECD committees (how well, to what effect, etc.);
 - interactions with organisations outside the OECD (how well, to what effect, etc.);
 - resources;
- an assessment of the quality of Output Results.

141. An Output Result is considered positively if two-thirds of Members replying to the survey score it as being of at least *high* quality. Where comments on the quality of Output Results are provided (primarily by other stakeholders) these give an illustration of the attributes of Output Results from a broader perspective.

142. To arrive at an overall assessment, the proportion of Output Results rated positively in quality terms is compared against the draw of the committee on the Part I budget, and problems/satisfactory practices related to its orientation or functioning are factored in to the analysis. By way of an example, for a committee with a moderate Part I budget allocation (e.g. situated in the 3rd quintile of Output Areas) to have a medium rating with respect to the criterion of efficiency, it would generally need to have around 50%

of its Output Results rated as being of high quality, while at the same time not encountering any serious operational difficulties.

2.3 Effectiveness

143. The evaluation criteria of effectiveness relates to the extent to which a committee's work has had policy impacts and their long-lasting nature. It is defined as *whether Output Results are being widely used and if they are bringing about widespread policy development impacts [and if they are] contributing towards long-lasting changes in Member governments' and the European Commission's policy.*

144. The assessment draws mainly on data generated by the questionnaire survey and the PIR exercise and follows a logical chain of reasoning: for policy development impacts to occur, Output Results have to be used by policymakers, and for them to be used, policymakers must at the very least be aware that they exist.

145. A broad notion of policy development impacts is used as illustrated in questionnaires received by policymakers on the basis of a committee's own description of the type of policy impacts that it intends to bring about. A similar illustration of the sort of use that Output Results are likely to be put to is also provided in the questionnaire.

146. Data from questionnaires is processed and categorised as responses ranging from *very low* to *very high*. The benchmark for an Output Result to have a positive result is that it has at least a *medium* impact on policy development in one-half or more of Member countries.

147. Observations and examples of use provided by policymakers via the questionnaire and other stakeholders via interviews are provided alongside the quantitative results.

148. For the overall assessment of effectiveness, a committee which has around 50% of its Output Results corresponding with the abovementioned benchmark would be given a medium rating. This would be modulated on the basis of the extent to which its policy impacts are long lasting (the benchmark for this dimension is that one-half or more of responses state that long-lasting policy changes are underway and that the OECD's contribution to this dynamic is either *medium* or *high*). It may also be modulated on the basis of other factors, for example the degree of coherence between the Output Results being produced by a committee and its policy objectives.

149. When Output Results by their nature do not necessarily have a distinct impact, as in the case of statistics, they are assessed against the abovementioned benchmark on the basis of their use by policymakers.

150. In the case of policy fields where EU Member States policymaking role is shared to a great extent with the European Commission, assessments of these countries of the use of Output Results are used instead of their impacts.

3. Questionnaire and PIR Survey

3.1 Responses

151. Twenty-three questionnaires in total were completed and returned by Members' policymakers. The ministries, departments and agencies having contributed to the survey are listed in the tables below.

AUSTRALIA	Department of the Treasury	Macroeconomic Policy Division
AUSTRIA	Oesterreichische Nationalbank	
CANADA	Department of Finance Canada	Economic Studies and Policy Analysis Division
CHILE	Ministry of Finance (Ministerio de Hacienda)	
DENMARK	Ministry of Finance	
ESTONIA	Ministry of Finance	Macroeconomic Policy Department Department of EU and International Affairs
EUROPEAN COMMISSION		
GERMANY	Federal Ministry of Economics and Technology	
GREECE	Ministry of Finance	Council of Economic Advisors Macroeconomic Forecasts Department
HUNGARY	Ministry for National Economy	Macroeconomic Policy Department
ISRAEL	Bank of Israel	Macroeconomics and Policy Division at Research
ITALY	Ministry of Economy and Finance	Treasury Department/International Financial Relations
JAPAN	Cabinet Office Ministry of Foreign Affairs	
KOREA	Ministry of Strategy and Finance	
MEXICO	Ministry of Finance	
NEW ZEALAND	Treasury	
NORWAY	Ministry of Finance	
POLAND	Ministry of Economy	
SLOVAK REPUBLIC	Ministry of Finance of the Slovak Republic	
SLOVENIA	Institute of Macroeconomic Analysis and Development	
SPAIN	Ministry of Economy and Finance	
SWEDEN	Ministry of Finance	
SWITZERLAND	Swiss National Bank	

