

Unclassified

CCNM(2001)1



Organisation de Coopération et de Développement Economiques
Organisation for Economic Co-operation and Development

05-Mar-2001

English - Or. English

CENTRE FOR CO-OPERATION WITH NON-MEMBERS

CCNM(2001)1
Unclassified

CCNM 2001 INTEGRATED PROGRAMME OF ACTIVITIES

JT00103747

Document complet disponible sur OLIS dans son format d'origine
Complete document available on OLIS in its original format

English - Or. English

TABLE OF CONTENTS

INTRODUCTION

CCNM LIST OF ACTIVITIES	6
I. THE OECD GLOBAL FORUMS	10
I.A. GLOBAL FORUM: SUSTAINABLE DEVELOPMENT	10
I.B. GLOBAL FORUM: KNOWLEDGE ECONOMY	12
I.B.1 BIOTECHNOLOGY	13
I.B.2 ELECTRONIC COMMERCE	15
I.C. GLOBAL FORUM: GOVERNANCE	20
I.D. GLOBAL FORUM: TAXATION	22
I.E. GLOBAL FORUM: TRADE	23
I.F. GLOBAL FORUM: INTERNATIONAL INVESTMENT	25
I.G. GLOBAL FORUM: AGRICULTURE	26
I.H. GLOBAL FORUM: COMPETITION	27
II. REGIONAL AND COUNTRY PROGRAMMES	28
II A. EUROPE AND CENTRAL ASIA	28
II.A.1 Common Programme for Transition Economies of Europe and Central Asia	28
II.A.2 Baltic Regional Programme	42
II.A.3 South Eastern Europe Regional Programme	52
II.A.4 Russia Programme	59
II B. ASIA	70
II.B.1 Programme for Emerging Asian Economies	70
II.B.2 China Programme	83
II.C. SOUTH AMERICA	94
II.C.1 Programme for Emerging South American Economies	94
II.C.2 Brazil Programme	100
II.D. EXPLORATORY WORK IN OTHER AREAS	104
II.D.1 SOUTH AFRICA	104
III. PARTNERSHIPS WITH OTHER ORGANISATIONS	106

TABLE OF CONTENTS (continued)

ANNEXES

1.	Abbreviations	110
2.	CCNM Contacts List.....	113

BOXES

1.	The Architecture of the CCNM Programme of Work, 2001-2002	5
2.	The SIGMA Programme	37

INTRODUCTION¹

This *Integrated Programme* provides detailed information about the *Activities* of the Centre for Co-operation with Non-Members (CCNM) planned for 2001. The Centre promotes and co-ordinates the OECD's policy dialogue and co-operation with non-OECD Members. It ensures that this dialogue remains relevant, effective and forward-looking and that it serves as a focal point for relations between the OECD and non-Member economies. Essentially, the CCNM brings together reformers from around the world to share policy experience and analysis contributing to sustainable global economic growth and social development. The CCNM operates under the overall guidance of the Committee on Co-operation with Non-Members, a subsidiary, intergovernmental body of the Council. Currently, the OECD maintains contacts with approximately 70 non-Members.

While overseeing and providing coherence to more than 120 activities, the CCNM monitors and analyses developments in non-Member economies, adapting the Organisation's co-operative activities accordingly. The CCNM's programmes cover the major policy areas of OECD expertise that are of mutual interest to OECD countries and non-Members. This work builds upon OECD work with Member countries. Programmes and activities are implemented primarily by CCNM staff located in the specialised Directorates across the Organisation. This ensures that the same quality standards apply to work with Members and non-Members alike.

A new programme architecture, outlined in the box below, has been designed to provide a more coherent structure while maintaining the geographic balance of the programmes.

Pillar 1, the OECD Global Forums, is a set of specialised dialogue initiatives and networks characterised by global participation and flexibility to cope with evolving circumstances. It addresses priority issues that defy resolution in individual countries or world regions. Mutually beneficial dialogue on these issues between Member and relevant non-Member economies around the world is critical to achieving progress in the search for solutions. The Forums cover eight themes: (1) Sustainable Development; (2) Knowledge Economy, comprising Biotechnology and E-Commerce; (3) Governance, comprising E-Government, Regulatory Reform, Corporate Governance, and Anti-Corruption; (4) Taxation; (5) Trade; (6) International Investment; (7) Agriculture; and (8) Competition Policy.

Pillar 2, the Regional and Country Programmes, is consolidated into three areas: Europe and Central Asia; Asia and South America. Each geographic area consists of a regional programme, and, in certain cases, sub-regional (such as, the Baltic Regional Programme and the South Eastern Europe Regional Programme), as well as one country programme for each geographic area (Brazil, China and Russia). Subject to the availability of additional voluntary funding, Exploratory Work can be undertaken in other regions in response to new and emerging issues.

A third section describes OECD Partnerships. The CCNM plays a key role in promoting and monitoring the development and implementation of OECD partnerships with other organisations. It ensures the transparency of ongoing initiatives and acts as a clearing-house for good practices across the OECD regarding co-operation with other organisations.

1. This document is intended as an information tool on planned activities. The descriptions contained therein are provisional and do not represent a definitive statement of work to be undertaken.

Box 1. The Architecture of the CCNM Programme of Work, 2001-2002***Pillar I. OECD Global Forums***

- A. Sustainable Development
- B. Knowledge Economy
 - 1. Biotechnology
 - 2. Electronic-Commerce
- C. Governance
- D. Taxation
- E. Trade
- F. International Investment
- G. Agriculture
- H. Competition

Pillar II. Regional and Country Programmes

- A. *Europe and Central Asia*
 - 1. Common Programme for Transition Economies of Europe and Central Asia
 - 2. Baltic Regional Programme
 - 3. South Eastern European Regional Programme
 - 4. Russia Programme
- B. *Asia*
 - 1. Programme for Emerging Asian Economies
 - 2. China Programme
- C. *South America*
 - 1. Programme for Emerging South American Economies
 - 2. Brazil Programme
- D. *Exploratory Work in Other Areas*

The CCNM Programme of Work also includes Partnerships with Other Organisations and Observerships.

CCNM LIST OF ACTIVITIES²**I. OECD GLOBAL FORUMS****I.A. Sustainable Development**

- I.A.1 Associate non-Members with the OECD Horizontal Sustainable Development Project
- I.A.2 Preparation and Contribution to the World Conference on Sustainable Development

I.B. Knowledge Economy

- I.B.1 **Biotechnology** (New, Lead Directorates: AGR/ENV/STI)
 - I.B.1.1 Biotechnology in the Agro-Food Sector (New, AGR)
 - I.B.1.2 Modern Biotechnology -- Harmonisation of Regulatory Assessment (New, ENV)
 - I.B.1.3 Life Science and Biotechnology (New, DSTI)
 - I.B.1.4V Biotechnology and Sustainable Development (New, DSTI)
- I.B.2 **Electronic Commerce** (Ongoing, Lead Directorate: DSTI)
 - I.B.2.1 OECD/Dubai 2001 Emerging Market Economy Forum (EMEF) on Electronic Commerce and Follow-up (Ongoing, DSTI)
 - I.B.2.2 Taxation and Electronic Commerce (Ongoing, DAFFE)
 - I.B.2.3 Development Programmes to Bridge the Digital Divide (New, DCD)
 - I.B.2.4V Electronic Commerce for Development (New, Development Centre)
 - I.B.2.5 Knowledge Economy: Science and Technology (S&T) indicators - Methodological and Statistical Development (Ongoing, DSTI)
 - I.B.2.6 Knowledge Economy: Education Indicators (Ongoing, DEELSA)
 - I.B.2.7 Policy Forum on Using Knowledge for Development (Ongoing, DSTI)
 - I.B.2.8V Knowledge Economy: Global Forum for Entrepreneurship and Enterprise Development (FEED) (Ongoing, DAFFE)

I.C. Governance

- I.C.1 Third Global Forum on Reinventing Government: E-Government (New, PUMA)
- I.C.2 Regulation and Regulatory Quality (New, PUMA)
- I.C.3 Corporate Governance (Ongoing, DAFFE)
- I.C.4 Anti-Corruption and Bribery (New, DAFFE)

I.D. Taxation

- I.D.1 Tax Policy and Implementation (Ongoing, DAFFE)

I.E. Trade

- I.E.1 Trade Policy Issues: The Social, Environmental and Competition Dimension (New, ECH)
- I.E.2 Trade and Development Issues in Non-Member countries (New, ECH)
- I.E.3 Development of Export Credit Financing Systems (Ongoing, ECH)

I.F. International Investment

- I.F.1 International Direct Investment and Globalisation (Ongoing, DAFFE)
- I.F.2 Environmental Aspects of International Direct Investment (Ongoing, DAFFE, ENV)

I.G. Agriculture

- I.G.1 Global Forum: Analysis and Dialogue on Agricultural Policies (Ongoing, AGR)

I.H. Competition

- I.H.1 Global Economic Integration and Competition Policy (Ongoing, DAFFE)

2. Please note that all activity numbers followed by a "V" designate activities that are entirely dependent on voluntary contributions for their implementation.

