



COUNCIL

Council

RESOLUTION OF THE COUNCIL

**concerning the Participation of Non-Member Economies in the Work of Subsidiary
Bodies of the Organisation**

*(adopted by the Council at its 872nd Session, Thursday 28 March and Friday 29 March 1996
[C/M(96)7/PROV], and modified at its 880th Session, Thursday 27 June 1996 [C/M(96)15/PROV]).*

40601

THE COUNCIL,

Having regard to the Convention on the Organisation for Economic Co-operation and Development of 14th December 1960, and in particular to its Article 12;

Having regard to the Ministerial Communiqué adopted on 24 May 1995 and, in particular, its paragraph 8 b) [C(95)118];

Having regard to the Resolution of the Council abolishing the Group of the Council on Non-Member Economies [C/M(96)15, item 185];

Appreciating the growing interest of non-member countries in the work of the Organisation;

Mindful of the importance for the Organisation of maintaining and heightening a dialogue with non-member countries through the flexible use of the available forms of co-operation;

Mindful, as well, of the growing demands on a number of subsidiary bodies and the particular impact which direct participation of non-member countries may have on their resources and work;

Having regard to the Rules of Procedure of the Organisation, and in particular to Articles 8 to 10 thereof, which provide that a non-member government may be invited by the Council to be represented as an observer at meetings, or parts of meetings of bodies of the Organisation, or to participate more fully in the activities of the Organisation;

Noting that the question of participation of a non-member country or economy in the activities of a subsidiary body of the Organisation may arise at the initiative of the non-member or of the Organisation;

Noting the desirability of deciding such questions on a sound and systematic basis;

Noting, as well, the need throughout the Organisation for guidance on the policies and practices applicable to the invitation process and to the subsequent participation of non-members in its work;

DECIDES:

1. Requests by non-members or proposals initiated within the Organisation that a non-member be invited to participate in official sessions of a subsidiary body as observer or full participant, shall be initially considered by the Council on the basis of a Secretariat background paper. The Council may ask the technical opinion of the subsidiary body concerned on any requested or proposed invitation.
2. The opinion of the subsidiary body should indicate:
 - a) whether the subsidiary body considers in the light of any relevant evidence that the non-member is a major player in its field of competence;

- b) whether and in what ways association of the non-member with its work would be mutually beneficial;
- c) the consequences that the non-member's participation might have on the current work programme of the subsidiary body concerned, as well as on the Secretariat resources devoted to this body; and
- d) as appropriate, the limits and form of the participation of the non-member which appear desirable, bearing in mind the variety of possible programmes and approaches, in order to maximise the benefits and reduce any disadvantages.

3. The Council shall decide whether to invite a non-member to participate in official sessions of a subsidiary body, taking into account the technical opinion of the subsidiary body concerned. In appropriate cases, a subsidiary body may be authorised by the Council to invite non-members to be represented by an observer at particular meetings at that body's discretion.

4. Prior to the expiration of an invitation, the subsidiary body concerned shall provide to the Council its opinion on whether the invitation should be renewed. The opinion should in particular take into account the quality of a non-member's participation. The Council shall decide whether to renew the invitation, taking into account the technical opinion of the subsidiary body concerned.

5. The process described above shall be as expeditious as possible. Where justified by circumstances, a written procedure may be followed by the Council and the concerned subsidiary bodies.

6. Participation by non-members in other activities of the Organisation shall be approved by inclusion of appropriate information in the programme of work or by provision of such information on an ad hoc basis to the Council reasonably in advance.

7. The Appendix, which forms an integral part of this Resolution, contains guidelines of general application for subsidiary bodies regarding the invitation process and the subsequent participation of invited non-members in their work. The Council may provide different guidance in specific cases.

8. This Resolution replaces Resolution C(92)65/FINAL.

APPENDIX

GUIDELINES ON PARTICIPATION BY NON-MEMBERS
IN THE WORK OF SUBSIDIARY BODIES OF THE ORGANISATION

FORMS OF POSSIBLE CO-OPERATION

1. In considering the establishment of relations with non-member countries, a subsidiary body should generally not limit its reflection to the specific form requested, but should examine the full range of possible means of co-operation with that non-member, with a view to finding those best suited to the Organisation and the non-member in question. These include:

- a) Participation in one or more workshops, seminars or other ad hoc informal meetings;
- b) Participation, whether regularly or from time to time, in activities conducted by the Organisation within various frameworks, such as the Development Centre, the General Work Programme of the CCET, the Policy Dialogue with Dynamic Non-Member Economies or the Emerging Market Economy Forum;
- c) Participation directly in the official sessions of the subsidiary body or one or more of its working parties as ad hoc observer, regular observer or full participant;
- d) Any other form of co-operation that may appear appropriate.

PARTICIPATION IN OFFICIAL SESSIONS OF SUBSIDIARY BODIES

Subsidiary Body Opinions

2. Contacts with a non-member concerning a possible invitation to participate in official sessions of a subsidiary body are subject to the prior agreement of the Council.

3. Participation in official sessions of subsidiary bodies, whether as a regular observer or full participant, should be recommended sparingly.

4. In considering invitations to non-members to participate in this way, subsidiary bodies should provide their justified opinion, fully analysing the non-member's ability to meet the major player/ mutual benefit criteria set out in paragraph 2 a) and b) of the Resolution, quantified as appropriate, and based on their technical judgement.