3.2 *PIR data*

152. PIR data covers the quality and (potential) impact of Output Results. It is also possible to distinguish between three possible motivations for non-responses in the case of specific Output Results:

- NA1: Unaware of the Output Result;
- NA2: Cannot Assess due to non-participation;
- NA3: Choose to make no response.

153. The calculation of the indicator for awareness was made in the following way:

- Number of responses / (number of responses + number of NA1 non-responses)

154. The calculation of the indicator for impact was made in the following way:

- Number of Medium, High and Very High responses / (number of responses + number of NA1 non-responses).

4. Persons interviewed

4.1 *Economic Counsellors*

Gordon BOISSONNEAULT (Canada); Matthew FLAVEL (Australia); Kerry FOWLIE (Vice-Chair, New Zealand); Federico GIAMMUSO (Vice-Chair, Italy); Hideyuki IBARAGI (Japan); Kamran KAZEMZADEH (Austria); Aldric LEBORGNE (European Commission); Yngve LINDH (Sweden); Bosco MARTI (Mexico); Harry OLDEERSMA (Netherlands); Stylianos PETSAS (Greece); Francesca ROMAGNOLI (United Kingdom); Vlasta TUREL (Slovenia).

4.2 *Other Delegates*

Serge ALLEGREZZA (Luxembourg); Alfred KATTERL (Austria); Jukka PEKKARINEN (Finland); Benoit ROBIDOUX (Canada); Niels THYGESEN (Ex-Chair, Denmark); Bill WHITE (EDRC Chair, Canada); Kari VARIS (Finland).

4.3 *OECD officials*

Andrew DEAN (Director, ECO Country Studies Branch); Robert FORD (Deputy Director, ECO Country Studies Branch); Mats ISAKSSON (Head of Corporate Affairs Division, DAF); Grant KIRKPATRICK (Deputy Head of Corporate Affairs Division, DAF); Nikolai MALYSHEV (Head of Regulatory Policy Division, GOV); Stephen MATTHEWS (Head of Tax Policy, Tax Statistics and Horizontal Programmes Division, CTP); Mark PEARSON (Head of Health Division, ELS); Sebastian SCHICH (Financial affairs Division, DAF); Jeremy WEST (Competition Division, DAF).

4.4 *Other stakeholders*

Rodolphe BLAVY (International Monetary Fund); Scott ROGERS (International Monetary Fund).