II. REGIONAL AND COUNTRY PROGRAMMES

II A. EUROPE AND CENTRAL ASIA

II.A.1 *Common Programme for Transition Economies of Europe and Central Asia*

- II.A.1.1 Economic Monitoring (New, ECO)
 - II.A.1.2 Assessment of Economic Statistics (Ongoing, STD)
 - II.A.1.3 Support for the Integration of Transition Economies into the International Trading System (Ongoing, ECH)
 - II.A.1.4 Financial Sector Reform, Insurance and Private Pension Reform (Ongoing, DAFPE)
 - II.A.1.5 Financial Disclosure, Accounting and Audit Reform (Ongoing, DAFPE)
 - II.A.1.6 Corporate Governance in Eurasian Transition Economies (Ongoing, DAFPE)
 - II.A.1.7 Transition Economies Forum for Private Sector Development (FEED) (Ongoing, DAFPE)
 - II.A.1.8 Anti-Corruption Network for Transition Economies (Ongoing, CCNM, DAFPE, PUMA, SIGMA, ECH)
 - II.A.1.9V Support for Improvement in Governance and Management: SIGMA Programme (Ongoing, SIGMA/PUMA)
 - II.A.1.10V Task Force for the Implementation of the Environmental Action Programme for Central and Eastern Europe (Ongoing, ENV)
 - II.A.1.11 Joint Vienna Institute (JVI) Competition Policy Seminar (Ongoing, DAFPE)
 - II.A.1.12 Joint Vienna Institute (JVI) Tax Modelling Seminar (Ongoing, DAFPE)
 - II.A.1.13 Joint Vienna Institute (JVI) Social Policy Segments (two sessions) (Ongoing, DEELSA)
 - II.A.1.14 Joint Vienna Institute (JVI) Seminar on Implementing Social Assistance Schemes (Ongoing, DEELSA)
 - II.A.1.15V Central European Initiative (CEI) Enterprise Clusters and Business Networks (New, TDS)
- #### II.A.2. *Baltic Regional Programme*
- II.A.2.1V Macro-economic Statistics (Ongoing, STD)
 - II.A.2.2V Foreign Direct Investment Statistics (Ongoing, DAFPE)
 - II.A.2.3V Support for the Integration of the Baltic Countries into the International Trading System (Ongoing, ECH)
 - II.A.2.4V Financial Market Reform (Ongoing, DAFPE)
 - II.A.2.5V Insurance and Pension Reform (Ongoing, DAFPE)
 - II.A.2.6V Foreign Direct Investment Policy (Ongoing, DAFPE)
 - II.A.2.7V Taxation Policy (Ongoing, DAFPE)
 - II.A.2.8V Competition Policy (Ongoing, DAFPE)
 - II.A.2.9V Programme Co-ordination and Traineeships (Ongoing, CCNM)
 - II.A.2.10V Baltic Integrity Programme (New, DAFPE)
 - II.A.2.11V Social Policy and Labour Market Review (Ongoing, DEELSA)
 - II.A.2.12V Review of Education Policy (Ongoing, DEELSA)
 - II.A.2.13V Baltic Forum for Entrepreneurship and Enterprise Development (Baltic FEED) (Ongoing, DAFPE)
 - II.A.2.14V Agriculture and Fisheries (New, AGR)
- #### II.A.3. *South Eastern Europe Regional Programme*
- II.A.3.1 South Eastern Europe Compact for Reform, Investment, Integrity and Growth (Ongoing, DAFPE)
 - II.A.3.2 Anti-Corruption Initiative – DAFPE (New, DAFPE)
 - II.A.3.3V Anti-Corruption Initiative – PUMA (New, PUMA)
 - II.A.3.4 Economic Monitoring (Ongoing, ECO)
 - II.A.3.5 Education and the Economy in South Eastern Europe (New, DEELSA)
 - II.A.3.6V Environmental Policy in South Eastern Europe (New, ENV)
 - II.A.3.7 Regional Governance Initiatives (Ongoing, PUMA)
 - II.A.3.8 Statistics (Ongoing, STD)
 - II.A.3.9V Follow-up of 1997 Labour Market and Social Policy Review in Slovenia (Ongoing, DEELSA)
 - II.A.3.10V Support for Improvement in Governance and Management: SIGMA Programme (Ongoing, SIGMA/PUMA)

II. REGIONAL AND COUNTRY PROGRAMMES (CONTINUED)

II.A.4. *Russia Programme*

- II.A.4.1 Economic Survey of the Russian Federation (Ongoing, ECO)
- II.A.4.2 Assessment and Improvement of Economic Statistics (Ongoing, STD)
- II.A.4.3 Moscow Consultants (Ongoing, CCNM)
- II.A.4.4 Support for Russia's Integration into the International Trading System (Ongoing, ECH)
- II.A.4.5 Insurance and Private Pension Reform (Ongoing, DAFFE)
- II.A.4.6V Cross-Border Partnerships for Enterprise Development and Investment Promotion in the North West Regions of the Russian Federation (Ongoing, DAFFE)
- II.A.4.7 Corporate Governance in Russia (Ongoing, DAFFE)
- II.A.4.8V Regulatory Reform in Russia (New, PUMA)
- II.A.4.9 Investment Policies in Russia (Ongoing, DAFFE)
- II.A.4.10 Competition Policy Development and Implementation (Ongoing, DAFFE)
- II.A.4.11 Visiting Experts (Ongoing, CCNM)
- II.A.4.12 Public Governance and Management (Ongoing, PUMA)
- II.A.4.13 Implementing Tax Reform and Strengthening Tax Administration in Russia (Ongoing, DAFFE)
- II.A.4.14 Environmental Co-operation with Russia (Ongoing, ENV)
- II.A.4.15 Human Resource Development in the Russian Federation (Ongoing, DEELSA)
- II.A.4.16 Forum for the Russian Federation on Entrepreneurship and Enterprise Development (Russian FEED) (Ongoing, DAFFE)
- II.A.4.17V Anti-Corruption and Business Integrity in the Russian Federation (Ongoing, CCNM)
- II.A.4.18 Innovation Policy in Russia (New, STI)

II B. ASIA

II.B.1. *Programme for Emerging Asian Economies*

- II.B.1.1 Economic Monitoring (New, ECO)
- II.B.1.2 Macroeconomic Indicators for Non-Member Economies (New, STD)
- II.B.1.3 Corporate Governance (Ongoing, DAFFE)
- II.B.1.4 Financial Sector Reform and Capital Markets (Ongoing, DAFFE)
- II.B.1.5V Foreign Direct Investment Policy (Ongoing, DAFFE)
- II.B.1.6 Insolvency Regimes in Asia -- Forum for Asian Insolvency Reform (FAIR) (Ongoing, DAFFE)
- II.B.1.7 Insurance and Pensions Reform (New, DAFFE)
- II.B.1.8 Taxation Policy (Ongoing, DAFFE)
- II.B.1.9 Competition Policy (Ongoing, DAFFE)
- II.B.1.10V Regulatory Reform (Ongoing, PUMA)
- II.B.1.11 Anti-Corruption Initiative for Asia-Pacific (New, DAFFE)
- II.B.1.12V Public Finance in Indonesia (New, PUMA)
- II.B.1.13 International Migration (Ongoing, DEELSA)
- II.B.1.14V Income Security and Safety Nets (Ongoing, DEELSA)
- II.B.1.15V Developments and Policy Challenges in the Agro-Food Processing Sector (New, AGR)

II.B.2. *China Programme*

- II.B.2.1 Economic Monitoring and Analysis: Study on Domestic Challenges (Ongoing, ECO)
- II.B.2.2 Economic Statistics: Study on Domestic Challenges (Ongoing, STD)
- II.B.2.3V Foreign Direct Investment Issues: Study on Domestic Challenges (Ongoing, DAFFE)
- II.B.2.4V State Owned Enterprises: Study on Domestic Challenges (Ongoing, DAFFE)
- II.B.2.5 Financial and Insurance/Pensions Sector Reform: Study on Domestic Challenges (Ongoing, DAFFE)
- II.B.2.6 Visiting experts (Ongoing, CCNM)
- II.B.2.7 Competition Policy Design and Implementation: Study on Domestic Challenges (Ongoing DAFFE)

II. REGIONAL AND COUNTRY PROGRAMMES (CONTINUED)

II.B.2. *China Programme* (continued)

- II.B.2.8 Building an Efficient Tax System and Improving International Tax Arrangements (Ongoing, DAFPE)
- II.B.2.9V Budgeting and Financial Management (Ongoing, PUMA)
- II.B.2.10 Environmental Indicators and Policies in China (Ongoing, ENV)
- II.B.2.11 Social Policy and Labour Market Review of China, in Light of Trade and Investment Liberalisation (New, DEELSA)
- II.B.2.12 China's Integration into the International Trading System: Domestic Challenges for Agriculture (Ongoing, AGR)
- II.B.2.13 The Industry Dimensions of Trade and Investment Liberalisation and Reform (New, DSTI)
- II.B.2.14V The Policy Challenges in China's Transition to a Knowledge Based Economy (New, DSTI)

II. C. SOUTH AMERICA

II.C.1. *Programme for Emerging South American Economies*

- II.C.1.1V Economic Monitoring (New, ECO)
- II.C.1.2V Study on Sources of Long-term Growth and Economic Convergence in Argentina, Brazil and Chile (New, ECO)
- II.C.1.3 Macroeconomic Indicators (New, STD)
- II.C.1.4 Insurance and Private Pensions Reform (New, DAFPE)
- II.C.1.5 Latin American Corporate Governance Round Table (New, DAFPE)
- II.C.1.6V Latin American and Caribbean Investment Initiative (New, DAFPE)
- II.C.1.7 Taxation (New, DAFPE)

II.C.2. *Brazil Programme*

- II.C.2.1 Economic Survey of Brazil (Ongoing, ECO)
- II.C.2.2 Securities Market Reform and Public Debt Management in Brazil (Ongoing, DAFPE)
- II.C.2.3V Insurance and Private Pension Reform (Ongoing, DAFPE)
- II.C.2.4 Competition Policy Design and Implementation (Ongoing, DAFPE)
- II.C.2.5 Implementing Tax Reform and Improving Tax Administration (Ongoing, DAFPE)

II.D. EXPLORATORY WORK IN OTHER AREAS

II.D.1 *South Africa*

- II.D.1.1V Competition Policy Design and Implementation - South Africa (New, DAFPE)
- II.D.1.2V OECD-Southern African Dialogue on Governance (New, PUMA)

III. PARTNERSHIPS WITH OTHER ORGANISATIONS

- III.1.1V Strengthening and Monitoring Partnerships with Other Organisations (New, CCNM)
- III.1.2V Promoting New Partnerships with Other Organisations (New, CCNM)

I. THE OECD GLOBAL FORUMS

The OECD Global Forums form the first pillar of the CCNM outreach to non-Members. The Forums focus on high priority issues that are global in nature, requiring global participation. They address issues that defy resolution in individual countries or regions. Mutually beneficial dialogue on these issues between Member and relevant non-Member economies around the world is critical to achieving progress in the search for solutions.

In 2001, eight themes have been chosen for the Global Forums, following a rigorous selection process. These include: (1) Sustainable Development; (2) Knowledge Economy, comprising Biotechnology and E-Commerce; (3) Governance; (4) Taxation; (5) Trade; (6) International Investment; (7) Agriculture; and (8) Competition Policy.