- a) A Committee or Working Group which has reached a preliminary positive assessment of a proposal to invite a non-member to participate may, with the approval of the Council, invite the non-member to participate in a country policy review before transmitting its definitive justified technical opinion to the Council. Such a review should familiarise the non-member with the frank and

transparent dialogue of the OECD, aid in assessing its readiness for participation, and encourage desirable policy change. The associated costs, or an appropriate part thereof, should be covered by the non-member country concerned.

- b) Subsidiary bodies with authority over subordinate bodies shall specify and justify in their opinion whether the invitation should be valid for all or some of those subordinate bodies. Prior consultation of subordinate bodies is left to the parent body's discretion.
- c) If the subsidiary body considers that a number of non-member countries meet the criteria for participation set above, its justified opinion on any individual request or proposal should take this factor expressly into account.

Terms of Observer Invitations

5. Observer invitations should continue to be the norm for non-member participation in official sessions. Observers are generally invited and participate on the following basis:

- a) Ad hoc invitations to attend as observer one or more meetings, or relevant parts of meetings should be considered before a non-member is invited to become a "regular observer". Ad hoc observers are expected to contribute to the discussion. A non-member may be invited as an ad hoc observer for such purposes as preliminary policy exchange or country review, or an exploration of the nature of the country's expected contribution to the work of the subsidiary body, before either the Organisation or the non-member is called upon to decide upon a commitment to a standing invitation.
- b) "Regular observers" receive a standing invitation to attend the meetings of a subsidiary body, on the understanding that they will actively participate and fully co-operate in the work of the subsidiary body, including information exchanges. This is subject to the limitations set in the Rules of Procedure, in these guidelines and in the invitation. Standing invitations are generally issued on an annual basis, subject to renewal.
- c) A regular observer shall be asked to make an appropriate financial contribution to the expenses of the Organisation.
- d) In certain cases, acceptance of relevant disciplines may be made a condition for regular observership.
- e) The Secretary-General, on the recommendation of a committee, may invite regular observers of the committee or its working parties to participate on an ad hoc basis in activities of subordinate bodies relevant to the primary invitation, and, with the concurrence of the other committees involved, in joint meetings or "horizontal" activities.
- f) Unless otherwise specified, an invitation to participate as observer

in the work of a subsidiary body does not include meetings of that body at Ministerial level or meetings of its subordinate bodies.

Terms of Full Participant Invitations

6. Full participation is generally accorded only to a non-member which is willing and able to comply with the relevant disciplines of the Organisation, after a period of active participation as observer, if full participation would provide greater mutual benefit. For certain disciplines, however, it may be decided that the prior observership requirement should be curtailed or dispensed with. Full participation is generally on the following basis:

- a) It is subject to binding agreements concluded with invited full participants, pursuant to Rule 8 a) of the Rules of Procedure. These provide the non-member's adherence to all OECD instruments forming a basis of the subsidiary body's work and generally accepted by the Members; obligate the non-member to co-operate fully in the work of the subsidiary body, including information exchanges; and commit it to contribute appropriately to the expenses of the Organisation. These agreements are for an indefinite duration and subject to suspension or termination by the OECD on reasonable notice.
- b) Full participants are invited to attend all meetings of the subsidiary body and its subordinate bodies to which the invitation relates, including joint meetings with other committees and meetings at ministerial level, except as provided in paragraph 8 below.
- c) Full participation is not envisaged for the following committees: the Executive Committee in Special Session, the Development Assistance Committee, the Economic Policy Committee, the Economic and Development Review Committee, the Committee on International Investment and Multinational Enterprises, the Committee on Capital Movements and Invisible Transactions and the Trade Committee.
- d) Other subsidiary bodies, including appropriate subordinate bodies of the committees listed in subparagraph c) above, may have non-member full participants. If a subsidiary body has a variety of activities, not all of which are appropriate for full participation by non-members, the invitation should be limited to specified activities. If necessary, the subsidiary body should consider reorganising its work pattern or working party structure so that the invitation will not impinge inappropriately on its other work.

Modalities of Participation of Observers and Full Participants

7. Observers participate in the work of the subsidiary body as provided in Rule 9 of the Rules of Procedure, in these Guidelines and in the invitation.

- a) Observers are notified of the dates of meetings or parts of meetings they may attend and provided with the agenda, minutes and documents thereof [Rule 9 d)].
- b) The Chairman of the Council is empowered to decide that particular meetings (or parts of meetings), shall be held without observer

attendance [Rule 9 b)]. In so doing, he may make appropriate distinctions, e.g., between governmental observers and those from international organisations. In such cases, meetings, or specific agenda items, are marked as "closed" or "confidential" and observers do not attend. When parts of a meeting are closed, the agenda is usually arranged to minimise the inconvenience for the observers. Chairmen and Secretaries of subsidiary bodies will inform the Chairman of the Council promptly of a situation calling for an exercise of this power. They shall also bear in mind any general decisions which the Chairman of the Council has issued under this rule.

- c) Under Rule 9 c), observers are invited to make statements on a particular subject at the discretion of the subsidiary body chairman. This discretion is exercised to maximise the mutual benefits of the non-member's participation. Observers are given a seat at the table, where Member country needs permit. They do not take part in the decision making-process nor can they place an item question on the agenda. An observer is not bound by the conclusions, proposals or decisions of the body in question unless it expressly agrees.

8. Full participants take part in the meetings and work of the subsidiary body to which their invitation applies on the same bases as member countries, except as otherwise provided in their invitation. They are however not invited to meetings, or parts of meetings, held in the context of the accession of a non-member country to the Organisation, and may also be excluded from those concerning the relations of the Organisation with non-members. In such cases, the provisions in paragraph 7 b) above shall be applicable *mutatis mutandis*.