5. Documents Consulted

	Presentation to Council on the Work of the EDRC by W. R. White (Chair of the EDRC).
	Note from Bill White Chairman of the Economic and Development Review Committee (follow up to Council Dialogue on 18 February, 2010)
	Presentation on Comparative aspects of peer reviews: OECD, IMF and the European Union. Niels Thygesen (Council Dialogue 16 October 2008)
	Comparisons of Surveillance across Different Institutions – and some Strategic Considerations. A personal note for item 5 for the EDRC Special Meeting, 12 October 2004 by Niels Thygesen
	Peer Pressure as Part of Surveillance by International Institutions. Discussion led by Niels Thygesen, 4 June 2002.
	Evaluation of the Integrated Guidelines Package (IGP) for jobs and Growth, Final Report, February 2008, European Commission.
	The Process of Structural Surveillance in Economic Surveys: Current Practice (Note from the Economics Department – 31 May 2011)
	Education Chapters in OECD Economic Surveys (Note by the Economics Department, 7 April 2011)
	Memorandum – Work of the EDRC, 29 October 2010.
ECO/EDR/DIV(2011)1	Economic and Development Review Committee: Agreed Principles and Practices
ECO/CPE/EDR(2011)1	Global Relations Strategy for EPC and EDRC
ECO/EDR(2010)4/REV3	Proposed timetable of meetings and structural themes
ECO/CPE/EDR(2010)1	Report on Implementation of the 2009-10 Programme of Work and Budget for the Period January-June 2010
ECO/EDR(2009)1/REV2	Proposed timetable of meetings and structural themes
C(2008)20 and C(2008)20/CORR1	Renewal of the mandate of the Economic and Development review Committee
C(2008)205/REV1	Appointment of the Chairman of the Economic and Development Review Committee as a Council Expert
ECO/CPE(2008)9	What Strategy for the Economics Department in 2009-10
ECO/EDR(2008)3/REV3	Proposed timetable of meetings and structural themes
ECO/EDR/DIV(2007)2	Project on the Political Economy of Structural Reform
ECO/CPE(2006)8	What Strategy for the Economics Department in 2007-08
C(2006)5	Proposed revision of the mandate of the Economic and Development Review Committee
ECO/EDR/DIV(2006)1	Economic and Development Review Committee: Agreed Principles and Practices
ECO/EDR(2005)3/REV2	Proposed timetable of meetings and structural themes
ECO/EDR/DIV/M(2011)1	Summary Record of the 1139th Meeting - Special Meeting
ECO/EDR/DIV/M(2010)2	Summary Record of the 1122nd Meeting - Special Meeting
ECO/EDR/DIV/M(2010)1	Summary Record of the 1115th Meeting - Special Meeting
ECO/EDR/DIV/M(2009)3	Summary Record of the 1102nd Meeting - Special Meeting
ECO/EDR/DIV/M(2009)2	Summary Record of the 1101st Meeting - Special Meeting
ECO/EDR/DIV/M(2009)1	Summary Record of the 1093rd Meeting - Special Meeting
ECO/EDR/PE/M(2009)1	Summary Record of the 1083rd Meeting - Special Meeting
ECO/EDR/DIV/M(2008)26	Summary Record of the 1079th Meeting - Special Meeting
ECO/EDR/DIV/M(2008)23	Summary Record of the 1076th Meeting - Special Meeting
ECO/EDR/PE/M(2008)2	Summary Record of the 1074th Meeting - Special Meeting

ECO/EDR/DIV/M(2008)22	Summary Record of the 1075th Meeting - Special Meeting
ECO/EDR/DIV/M(2008)20	Summary Record of the 1072nd Meeting - Special Meeting
ECO/EDR/DIV/M(2008)16	Summary Record of the 1068th Meeting - Special Meeting
ECO/EDR/DIV/M(2008)6	Summary Record of the 1058th Meeting - Special Meeting
ECO/EDR/PE/M(2008)1	Summary Record of the 1057th Meeting - Special Meeting
ECO/EDR/DIV/M(2007)23	Summary Record of the 1051st Meeting - Special Meeting
ECO/EDR/DIV/M(2007)21	Summary Record of the 1049th Meeting - Special Meeting
ECO/EDR/DIV/M(2007)18	Summary Record of the 1046th Meeting - Special Meeting
ECO/EDR/DIV/M(2006)21	Summary Record of the 1026th Meeting Special Meeting - 24 October 2006
ECO/EDR/DIV/M(2006)11	Summary Record of the 1016th Meeting - Special Meeting
ECO/EDR/DIV/M(2006)15	Summary Record of the 1020th Meeting - Special Meeting
ECO/EDR/DIV/M(2006)2	Summary Record of the 1007th Meeting - Special Meeting
ECO/EDR/DIV/M(2005)17	Summary Record of the 1000th Meeting - Special Meeting
ECO/EDR/DIV/M(2005)12	Summary Record of the 995th Meeting - Special Meeting
ECO/EDR/DIV/M(2005)3	Summary Record of the 986th Meeting - Special Meeting
ECO/CPE(2004)10	What Strategy for the Economics Department in 2005-06