Each Forum involves a medium-term, results-oriented programme with a flexible structure to cope with evolving circumstances. The programme of work for each may comprise research and analysis; policy dialogue; development of networks; meetings to exchange information and to advance policy development; formulation of best practices or policy options; and in some cases may involve international agreements.

The Forums emphasise continuity and sustained results while aiming to develop stable, active networks of policy makers among Member and non-Member economies. Policy dialogue on each theme is developed through informal meetings of senior policymakers supported by the analytical use of comparable data. Participation from non-Member economies varies depending on the issue under discussion.

Five of the Global Forum themes cut across policy sectors capitalising on the OECD's cross-sectoral expertise: Sustainable Development; Knowledge Economy; Governance; Trade and International Investment.

The Forum and its dialogue initiatives are developed and executed in synergy with the Regional and Country Programmes to ensure that they are complementary.

* * * * *

I.A. GLOBAL FORUM: SUSTAINABLE DEVELOPMENT

Progress towards sustainable development requires integration of economic, environmental and social concerns in the endeavours of a range of actors, at both domestic and international levels. Policy dialogue will be based on the Organisation's horizontal project on sustainable development currently in progress and on relevant ongoing analytical work in the Directorates and OECD Affiliated Bodies. It will focus on substantive data and sound policy analysis of mutual concern to Member and non-Member countries.

The debate about sustainable development extends beyond the bounds of the OECD Member countries into emerging, transition and developing countries. This extension reflects the shifting weight of economic activity from the developed to the developing world -- with the non-OECD share of global gross domestic product (GDP) projected to increase from about 18 per cent in 1995 to more than 25 per cent by 2020. OECD economic performance and global environmental trends will therefore be increasingly influenced by events in non-OECD countries. Among the largest ones are Brazil, China, India and

Indonesia. There are important links between the economic development priorities of non-Member countries and many environmental and social challenges that underlie sustainable development.

The higher economic weight of non-Member countries and their increasing significance in shaping trends in the global environment require international co-operation in the pursuit of sustainable development.

I.A.1 Associate non-Members with the OECD Horizontal Sustainable Development Project

Objectives:

- To launch the policy dialogue with non-Members on the basis of the OECD horizontal project, focusing on selected concrete issues of particular mutual concern;
- To draw attention to the work at political levels -- high level officials including Ministers of Finance and Economy, Ministers for the Environment, Social Affairs, Transport, Energy etc. -- as well as broader popular understanding and support in Member and non-Member economies;
- Depending on the decision of the Council, include this theme in the Special Dialogue with non-Members, in conjunction with the Ministerial Council Meeting in 2001.

Outputs:

- A first consultation with selected experts from non-Member countries could be held in conjunction with the OECD Forum 2001, 14-16 May 2001: *Sustainable Development and the New Economy*;
- In the second half of 2001, a meeting for consultation with Member and a broader group of non-Members to share the analyses and policy recommendations of the OECD project report and to promote their dissemination and implementation.

Summary: Applying a sustainable development lens to economic progress requires a broader view of what development and human welfare entail and a longer-term view about the consequences of today's activities. A large amount of work has been carried out to allow the concept of sustainable development to be firmly rooted in standard economic analysis. But for all that work at the conceptual level, its implementation in practice remains muted and uneven. Given the urgency with which the case for sustainability is often stated, why have concrete actions lagged behind? Through the mechanism of the OECD horizontal project, exchange with non-Members would enhance the identification of key challenges and barriers -- conceptual and practical -- that stand in the way of progress, and suggest a framework for more effective policy proposals.

Specific concentration could be on the OECD work, *inter alia*, on trade, investment and sustainable development, strategies for enhancing sustainable development in non-Members, official development assistance, strengthening co-operation with non-Members, technology co-operation (including energy and transport), natural resources.

Meetings could involve OECD and non-Member government representatives from, e.g., Ministries of Economics/Finance and Environment from selected countries, and other stakeholders (business, industry, labour, NGOs).

I.A.2 Preparation and Contribution to the World Conference on Sustainable Development

Objectives:

- To organise preparatory discussions and meeting(s) for Commission on Sustainable Development (CSD) 10 and the World Conference on Sustainable Development (also known as Rio Earth Summit +10 Years);
- To promote, in the perspective of the preparation for the World Conference, dialogue between the OECD Member countries and selected non-Member economies on key features of the Sustainable Development Report and ongoing analytical and policy work. (The World Conference on Sustainable Development is scheduled for 2002 in South Africa).

Outputs:

- Preparatory event(s) and analysis in conjunction with the United Nations Commission on Sustainable Development and other key actors;
- Preparation of a CCNM Global Forum meeting in early 2002 to contribute to the World Conference, possibly sponsored jointly with the host country;

Summary: In 2002, the world takes a critical look back on the historic United Nations Conference on Environment and Development (UNCED) that was held in Rio de Janeiro, Brazil. UNCED proclaimed the concept of sustainable development as a workable objective world-wide. At Rio +5, the OECD was asked to help advance progress, looking towards Rio +10. The work of the OECD has progressed in many fields related to sustainable development, during the intervening years. The horizontal project on sustainable development makes considerable advances in showing how to integrate the concept of sustainable development into economic policy, and how to achieve policy coherence.

Policy dialogue with major non-Members will have a general focus on how to better realise the full benefits of globalisation in a balanced way that also contributes to social and environmental objectives in both OECD and non-Member economies.

Co-operation with other institutions: United Nations Commission on Sustainable Development (UNCSD), World Bank, International Monetary Fund (IMF), United Nations Environment Programme (UNEP), United Nations Development Programme (UNDP), World Trade Organization (WTO), United Nations Conference on Trade and Development (UNCTAD), World Business Council for Sustainable Development (WBCSD).

Co-operation with other Directorates: SGE, ECO, STD, ENV, AGR, IEA, TRADE, ECMT, ELS, TDS, DAFFE, DSTI, DCD, Development Centre.

I.B. GLOBAL FORUM: KNOWLEDGE ECONOMY

Knowledge is increasingly the driving force of economic growth, social development and job creation and the primary source of competitiveness in an increasing number of activities. Progress in areas in life sciences and technology has stimulated innovation-led growth where well-trained human resources are given the means and incentives to creatively match new market and technological opportunities. In 2001, the Knowledge Economy Global Forum will concentrate on Biotechnology and Electronic Commerce, with other elements in this Forum on Using Knowledge for Development, Education Indicators, Science and Technology Indicators, and the Forum for Entrepreneurship and Enterprise Development (FEED).

I.B.1 BIOTECHNOLOGY (New, Lead Directorates: AGR/ENV/STI)

I.B.1.1 Biotechnology in the Agro-Food Sector (New, AGR)

Objectives: To pursue a policy dialogue with non-Members on the use of biotechnology in the agro-food sector in the context of ongoing work within the OECD. To identify and analyse the agricultural policy issues arising from the introduction of new biotechnologies into the food chain, including implications for food safety, the environment, and regulatory systems. To improve understanding of biotechnology activities and systems in selected non-Members.

Outputs: A joint session to be held between the Global Forum on Agriculture and the Global Forum on Biotechnology. Results to be published and summarised as a Policy Brief. A compendium of current non-Member biotechnology activities and control systems would be developed and published; information would also be posted on the Internet.

Summary: For Members and non-Members alike the agriculture sector is faced with rapid changes, technological developments and challenges with significant potential impacts. Advances in biotechnology have raised great expectations for feeding growing populations from a dwindling resource base. At the same time these technological advances have raised concerns about food safety and the need for better information. A number of countries with major food security concerns have not yet taken policy positions on the issues raised by technological progress. The joint session would link the research and regulatory issues related to the use of biotechnology in the agro-food sector to the associated economic and trade policy issues to be discussed in the Forum on Agriculture. Sanitary and Phyto-Sanitary/Technical Barriers to Trade (SPS/TBT) measures and other food safety technical regulations would be of particular interest. The work will be aimed at identifying key issues for dialogue between OECD and non-Member experts and policy-makers.

Co-operation with other institutions: Food and Agriculture Organization (FAO), World Health Organization (WHO). Co-ordination with other IGOs will be through the Inter-Agency Network for Safety in Biotechnology (IABN).

Co-operation with other Directorates: ENV, DSTI. Within the Secretariat, this work will be co-ordinated through the Internal Co-ordination Group for Biotechnology (ICGB).

I.B.1.2 Modern Biotechnology -- Harmonisation of Regulatory Assessment (New, ENV)

Objectives: The main objective would be to develop a lasting framework for co-operation among Member and non-Member countries in the regulatory safety assessment of genetically modified organisms (GMO)s.

Outputs: The main output would be a study of the needs and experiences of both Member and non-Member countries in the safety assessment of GMOs, including a set of policy recommendations for capacity building in safety assessment.

Summary: The Biotechnology Forum would be focused around a meeting in the second half of 2001 (with approximately 50 participants). This would be an opportunity for Member and non-Member countries to share their experience in the regulatory safety assessment of GMOs. This would build on the experience of the OECD Working Group for the Harmonisation of Regulatory Oversight in Biotechnology and the Task Force for the Safety of Novel Foods and Feeds. The end-point would be a report identifying the mechanisms for building capacity in safety assessment.

Approximately half the participants in the Biotechnology Forum would be from OECD Member countries. The rest from non-Member countries which are key players in biotechnology.

Co-operation with Other Directorates: Co-operation would be mainly with AGR and STI. This would be organised through OECD's ICGB. An important co-operative component would be to organise the meeting of the Biotechnology Forum, back-to-back with the Agricultural Forum. This would allow an opportunity for a joint session.

Co-operation with other Intergovernmental Organisations: Co-operation would be mainly with UNEP, United Nations Environment Programme - Convention on Biological Diversity (UNEP-CBD), United Nations Industrial Development Organization (UNIDO), FAO, WHO.

I.B.1.3 Life Science and Biotechnology (New, DSTI)

Objectives:

- To associate non-Member countries with ongoing OECD work on life science and biotechnology and health;
- In particular, to establish national biological resource centres (BRCs); to develop an international accreditation system for BRCs; to create international linkages among BRCs, enhance international co-ordination and harmonisation of standards, rules and regulations for BRCs; and, set up a global network of such BRC's.

Outputs:

- Measures to strengthen existing *ex situ* collections of biological data and materials and, when needed, create new collections, including in non-OECD countries, and raise those collections to the quality required for accreditation as national BRCs;
- Support to the development of an accreditation system, so that there are objective international standards for accreditation of BRCs, including outcome measures for quality, expertise and financial stability;
- Development of an agreed linkage system to facilitate international co-ordination of national BRCs, based on modern informatics for linking genetic data and biological materials;
- Policies to harmonise the rules and regulations under which BRCs operate, including those governing access to biological resources as well as their exchange and distribution.

Summary: Biological resource centres of high quality which provide access to all legitimate users underpin the future of the life sciences and biotechnology. To secure this essential infrastructure requires a series of actions. In most countries, the lead role will fall to national governments. Governments, however, need to act in concert with the international scientific community. Also, the private sector may play an increasing role, as its interest in BRCs is likely to grow with the global expansion of biotechnology. A project leading to the establishment of a global BRC network would enhance access to BRCs and foster international co-operation and economic development. A Global BRC Network would greatly improve the conditions under which biological materials and information are preserved and exchanged. How this challenge is met may affect the future of life sciences and biotechnology for many years to come.

I.B.1.4V Biotechnology and Sustainable Development (New, DSTI)

Objectives: To support international efforts to bridge the knowledge-economy information divide in biotechnology.

Outputs: To possibly contribute to the Meeting on Biotechnology and Sustainable Development: Voices of the South and the North, October 2001.

Summary: Members and non-Members have a vital stake in the pattern of development that technologies that fuel the knowledge economy will take. The voices of both need to be heard, and therefore support for exchange among them is crucial. This conference, to take place in Egypt in October 2001, will involve leaders from the developing and the industrialised world. The event should cover the multi-faceted dimensions of the biotechnology debate, to which OECD contributes substantially, including: the scientific, safety, regulatory, intellectual property rights, trade and economic issues. The meeting seeks to bring together top level scientists with political, governmental, NGO, private sector, media and philanthropic counterparts.

I.B.2. ELECTRONIC COMMERCE (Ongoing, Lead Directorate: DSTI)

Electronic commerce has the potential to raise living standards world wide. To realise this potential requires that governments and the private sector work together to provide an environment which encourages the development of this new medium and enables all countries to get full access to it. Since e-commerce is by its nature a global phenomenon, the response must also be global. Coverage of key issues will include: access, trust, regulatory frameworks, taxation, action by governments to enhance the benefits, capacity development and other human resources issues, exemplary use by government, entrepreneurship and enterprise development. Preparatory analyses for these forums include: surveys of "IT readiness" in selected non-Member economies, policy visions, economic potential, and government actions and a synthesis report of the activities of multilateral organisations. This Forum comprises eight events backed by crucial research and analysis.

I.B.2.1 OECD/Dubai 2001 Emerging Market Economy Forum (EMEF) on Electronic Commerce and Follow-up (Ongoing, DSTI)

Objectives:

- To promote an internationally coherent approach to the formulation of government policies towards e-commerce;
- To remove obstacles to the fulfilment of the potential offered by new technologies and to engage stakeholders in a wide ranging policy debate;
- To promote a fiscal environment which encourages the growth of e-commerce but at the same time protects the revenue base of governments.

Outputs:

- Major forum in Dubai, United Arab Emirates, 16-17 January 2001, the first of its kind to be held outside the OECD's own membership. It was preceded on 15 January by two parallel events: the Public Voice Conference, organised by civil society groups, and a Business-Government Forum, organised by the business community;
- Back-to-back meeting of the G8 Digital Opportunities Task Force (DOT Force) on 18 January, set up following the Okinawa G8 summit, 2000, preceded by an OECD-sponsored consultation with non-Members;

- Preparation of a major conference to take place early in 2002 following up EMEF consistent with the recommendations of the “DOT Force”, which focused on the application of the OECD work to non Member economies. Possible analyses and thematic meetings as a result of the EMEF 2001;
- Inclusion of non-Member Countries in the Committee on Consumer Policy's (CCP) workshop (13-14 March 2001 Berlin, Germany) to explore the experiences of consumers in the global market place as part of its work to implement the OECD *Guidelines for Consumer Protection in the Context of Electronic Commerce*.

Summary: This activity represents the extension of the OECD's long standing multidisciplinary work on policy frameworks for electronic commerce and the digital economy from the Member countries to the emerging market economies and to the developing countries. The substantive areas covered are based upon mandates agreed at the Ottawa Ministerial Conference of 1998 and the OECD's new work on Growth and the "digital divide". It is complementary to and co-ordinated closely with, the new DCD activity on Development Programmes to bridge the digital divide.

Co-operation with other institutions: UNCTAD, United Nations Economic Commission for Europe (UNECE), World Bank, UNDP, WTO, Inter-American Centre of Tax Administrations (CIAT), Commonwealth Association of Tax Administrators (CATA), Centre de Rencontres et d'Etudes des Dirigeants des Administrations Fiscales (CREDAF), Intra-European Organisation of Tax Administrations (IOTA), private sector business and civil society organisations.

Co-operation with other Directorates: DSTI, DAFPE, ECH, DCD, Development Centre, PUMA, CERI.

I.B.2.2 Taxation and Electronic Commerce (Ongoing, DAFPE)

Objectives: To associate non-Member economies with the implementation of the Ottawa Ministerial Taxation Framework Conditions.

Outputs:

- Global guidelines on the application of consumption taxes to electronic commerce;
- Global Best Practices on Taxpayer Service Initiatives;
- Amendments to the OECD Tax Convention;
- Global Guidelines/Models on tax administration practices;
- The first global conference on “Tax Administrations in the Electronic World”, organised with four regional tax organisations (IOTA, CATA; CIAT; and CREDAF and hosted by Canada) June 2001;
- Workshops on Taxing Electronic Commerce in the following locations: Vienna and Chonan Multilateral Tax Centres and the Beijing International Tax Centre;
- In co-operation with the Asian Development Bank (ADB), a workshop to be organised for Asian countries and with the Inter-American Development Bank (IADB) for Latin American countries.

Summary: The successful implementation of the Ottawa Taxation Framework Conditions requires that key non-Member economies become part of the implementation process. Already, in 1999, APEC countries endorsed the Taxation Framework Conditions. Electronic commerce is global by its nature and therefore requires the development of a global strategy. This activity aims to achieve this by involving key non-Member economies and the business community in

Technical Advisory Groups and by developing strategic partnerships with regional tax organisations e.g. CIAT.

Co-operation with other institutions: CATA, CIAT, CREDAF, IOTA, ADB, IADB, European Commission (EC), German Foundation for International Development (DSE).

Co-operation with other Directorates: DSTI.

I.B.2.3 Development Programmes to Bridge the Digital Divide (New, DCD)

A joint OECD/UNDP/World Bank Forum on "Development Programmes to Bridge the Digital Divide", March 2001.

Objectives:

- Seek ways to make existing OECD work and experience on e-commerce and other aspects of the digital economy accessible to developing, transition and emerging countries;
- Provide an opportunity to examine and share examples of what works and what does not in promoting access to and use of Information and Communications Technologies (ICT) in developing, transition and emerging economies.

Outputs:

- A Global Forum meeting will bring together, by invitation, representatives of governments, civil society and the private sector -- from OECD Member and non-Member countries and of international and regional organisations -- to discuss ways to bridge the international digital divide;
- Published proceedings of the Forum;
- Survey of donor initiatives to bridge the digital divide: As part of the OECD's contribution to the DOT Force and to the wider debate on bridging the digital divide, the Secretariat is conducting a survey to gather information on what donors and regional and international organisations are already doing to bridge the divide.

Summary: This Forum is a major part of OECD's response to the Okinawa Charter on the Global Information Society agreed by the G8 at their summit in July 2000. It is being hosted by OECD in collaboration with UN, UNDP and the World Bank, who provide the secretariat of the DOT Force. The Forum will be an inaugural event of the OECD Global Forum on the Knowledge Economy and a follow-up to the Emerging Market Economy Forum on Electronic Commerce (Dubai, January 2001). It will link to work on policy coherence in OECD Member countries.

I.B.2.4V Electronic Commerce for Development (New, Development Centre)

Objectives: To focus on the e-commerce challenges and opportunities facing entrepreneurs in low-income countries.

Outputs: An Experts' Meeting to review early experiences and compare new ideas will be held in April 2001, jointly with the School of Development Innovation and Change (SDIC) of the University of Bologna.

Summary: Experts will cover the theoretical framework, infrastructure and networks in Bangladesh, education and training of information technology (IT) personnel in Brazil, global supply

chains in the car and footwear industries, and business-to-business e-commerce in tropical fruits and tourism. This meeting will depend upon further voluntary contributions.

Co-operation with other institutions: University of Bologna.

I.B.2.5 Knowledge Economy: Science and Technology (S&T) indicators - Methodological and Statistical Development (Ongoing, DSTI)

Objectives:

- To diffuse methodological “best practices” to non-Member countries in their development of Science and Technology (S&T) indicators, especially in the areas of biotechnology and information and communication technologies (ICT), including electronic commerce;
- To develop internationally comparable S&T statistics and indicators; and
- To create new indicators particularly relevant to the needs and situation of non-Member countries.

Outputs:

- Workshop on the *Measurement of Innovation* hosted by the OECD and the Government of South Africa, March 2001, to assess what measurements are best suited for non-Members;
- Workshop on the *International Mobility of the Highly-Qualified*, in Mexico, April 2001, on the measurement of the flow of the high-skilled between countries, in collaboration with DEELSA and the Government of Mexico.
- Ongoing S&T databases and publications now to include selected non-Member economies; incorporate the data into the *STI Scoreboard, Main Science and Technology Indicators*, and others.

Summary: Due to non-Member concern about the gap between the “technology haves and have nots.”, many have begun to formulate S&T policies that seek to strengthen their ability to develop scientific and technological expertise domestically and assimilate knowledge produced abroad. A foundation for this is to first measure the current state and development of S&T in their countries, especially in the new areas of ICT and life sciences. Selected APEC countries are to be included in data exercises, following feasibility study (2000) in the region.

Co-operation with other institutions: Eurostat, United Nations Educational, Scientific and Cultural Organization (UNESCO), World Bank.

Co-operation with other Directorates: DEELSA.