ANNEX III

IN-DEPTH EVALUATION: INSTITUTIONAL FRAMEWORK

Subject	Statements	Reference and Decision	
General principles	“the evaluation mechanism would be owned by Council with the involvement of officials in capitals, committee secretariats and permanent delegations. Views would also be solicited from important external stakeholders.”	C(2004)91 C(2004)190 & C(2004)190/CORR1	C/M(2004)10/PROV & C/M(2005)4/PROV
	“...to provide a mechanism through which Council can assess whether Committees are conducting processes, delivering outputs and achieving impacts that are in line with Members policy expectations and priorities and with the comparative advantage of the OECD.”		
Focus	“Evaluating committee mandates, therefore, involves evaluating, the achievement, and continued relevance, of the longer-term expected outcomes of a Committee, as well as the effectiveness of the associated outputs and work practices required to achieve them.”	C(2004)190 & C(2004)190/CORR1	C/M(2005)4/PROV
	“...evaluation criteria [relevance, efficiency, effectiveness and sustainability] act as a means to ensure that an evaluation exercise focuses on issues that are evaluative in nature, as opposed to issues that are examined within the framework of audits and reviews of various kinds or which are more questions for research-type activities.”	C/ESG(2005)1	C/M(2005)20/PROV
Set up	“...a sub-group of the Council, comprising five of its members proposed by the Chair of the Executive Committee and designated by Council” “...the in-depth evaluation mechanism will be coordinated by the Council Secretariat.”	C(2004)190 & C(2004)190/CORR1	C/M(2005)4/PROV
	“...rename the Evaluation Sub-Group ‘Evaluation Committee’”		C/M(2007)17/PROV
	Expansion of the Evaluation Committee to seven members “...it being understood that the number of Committee members will return to five at the first opportunity.”		C/M(2008)2/PROV
Programming	“Two evaluations per year could be undertaken. [...] This would mean that at such a pace, all Committees would be evaluated according to a twelve-year cycle.”	C(2004)190 & C(2004)190/CORR1	C/M(2005)4/PROV
	“...three committees to be evaluated by the end of February 2006 [and] three [...] committees/subsidiary bodies to be evaluated from March to December 2006.	C(2005)63 , C(2005)63/ADD1 & C(2005)63/CORR1	C/M(2005)12/PROV & C/M(2005)14/PROV
	“Under current staffing arrangements, it will be possible to evaluate the quasi-totality of Level I Part I Committees by the end of 2010, though not all committees would be evaluated within the timeframe of their current mandates”. “In line with the PWB cycle, it is proposed that a two-year In-depth Evaluation programme be drawn up for the 2007-08 Biennium.” “...nine Level I committees/bodies will be evaluated in 2007-08 in waves of three [including] evaluations of [their] Part II programmes”	C(2006)124/REV1	C/M(2006)16/PROV