I.B.2.6 Knowledge Economy: Education Indicators (Ongoing, DEELSA)

Objectives: To track internationally comparable statistics and indicators related to the knowledge economy and education, including measurement of student achievement.

Outputs: Through its *Programme of International Student Assessment (PISA)*, the OECD is building an important new basis for estimating the impact of schooling on individual learning and on subsequent economic and social outcomes. The Programme will be extended to cover certain non-Member countries.

Summary: This programme examines a wide range of competences through indicators in education. The range of these competences is being broadened beyond formal subject areas to more generic

skills, such as information and communication technology literacy. A related initiative is the World Education Indicators, undertaken with UNESCO.

I.B.2.7 Policy Forum on Using Knowledge for Development (Ongoing, DSTI)

Objectives: To provide participants with a framework, tools, and examples of using knowledge for development; to emphasise the importance of co-ordination within government and between government, the private sector, and civil society; to help participating countries shape a more consistent and effective strategy for developing their national knowledge strategies.

Outputs: A forum in London in March 2001 will discuss policy issues related to the development of the knowledge-based economy (KBE), preparing them for government and business policy-making and media support in these areas. The forum will draw the participation of high level representatives from government, the business sector and media from OECD Member countries and their counterparts from China, India and Brazil.

Summary: While the world is developing towards a knowledge-based economy, development of KBE is lagging behind in many emerging, transition and developing countries, giving rise to concerns about a digital divide. Several foreign governmental organisations, including the British Council, support the initiative.

Co-operation with other institutions: World Bank Institute, Ministry of Science and Technology (MOST) of China, other Ministries in China, India and Brazil, the British Council.

Co-operation with other Directorates: Possible involvement by several other Directorates, including DEELSA and ENV.

I.B.2.8V Knowledge Economy: Global Forum for Entrepreneurship and Enterprise Development (FEED) (Ongoing, DAFPE)

Objectives: To allow for an exchange of policy experiences and policy lessons between the participants of the different regional FEEDs and for drawing global policy lessons in co-operation with other major players as well as further implementation of the Bologna Charter.

Outputs: Meeting in Argentina, March 2001, on global cross-border enterprise partnership promotion, followed by publication of proceedings. Meeting, November 2001 in Southeast Asia.

Summary: Entrepreneurs operating in a global market environment are the critical levers in promoting new technologies. The Global FEED, as part of the Global Forum activity on the knowledge based economy, will promote global policy-dialogue to address international interdependencies and the interchange of ideas and experiences between entrepreneurs in Member and non-Member regions and individual countries. The activity will identify emerging global trends and interdependencies that are crucial to redefining entrepreneurship policies in the knowledge economy.

Co-operation with other institutions: EU, World Bank, Inter-American Development Bank, ADB, European Bank for Reconstruction and Development (EBRD), United Nations Industrial Development Organization (UNIDO).

Co-operation with other Directorates: DSTI, TDS.

See Activity I.C.1 in the next section entitled "Third Global Forum on Reinventing Government: -E-Government (New, PUMA)

I.C. GLOBAL FORUM: GOVERNANCE

I.C.1 Third Global Forum on Reinventing Government: E-Government (New, PUMA)

Objectives: To explore and formulate strategies for meeting the opportunities and challenges to government management presented by new technologies.

Outputs: The Third Global Forum on Reinventing Government: "Fostering Democracy and Development Through E-government," jointly with the Italian government and OECD, Naples, March 2001.

Summary: Government can build on the experiences of e-commerce, particularly the successes of e-banking over the past several years. In meeting the challenge of the new technologies, governments will be required to re-think and re-engineer many of their management principles. The Global Forum provides a venue where successes may be shared.

The following issues will be examined: *accountability and transparency:* mechanisms for information and oversight, constitutional implications, policy making, regulatory frameworks; *re-engineering government:* relations between levels of government, re-thinking procedures and hierarchies, human resource management, knowledge management; *comparison of e-government strategies:* change management, managing risks, financial management; *services to citizens:* on-line information and payment systems, regulatory tools, smart cards/electronic signatures, consumer protection and privacy issues, health care and social security management; *services to business:* on-line information and payment systems, e-procurement, e-taxation.

I.C.2 Regulation and Regulatory Quality (New, PUMA)

Objectives: The objective of this activity is to ensure that (a) principles of regulatory quality and reform that have been developed and refined through a great number of country studies are brought together, condensed and focused on issues of future importance; (b) issues of particular interest for emerging and transition countries are shared with non-Members; and (c) that policy co-operation between Members and non-Members in this area can be initiated and improved.

Outputs:

- Global Conference on Regulation and Regulatory Quality;
- Two sector studies, e.g., on competition and health/social security.

Summary: Principles of regulatory quality and reform have been developed in a long line of successful discussions and reviews of Member countries. These principles of more mature systems of regulation need to be focused and presented to non-Member countries that have only recently experienced large scale reforms. Their sustainability and their continuation can be enhanced by sharing OECD experience. This work includes:

- (a) Building on Member country regulatory surveys and on economic surveys of non-Members;
- (b) Concentrating on government processes and instruments; and
- (c) Exploring harmonisation and/or convergence of quality standards and processes in regulation (most notably in Eastern Europe).

Co-operation with other institutions: World Bank, Turkish Treasury, EBRD.

Co-operation with other Directorates: ECO, DAFPE.

I.C.3 Corporate Governance (Ongoing, DAFPE)

Objectives: To promote (a) the global adoption of the OECD Principles of Corporate Governance and (b) to demonstrate the benefits to Emerging Market businesses to be gained by adhering to the OECD Principles.

Outputs:

- International conference to inaugurate the global forum, building on the experience gained through the regional round tables on corporate governance;
- Conference on governance issues related to the management of employee-owned and state-owned enterprises. Sections will be devoted to governance issues in the privatisation of state-owned enterprises.

Summary: OECD/World Bank Corporate Governance Forum aims to broaden the scope of outreach established by the regional corporate governance round tables, which were established to disseminate best practices and raise awareness in emerging markets of the standards of governance expected by international investors.

Co-operation with other institutions: World Bank, Turkish Treasury, EBRD.

Co-operation with other Directorates: DEELSA.

I.C.4 Anti-Corruption and Bribery (New, DAFPE)

Objectives: To globalise the standards set by the OECD instruments on corruption and bribery in international business transactions by associating non-Members either through participation in the instruments or some form of association. Help fight corruption, both nationally and internationally by identifying best practices and using peer pressure to ensure progress in meeting agreed objectives.

Outputs: Participation or association of non-Member countries in the OECD instruments on corruption and bribery in international business transactions.

Summary: The openness of the OECD Anti-Bribery Convention needs to be balanced with the need to ensure effective implementation and application among all members. Many of the non-Member countries that have applied for accession are not fully prepared, for varying reasons, to take on the commitments and obligations of the instruments. This activity would provide an opportunity to inform non-Members of the criteria and accession procedures that must be met in order to join the Convention and to become participants in the Bribery Working Group. Interested non-Members that are not ready to join may wish to consider adhering to an Anti-Corruption Declaration which can be presented on the occasion of the Global Forum.

Co-operation with other institutions: EC, Council of Europe, World Bank, IMF, Organization of American States (OAS), IADB, ADB, Stability Pact, UNDP, United Nations, Financial Action Task Force (FATF), WTO, World Customs Organization (WCO), INTERPOL.

Co-operation with other Directorates: PUMA, SIGMA, ECH, DCD and others.

I.D. GLOBAL FORUM: TAXATION

I.D.1 Tax Policy and Implementation (Ongoing, DAFPE)

Objectives: To consolidate the OECD's role as the premier standard-setting body in international taxation by associating non-Members with the standards, guidelines and principles developed by the Committee on Fiscal Affairs (CFA) and participating non-Member economies. To pursue work with non-Members on high-profile topics dealt with by the CFA, namely, harmful tax practices, promoting foreign direct investment and counteracting international tax evasion and avoidance.

Outputs:

- Commitment by jurisdictions identified as tax havens to eliminate their harmful tax practices;
- Extending exchange of information convention/agreements with no/nominal tax jurisdictions;
- Association of major non-Member economies with OECD efforts to eliminate harmful tax practices and with the OECD 2000 Report on improving access to bank information;
- Establishment of international standards on respecting taxpayers rights;
- Extending the number of non-Member economies that formally set out their positions on the OECD Model Tax Convention;
- Establishment of procedures for non-Member countries to set out their position on the OECD 1995 Transfer Pricing Guidelines;
- Exploring the feasibility of international standards on the use and design of tax incentives for foreign direct investment (FDI);
- Development of co-ordinated measures to help combat tax crimes, notably through associating non-Members with the work of the Forum on Harmful Tax Practices, improved information exchange and disallowing deductibility of bribes.

Summary: In 2001, the Committee on Fiscal Affairs will accelerate the integration of core Committee topics in its work on outreach. The number of events on core topics will increase -- e.g., harmful tax practices; tax treaties; exchange of information; transfer pricing. This Global Forum will operate by in-depth policy seminars and by ongoing policy dialogue with the relevant Working Parties of the Committee on Fiscal Affairs. It will be complemented by implementation seminars at the OECD's Multilateral Tax Centres in Ankara, Budapest, Chonan and Vienna and by means of specialised workshops in Paris and elsewhere. These multilateral initiatives are, where necessary, supported by bilateral contacts. Many of these events are organised in co-operation with regional organisations.

The Ministerial report on Harmful Tax Principles mandates associating non-Member economies with the Global Forum on Taxation and guidelines on harmful tax practices. In June 2000 a high-level symposium was held with over 29 non-Member economies. A series of high-level bilateral missions will take place in spring 2001 to continue this dialogue to increase the profile of the work on eliminating harmful tax practices, and to gain in-depth knowledge of the economic and political realities in non-Member countries. These missions would reinforce the policy dialogue between the Forum and the non-Member economies. Non-Member economies will be encouraged to associate themselves with the work of the Forum. Work in this area will also be taken forward by a series of regional seminars.

The OECD's current strategic partnerships with regional tax administration organisations and development banks has been an effective way to reach a number of countries and better understand the dynamics of various regions of the world. This is particularly relevant for the work on harmful tax practices where regional sensitivities must be understood in order to work effectively with countries in each region.