Subject	Statements	Reference and Decision	
Process	“...a sub-group of the Council [will] agree the terms of reference and methodology for evaluation; review the evaluations themselves and present the Evaluation Report to Council; and monitor the follow-up of eventual recommendations arising from the evaluations.”	C(2004)190 & C(2005)63/CORR1	C/M(2005)4/PROV
	<p>“...in-depth evaluations conducted by the Evaluation Sub-group would follow the steps described in “Section VI, How In-depth Evaluations would be conducted” of document C(2004)190 as amended by this decision.”</p> <ul style="list-style-type: none"> – “6) Evaluation Sub-group sets Terms of Reference and Methodology. [The Council Secretariat] organises the first meeting of the Evaluation sub-group with the relevant DSG, Level I Committee.” – “7) [The Council Secretariat] coordinates inputs into surveys and questionnaires to capitals with the involvement/advice from permanent delegations.” – “8) Analysis and Interpretation of Evaluation Findings by Evaluation Sub-group, assisted by [the Council Secretariat]. Discussion on the evaluation findings by Evaluation Sub-group with involvement by Level I Committee Chairs, Cluster Managers and Directors.” 	C(2004)190 & C(2005)63/CORR1	C/M(2005)4/PROV
	<p>The Evaluation Coordinator :</p> <ul style="list-style-type: none"> – Elaborates a draft ToR for individual evaluations – Implements data collection and analysis, and presents the results to the ESG – Interprets analyses, establishes findings, draws conclusions, and presents them to the ESG – Prepares draft recommendations for the ESG – Draws up the evaluation report and presents it to the ESG 		
	<p>The Evaluation Sub-group:</p> <ul style="list-style-type: none"> – Validates the draft ToR with the agreement of the relevant DSG, Level I Committee and Director – Monitors the implementation and results of the collection and analysis of data – Challenges or reaffirms interpretations and conclusions – Develops and finalises the recommendations – Validates the evaluation report with the involvement of the relevant DSG, Level I Committee and Director – Presents the “draft” evaluation report to the Council – Monitors of the follow-up of eventual recommendations arising from the evaluations 	C/ESG(2005)1	C/M(2005)20/PROV
	<p>“...the ESG has a role of oversight over the evaluation process and deliverables, while the Evaluation Coordinator is responsible for the day-to-day implementation of the methodology and the reporting of results to the ESG.”</p> <p>“...the meetings to discuss and validate the draft final reports were opened up to all relevant chairs (parent and sub-bodies) and the members of the bureau of parent bodies.”</p> <p>“...a broader participation in the evaluation process tested in the first round of evaluations could be usefully continued into the next round and be expanded so that a wider range of stakeholders have the possibility to validate the Terms of Reference at the outset of an evaluation and to examine its intermediate and final results.” “</p> <p>[The] first phase of monitoring would take place during the six months following the evaluation and as such would be focused primarily on the preparation of appropriate ameliorative actions. The process would be repeated in the course of the following six months to monitor the extent to which appropriate concrete actions have been implemented.”</p>	C(2006)98	C/M(2006)12/PROV

Subject	Statements	Reference and Decision	
	<p>“...on the basis of analyses and conclusions, the performance of a committee would be explicitly ranked, for each of the evaluation criteria, as either very low, low, medium, high, or very high.”</p> <p>“the presentation and discussion of evaluation reports within the Committee would be clearly structured in three steps to ensure the clarity of the process:</p> <ul style="list-style-type: none"> – first, the Executive Committee would be requested to discuss the substantive contribution of an evaluation (primarily the conclusions); – second, it would review the operational recommendations; – third, an examination of a more political nature, with an emphasis on committee structures and their possible evolution would take place.” 	C(2006)124/REV1	C/M(2006)16/PROV
	<p>“...in-depth monitoring [of the implementation of recommendations] will take place after one year for all committees following their evaluation report, while committees with low rating will be required to present to the Evaluation Committee an action plan in six months</p> <p>“... dialogues [with Committee Chairs in Council] should ideally be programmed around six months after the previous monitoring phase. A set of guidelines would be developed to help Chairs structure this part of the discussion around the four evaluation criteria of relevance, efficiency, effectiveness and sustainability. Whenever possible, these Dialogues would be scheduled to take place within a dedicated Council session in the presence of the relevant Deputy Secretary-General, in his or her role as cluster manager, and the responsible director.”</p>	C(2008)9	C/M(2008)4/PROV
Linkages with PIR and self-evaluation	<p>“In-depth evaluation should build on the results of the annual evaluation of Programme Implementation Reports.”</p>	C(2004)91	C/M(2004)10/PROV