The OECD's leading role in international taxation has been firmly established and the programme builds upon OECD's comparative advantage. Today, for example, there are 1500 bilateral tax treaties around the globe and almost all are based upon the OECD Model. Non-Member economies are increasingly using the OECD Transfer Pricing Guidelines as the basis for national legislation. This component of the programme aims to associate these economies with the developments of these instruments and thereby encourage and enable these economies to provide a fiscal climate conducive to FDI.

Co-operation with other institutions: CATA; CIAT; CREDAF; IOTA; ADB; IADB; EC; UN; IMF; World Bank.

Co-operation with other Directorates: DCD.

I.E. GLOBAL FORUM: TRADE

I.E.1 Trade Policy Issues: The Social, Environmental and Competition Dimension (Ongoing, ECH)

Objectives: As part of the OECD's bridge-building role, to share with selected non-Members OECD work relating to the social, environmental and competition issues arising in the discussion of trade policy; a main aim will be to present, discuss and debate the core findings of the recently updated study on "International Trade and Core Labour Standards" and foster a better understanding of these issues.

Outputs: A workshop on the three topics described above, on 8-9 March 2001, in Paris, will emphasise the policy implications arising from the relationship of trade and core labour standards. The Workshop will bring together government representatives from the trade and social policy communities from both Member and non-Member countries, plus invited representatives from the academic community, Business and Industry Advisory Committee (BIAC), Trade Union Advisory Committee (TUAC), International Labour Organization (ILO) and WTO.

Summary: This activity will allow the Trade Committee to pursue and deepen its outreach dialogue by addressing a range of issues that rank among the most challenging on the trade policy agenda today and for which multilateral policy responses are still being sought. In addition, the Workshop will allow the OECD to share the insights of its recent work on environmental impact assessment methodologies and the development dimension of work on trade and competition.

Co-operation with other institutions: WTO, ILO, BIAC, TUAC.

Co-operation with other Directorates: DEELSA, ENV, DAFFE, DCD.

I.E.2 Trade and Development Issues in Non-Member countries (New, ECH)

Objectives: Contribute to consensus-building among Member and non-Member countries in support of further efforts at multilateral trade liberalisation by fostering a deeper and wider appreciation of the implications for non-OECD countries and by identifying and responding to the interests and concerns of these countries.

Outputs: A workshop, in the first half of 2001, possibly in a location outside the OECD area, will bring together trade and development experts of Member and non-Member countries, along with representatives from major international and non-governmental organisations, academia and the private sector. Its proceedings are likely to be published.

Summary: The Workshop will provide the Trade Committee with a valuable opportunity to pursue its outreach activities by deepening and sharing its analyses on the role of trade and trade policies in economic development, and the contribution (actual and potential) of the WTO to the goal of development. On the basis of an OECD study on “Trade and Development Issues in Non-OECD Countries”, a wide range of issues will be raised, sharing experiences and drawing lessons on how best to (a) maximise the benefits from trade liberalisation, and (b) respond to the trading interests and concerns of non-OECD countries. The meeting will also provide an opportunity to reflect on the most important aspects of Special and Differential treatment (S&D) accorded to developing countries in the WTO, and how to make S&D more responsive to their trading needs and concerns.

Co-operation with other institutions: WTO, UNCTAD.

Co-operation with other Directorates: DCD, Development Centre.

I.E.3 Development of Export Credit Financing Systems (Ongoing, ECH)

Objectives: Provide assistance to non-Member economies in the development of export credit insurance, guarantee and financing systems to accord with the Arrangement on Guidelines for Officially Supported Export Credits. Improve information available to non-Members on the Arrangement. Supply positive guidance to key players on the development of their export financing support system.

Outputs: Participation in the contact group of the EBRD/International Union of Export Credit and Investment Insurers (the Berne Union). Regarding key emerging players, production of analyses following bilateral discussions/contacts.

Summary: The participation in the EBRD/Berne Union contact group is an effective means of imparting information and advice to non-Members about the Arrangement and the reasoning behind its disciplines. In addition, specific consultation with key players such as China and Russia should provide clear advice to the relevant authorities as to how the development of export financing systems could enable them to compete for exports on a non-subsidised basis like other major economies.

Co-operation with other institutions: EBRD, Berne Union.

I.F. GLOBAL FORUM: INTERNATIONAL INVESTMENT

I.F.1 International Direct Investment and Globalisation (Ongoing, DAFPE)

Objectives:

- To engage non-Members in an ongoing policy dialogue on key issues of international investment and globalisation;
- To develop networks of investment policy makers;
- To promote consensus-building on open and balanced policies, and broader adherence to OECD investment instruments.

Outputs:

- A workshop on the experiences in the liberalisation of international capital transactions;
- Increased adherence of non-Members to the OECD Declaration on International Investment and Multinational Enterprises.

Summary: The benefits of foreign direct investment (FDI) are now widely recognised among both OECD Members and non-Members, but views differ on how best to maximise these benefits. The Global Forum is supported by the OECD's Committee on International Investment and Multinational Enterprises (CIME), in co-operation with the Environment Policy Committee (EPOC) on issues related to FDI and Environment. It will provide a platform to engage non-Members in an ongoing dialogue and to build consensus on open policies, best practices and policy frameworks for international investment and multinational enterprises. The Forum will build stable relationships with non-Member economy representatives, especially those interested in adhering to the OECD investment instruments, those with important two-way international investment flows, and opinion leaders in the field of FDI policy. Representatives of the business community, employee organisations and other non-governmental bodies will also be involved.

I.F.2 Environmental Aspects of International Direct Investment (Ongoing, DAFPE, ENV)

Objectives: To analyse the environmental implications of globalisation, in particular the environmental challenges and opportunities associated with trade and investment liberalisation.

Outputs: A conference and proceedings on the linkages between foreign direct investment and the environment in the extractive industries in emerging market economies.

Summary: As a follow-up to The Hague conference in 1999, another conference will be held to examine FDI and the environment, with a particular focus on the extractive sector (mining and forestry). This event will be aimed at deepening the understanding of FDI-environment linkages in a sector which is both important for the development of many emerging market economies and in which concerns have been raised about environmental issues. Drawing on the results of the Hague conference (1999) on FDI and the environment, the conference will address the following aspects of FDI:

- The environmental performance in the extractive industries, domestic and international, drawing on available empirical evidence;
- Policy/institutional frameworks that integrate environmental and investment goals;
- Ways of encouraging "best environmental practice" through voluntary commitments. The effectiveness of voluntary schemes promoted by the extractive sector, e.g. such as the

International Council on Metals and the Environment (ICME) Environmental Charter, would be examined in the context of the OECD Guidelines for Multinational Enterprises.

In 2001-2002, attention will also be focused on the corporate responsibility and the OECD Guidelines for Multinational Enterprises, and on other topics high on the evolving international policy agenda, such as policy competition for investment, investment and sustainable development, and investment in the new economy. A workshop is also envisaged on experiences with the liberalisation of capital transactions more generally, in co-operation with the Committee on Capital Movements and International Transactions (CMIT). Other activities might be co-financed by voluntary contributions or grants.

Co-operation with other institutions: ILO, UNCTAD, WTO, World Bank, IMF.

Co-operation with other Directorates: DSTI, DEELSA, ECH, DCD, Development Centre.

I.G. GLOBAL FORUM: AGRICULTURE

I.G.1 Global Forum: Analysis and Dialogue on Agricultural Policies (Ongoing, AGR)

Objectives: To foster an informed dialogue with key non-Members on agricultural policies, including trade and market policies, based on regular monitoring and analysis. To evaluate and strengthen the process of trade liberalisation. To share the latest information and exchange views on emerging agricultural issues such as risk management, electronic commerce, and concentration, and their implications for agricultural policy making. To enable experts and policymakers from emerging and transition economies to learn from each others' experiences and from those of OECD Members and to foster a better understanding of each others' policy positions and approaches. To broaden the domestic policy debate and make it more transparent based on objective outside analysis. To enable analytical techniques and knowledge to be transferred and to build capacity for policy making and good governance.

Outputs:

- Analysis of non-tariff measures and technical barriers to trade (TBTs) in emerging and transition economies considering ways in which the concerns of non-Member countries might be addressed in the context of a multilateral agreement; Policy recommendations and conclusions;
- Analysis of recent policy developments in major players (Brazil, China, India, Russia and South Africa); Calculation of Producer and Consumer Support Equivalents (PSEs/CSEs) for key transition economies as the basis for a *Watch on Support* and comparative policy analysis;
- Unique statistical series of key agricultural indicators for 21 emerging and transition economies published as an Electronic Data Product (EDP);
- Annual flagship report *Agricultural Policies in Emerging and Transition Economies*;
- Annual meeting of the Global Forum.

Summary: The agriculture sector contributes more to GDP and employs larger parts of the populations of emerging and transition countries than it has for some time in the OECD. Also, the potentially greater importance of non-Members to agricultural trade means that their policy actions and perspectives on agricultural trade issues cannot be ignored. The activities of the Global Forum are conceived against these realities. They are designed to maximise synergies with work on food and agriculture devoted to Member countries, as policy concerns increasingly converge. They employ the same analytical tools as applied to agricultural policy developments in

Member countries. The activities contribute significantly to capacity building and good governance in non-Member economies by the continuing direct involvement of experts and officials from the countries in providing information and carrying on policy dialogue. The current analytical work and policy dialogue in the Global Forum is focused on technical barriers to trade, and considers ways in which the concerns of non-Member Countries might be addressed in the context of a multilateral agreement.

Co-operation with other institutions: European Union (EU), FAO, IMF, WTO, World Bank, representatives of civil society.

Co-operation with other Directorates: Development Centre, DCD, ECH, ECO.

I.H. GLOBAL FORUM: COMPETITION

I.H.1 Global Economic Integration and Competition Policy (Ongoing, DAFPE)

Objectives: To promote the global dialogue and co-operation required by global economic integration and the increased number of countries that have competition laws -- or are considering introducing them -- and that are adopting competition policy approaches for regulatory issues. To disseminate OECD best practices, help build capacity to enforce competition legislation and provide important information to Members.

Outputs: A two-day meeting, possibly on hard-core cartels and/or international mergers.

Summary: The OECD's Competition Law and Policy (CLP) Committee has been the leading forum for competition policy dialogue for decades, and its competition policy outreach programme has provided assistance to non-Members throughout the world. As competition has become more global and non-Members more experienced and more aware of the importance of resolving global competition issues, the CLP Committee's core activities and the outreach programme have begun to overlap. It is now important for OECD Members to engage various non-Members in the kind of dynamic, interactive, and sustained dialogue that occurs in Committee meetings and can best be expanded through back-to-back meetings. Such informal dialogue -- limited to competition issues and considering best practices rather than rules -- is only available at the OECD, and both Members and the global market place can benefit from its extension through including more non-Member countries.

The meeting will be held back-to-back with the CLP Committee meeting in October 2001. The agenda may include hard-core cartels, yielding a report based on new data on cartels in non-Member countries and increased association with the 1998 Council Recommendation on Hard-Core Cartels, and a review of international mergers. Any topic chosen would integrate CLP priorities with capacity building and will result in reports and/or publications.

Co-operation with other institutions: World Bank, UNCTAD, WTO, EC.

Co-operation with other Directorates: PUMA, DCD, Development Centre.

II. REGIONAL AND COUNTRY PROGRAMMES

The Regional and Country Programmes form the second pillar of the CCNM outreach. The programme structure consists of a defined number of geographic areas in which mutual interest exists for a more targeted co-operation between OECD Members and non-Member economies.

CCNM Country and Regional Programmes are consolidated into three areas: Europe and Central Asia; Asia; and South America. Each geographic area consists of a Regional Programme, and, in certain cases, sub-regional -- such as, the Baltic Regional Programme and the South Eastern Europe Regional Programme. In each geographic area there is a major country programme – i.e., Brazil, China and Russia.

These Programmes are based on policy dialogue that is defined by the particular characteristics and unique needs of the selected regions or countries. For example, examining the linkages between macroeconomic stabilisation and structural reform inevitably requires individual attention to country specifics. Alternatively, as in the case of the South Eastern Europe Programme, regional integration is an essential priority identified by the international community and best addressed via a regional programme.

Against the background of regional programmes, there are three fully-fledged country programmes: Brazil, China, and Russia. As these countries also participate in many other CCNM programmes, the country programmes focus on targeted issues of particular relevance to the country concerned. For other countries, where OECD can respond to special needs, a few country-specific activities are developed within the context of the appropriate region or sub-region, for example, with respect to India, Indonesia, South Africa and Ukraine.

The possibility does exist, in the CCNM Programme for Exploratory Work in other regions, for response to new and emerging issues.

Several activities in the regional and country programmes benefit from voluntary contributions and grants.

II A. EUROPE AND CENTRAL ASIA

II.A.1 Common Programme for Transition Economies of Europe and Central Asia

Introduction

Context

Over the past decade, two general patterns of transition have materialised. For a number of countries, rapid liberalisation, progress in large-scale privatisation and sustained macroeconomic stabilisation have been coupled with progressive structural reform and institutional change. The transition process, however, is not yet complete. Many countries in South Eastern Europe, as well as Russia and the other New Independent States (NIS), continue to struggle to implement macroeconomic stabilisation and basic institutional and policy reforms. While the Baltic countries have shown the political resolve to implement a comprehensive reform programme successfully, progress needs to be consolidated in a number of areas. Two homogeneous sub-regional components have emerged in South Eastern Europe and the Baltic countries, because of the considerable similarity of reform challenges within each sub-region.

Objectives and Activity Overview

The main objectives of the Common Programme for Transition Economies of Europe and Central Asia are:

- to address a number of common elements of relevance for countries that are still grappling with the transition process;
- to encourage co-operation on appropriate specific issues within the sub-regions for both economic and political reasons.

Highlights for 2001

- Substantial contribution to reform of public governance and management in Eastern Europe.
- *A Handbook on Measurement of the Non-Observed Economy* to be published in 2001.
- Implementation of Environmental Action Programme (EAP) in Europe and Central Asia.
- Enhanced structures to fight corruption through the Anti-Corruption Network for Transition Economies.
- Improvement in the accounting and audit frameworks in Eastern Europe and Central Asia, through, *inter alia*, policy meetings on accounting and audit reform, and intensified linkages between relevant institutions in transition economies and key international counterparts, notably International Accounting Standards Committee (IASC) and International Federation of Accountants (IFAC).
- Joint Vienna Institute (JVI) -- OECD joint sponsorship with Bank for International Settlements (BIS), International Monetary Fund (IMF), World Bank, EBRD, WTO: seminars for potential government leaders on competition policy, tax modelling, and social policy.
- Strengthening financial systems through conferences on financial sector development, pensions reform, housing finance and public debt management.
- Implementation of the agreed set of Guidelines and Recommendations by the Forum for Entrepreneurship and Enterprise Development (FEED) for Transition Economies, including a country review of Kazakhstan.

* * * * *

II.A.1.1 Economic Monitoring (New, ECO)

Objectives: To establish and strengthen regular interactions with government agencies and experts in key non-Member economies in the region and international organisations on projected economic development. Continuous monitoring is now requested to enable the Organisation as a whole to react, as needed, to new developments in the region. Missions and consultations with experts of non-Member economies not only enhance the Secretariat's capabilities for monitoring and projecting economic performances of non-Members, but also establish mutual understanding on analysis of trends and policies. This activity provides for monitoring of economic developments in non-Members which are not covered by other CCNM Programmes. In 2001 efforts will focus particularly on the Ukraine.

Outputs:

- Assessment of trends and policies in the region in support of CCNM Programmes and OECD's twice yearly *Economic Outlook*;
- A detailed monitoring note on economic developments and prospects on the Ukraine.

Summary: Economic monitoring based on exchange of information with the relevant countries and international financial institutions.

Co-operation with other institutions: Exchanges of information and other consultations will be carried out with: the IMF, World Bank, and EBRD. Consultations will also be carried out with key agencies of the individual countries examined.

Co-operation with other Directorates: Economic monitoring work will be carried out in consultation with all relevant Directorates.

II.A.1.2 Assessment of Economic Statistics (Ongoing, STD)

Objectives: The objective is to help transition countries develop statistical capabilities to provide reliable macro-economic statistics on an internationally comparable basis. The reliability of macro-economic statistics in these countries has been seriously affected by the growth of hidden, or underground production. Measurement of this production will be the main focus of this activity in 2001.

Outputs:

- Proceedings of the 2000 Workshop on Measuring the Non-Observed Economy;
- A Handbook on *Measurement of the Non-Observed Economy* will be published in mid-2001. This will draw on the results of workshops held in 1999 and 2000 for transition countries;
- The calculation of purchasing power parities (PPPs) to facilitate international comparisons of GDP and related aggregates;
- Short-term indicators for Ukraine will continue to be published in *Main Economic Indicators*.

Summary: National accounts published by the transition countries of Europe and Central Asia are widely seen as misleading because they are thought to omit many "hidden" or "underground" economic activities. In reality, "hidden" activities are also widespread in OECD Member countries and official statisticians have developed *indirect* methods to measure them. Statisticians in transition countries are increasingly using these methods so that the underestimation of GDP is certainly much less than is often claimed. Nevertheless, measuring the non-observed economy is a major challenge for transition countries. OECD's role is to share with them the knowledge and experience gained by Member countries and to apply this experience to the particular conditions of transition countries.

PPPs are the appropriate conversion rates for comparing GDP and related macroeconomic measures between countries. STD will help the Commonwealth of Independent States (CIS) countries compile PPPs so that comparisons can be made both within the CIS group and among them and the OECD Member countries.

Co-operation with other institutions: IMF, ILO, CIS Statistical Committee, United Nations Statistics Division (UNSD), Eurostat.

II.A.1.3 Support for the Integration of Transition Economies into the International Trading System (Ongoing, ECH)

Objectives: Pursue the dialogue with transition economies on trade issues of mutual interest, in particular market access problems, experience with regional integration and the contribution of multilateral trade disciplines to the reform process. Consider lessons from transition economies' trade liberalisation experience and implications for the future development of the international trading system.

Outputs: Discussions in informal meetings of the Working Party of the Trade Committee with representatives of selected transition economies (Spring and Fall 2001), based on analytical work by the Secretariat and consultants (mainly from transition economies) on specific trade policy issues.

Summary: This thematic-oriented activity addresses issues of interest to all transition economies and contributes to consensus-building between these countries and OECD Members on the future development of the international trading system. It focuses on the experience of transition economies with the implementation of international trade disciplines and their contribution to the reform process (e.g. in the area of trade in services), specific challenges/benefits of trade liberalisation in the context of these countries, the role of regional integration initiatives involving transition countries and their interaction with multilateral trade disciplines as well as market access problems encountered by transition economies (including in their mutual trade relations).

Co-operation with other institutions: WTO.

Co-operation with other Directorates: ECO, AGR.

II.A.1.4 Financial Sector Reform, Insurance and Private Pension Reform (Ongoing, DAFPE)

Objectives: To support the development of market-based financial systems, insurance and private pension systems in transition economies.

Outputs:

- Fifth Conference on Financial Sector Development in the Central Asian Countries, Azerbaijan and Mongolia (Paris, March 2001);
- Third Expert Meeting on Agricultural Finance and Credit Infrastructure in Transition Economies (Slovenia, May 2001);
- Publication of a comparative analysis on housing finance systems in transition economies;
- Workshop on pensions reforms in transition economies (25-26 April 2001);
- Setting-up of a regional network of pensions regulators and supervisors in transition economies (with related web site);
- Eleventh Workshop on Public Debt Management for Emerging Markets (first quarter 2001);
- Pan-European Insurance Conference, Budapest, 21-22 May 2001.

Summary: In the last decade, the transition economies have made considerable progress towards developing market-based financial systems. Further efforts are needed in order to establish a well-functioning, fully-fledged financial system. Even if some countries in the region have established a basic framework for the financial sector, most transition economies still face challenges in several aspects of financial sector development, such as agricultural, small and

medium enterprise (SME), and housing finance as well as in the contractual savings sector (insurance and private pensions). In the area of public debt management and government securities, there is a need to familiarise policy makers with general principles and best practices related to financial policy making and modern financial techniques and practices. Ongoing financial policy dialogue provides crucial inputs for reform in these economies.

Co-operation with other institutions: EBRD, World Bank, ADB, BIS, USAID (to be confirmed), East-West Management Institute (EWMI).

II.A.1.5 Financial Disclosure, Accounting and Audit Reform (Ongoing, DAFPE)

Objectives: This activity advocates financial disclosure, accounting and audit reform in support of better functioning capital markets and corporate governance in transition economies. It offers policy advice on accounting reform to public and private sector officials and promotes co-operation between existing public sector bodies and emerging self-regulatory organisations. The programme also aims to assist in the development and implementation of international standards on accounting, audit, ethics and professional education. Regional fora have been established in the CIS (IRFAA - Regional Federation of Accountants and Auditors - Eurasia) and South Eastern Europe (SEEPAD), through which meetings, conferences and workshops are organised and policies implemented.

Outputs:

- Organise policy meetings on accounting and audit reform in the CIS and SEE;
- Establish a Secretariat in South Eastern Europe in support of the SEEPAD initiative;
- Develop country-specific gap-analysis papers and implementation plans on accounting and auditing in the CIS and SEE, in co-operation with the International Forum on Accountancy Development (IFAD);
- Organise peer review meetings in the SEE countries to monitor country progress in implementing accounting and audit policies, in co-operation with the SEE Stability Pact;
- Formulate policy recommendations on professional education, training and certification programmes in the CIS and SEE;
- Assist the IASC to translate into Russian and disseminate its 2001 International Accounting Standards in the CIS countries;
- Further intensify linkages between relevant institutions in transition economies and the key international counterparts, notably the IASC and International Federation of Accountants (IFAC); and
- Induce public-private sector partnerships to implement accounting and audit reforms in the SEE and CIS regions.

Summary: The OECD's IRFAA Eurasia and SEEPAD initiatives have focused on developing and implementing good disclosure, accounting and audit policies. They have served to enlarge the awareness and acceptance of international standards for disclosure, accounting and audit among the public and private sectors, as well as create links between relevant institutions in transition economies and the key international counterparts. More specifically, OECD activities have served to create two regional federations of CIS and SEE accounting and audit associations: IRFAA Eurasia and SEEPAD. To date, these two institutions have held a total of 10 policy meetings on accounting and audit reform in the CIS and SEE, leading to a series of policy recommendations on accounting and audit reform. Additional activities include the

development of a model code of ethics for professional accountants, as well as the translation and dissemination of international standards on auditing. Finally, an Internet website has been launched, which contains relevant information on accounting and audit reform in the CIS countries (www.irfaa-eurasia.org).

Co-operation with other institutions: IASC, IFAC, EWMI, UNCTAD, World Bank, USAID, American Institute of Certified Public Accountants (AICPA), Association of Chartered Certified Accountants (ACCA), Compagnie Nationale des Commissaires aux Comptes (CNCC)/ Conseil Supérieur de l'Ordre des Experts-Comptables (CSOEC), Institute of Chartered Accountants (ICAS).

II.A.1.6 Corporate Governance in Eurasian Transition Economies (Ongoing, DAFPE)

Objectives: While taking into account the restructuring process in the region, the Eurasian Corporate Governance round table objective will further be:

- to improve the understanding of the role of corporate affairs policies in increasing the efficient allocation of resources in the economy as a whole;
- to serve as a central vehicle in the process of identifying key areas for improvement both in the regulatory domain and in private practice;
- to assist the countries of the region in developing public policy responses to perceived shortcomings, using the OECD Corporate Governance Principles as a conceptual framework.

Outputs:

- The second meeting of the Round Table in June 2001 in Georgia;
- Preparation and dissemination of country background papers (i.e. Georgia, Armenia);
- Analytical and empirical work on transparency and disclosure in the region;
- First draft of a regional comparative corporate governance progress review;
- Launch a Eurasian corporate governance website specially designed for the Round Table;
- Foster private local initiatives for the improvement of corporate governance.

Summary: The Eurasian Corporate Governance round table was successfully launched in October 2000, in response to the growing awareness among policymakers and donors in the region regarding the importance of corporate governance. With a special focus on Ukraine, participating countries include most of the NIS countries and Mongolia. Over the next 24-30 months a sustained regional policy dialogue between the public and the private sectors as well as between international and local experts will further encourage improvement both in the regulatory domain and in private practice. A wide range of challenges has already been identified: improvement of shareholder rights, better transparency and establishment of clear responsibility and accountability of the boards. The round table discussions will be supported by topical and country specific empirical research work co-ordinated by the OECD. The major output of the process will be the drafting of a regional comparative corporate governance progress review. Using the corporate governance principles as a benchmark, this review will especially compare legal frameworks, implementation policies, institutions and corporate practice in the region and could include an overall rating of each country.

Co-operation with other institutions: World Bank, International Finance Corporation (IFC), United States Agency for International Development (USAID), Japanese Government, Canadian International Development Agency (CIDA).

Co-operation with other Directorates: SGE, ECO, PAC.

II.A.1.7 Transition Economies Forum for Private Sector Development (FEED) (Ongoing, DAFPE)

Objectives: To assist in the design and implementation of policies for the development of the private sector and encourage and promote conditions conducive to entrepreneurship and enterprise development in the NIS, the countries of the Black Sea Economic Co-operation (BSEC), and South Eastern Europe (SEE/FEED). Provide an environment beneficial to foreign direct investment and competitive markets and develop the financial systems needed to support a market-based economy in countries of the region.

Outputs:

- Meeting of the Transition Economies FEED in Istanbul (April 2001);
- Country Review of Kazakhstan within the framework of FEED;
- Implementation of working groups and workshops at the Istanbul Private Sector Development Centre on private sector related issues;
- SEE/FEED meetings in February and October 2001;
- Country Reviews and Action Plan on entrepreneurship and enterprise development for Albania and Croatia;
- Handbook on Enterprise Development November 2001;
- Round Table on Investment Promotion April 2001.

Summary: FEED is a multi-faceted learning process. Non-Member countries benefit from OECD Member countries' experiences and vice versa, while bringing together international donors and organisations that are actively involved in promoting entrepreneurship and economic development. After having drafted and agreed on policy guidelines on entrepreneurship and enterprise development for participating countries, the group has moved on to identify strategies for implementing recommendations and to set up a methodology for country-based enterprise policy reviews and action plans.

The SEE/FEED is a key tool to implement the Investment Compact within the Stability Pact. It has focused on implementing the OECD FEED Guidelines and Recommendations on Entrepreneurship and Enterprise Development through setting up a process of Country Assessment and Action Plans (CAAP) to be undertaken for each of the countries in South East Europe. The Round Table on Investment Promotion will focus on helping Investment Promotion Agencies in South East Europe to increase their capacity to better attract foreign direct investment based on best practice in OECD Member countries.

Co-operation with other institutions: USAID, EU, World Bank, EBRD, UNIDO, International Organisation of Securities Commissions (IOSCO), Foreign Investment Advisory Service (FIAS).

Co-operation with other Directorates: TDS, DSTI, ENV.

II.A.1.8 **Anti-Corruption Network for Transition Economies** (Ongoing, CCNM, DAFPE/PUMA, SIGMA, ECH)

Objectives:

- To facilitate the exchange of information and experience on national, regional and international anti-corruption initiatives. Co-operation will be facilitated through an Anti-Corruption Network website, managed by OECD and linking major regional initiatives with governments, donors, NGOs, the business community, trade unions and the media;
- To assist Network countries in strengthening and implementing anti-corruption programmes.

Outputs:

- Policy dialogue through annual meetings; dissemination of information through the AnCorR Web – the OECD Anti-Corruption Ring Online; co-ordination among major stakeholders;
- Third Annual Meeting, March 2001;
- Building an ethics infrastructure in transition countries;
- Peer review of ethics practices in selected transition countries.

Summary: The Annual Meeting and specific seminars or workshops convened on an *ad hoc* basis explore possible solutions to corruption in transition countries. Compiling and analysing “success stories” and good practices gathered from regional and international initiatives will help advance the work.

Co-operation with other institutions: Council of Europe, European Commission, Stability Pact, Baltic Council, World Bank, EBRD, USAID and other bilateral donors agencies, civil society organisations such as TI, BIAC and TUAC.

Co-operation with other Directorates: Intra-Secretariat Group on Anti-Corruption (involving CCNM, DAFPE, PUMA, SIGMA, Development Centre, ECH, DCD).

II.A.1.9V **Support for Improvement in Governance and Management: SIGMA Programme** (Ongoing, SIGMA/PUMA)

Objectives: In the context of preparations for joining the European Union, to undertake Institution Building Programmes supporting administrative modernisation and enhanced reliability, increase absorptive capacity, assess progress on reforms; support programming of especially Commission assistance. . Depending on the country SIGMA can work on a) financial control and external audit, b) civil service and administrative control, and c) formulating institutional building needs.

Outputs:

- Assessment of the countries’ systems against the baselines and identification of reform priorities (next steps) and sequencing;
- Analysis of needs and absorptive capacity and identification of specific reform requirements (“gap” analysis);
- Programming assistance;

- Assistance in design of general Public Administration Reform and horizontal systems strategic development plans;
- Carry out Technical Assistance projects.

Additional activities will be carried out to meet the special needs of Bulgaria and Romania. The Programme will support two networks:

- the Presidents and the technical working groups and networking of the beneficiary countries' Supreme Audit Institutions and the European Court of Auditors;
- through the provision of intellectual support to NISPAcee (network of Schools and Institutes of Public Administration in central and eastern Europe), strengthen national capacities to develop public administration.

Summary: SIGMA will perform the following functions, in three programme components mentioned below, over a period of two years:

a) Financial Control and External Audit

Within the framework of the Accession Partnerships, the beneficiary countries must develop reliable systems of financial control and external audit. This is to permit them to: comply with implementation requirements of the *acquis communautaire* and other international standards; ensure that the financial control and audit systems are capable of controlling the implementation of the *acquis communautaire* in all other areas; and ensure the sound and efficient management of the Pre-Accession Funds.

This component aims to:

- bring beneficiary countries significantly closer to meeting baseline conditions for a reliable system of financial control and external audit in line with the European standards necessary to meet the accession criteria; and
- support the network of candidate country Supreme Audit Institutions and the European Court of Audit.

b) Civil Service and Administrative Reform

Within the framework of the Accession Partnerships, beneficiary countries must develop reliable and professional civil services. This is to permit them to ensure the necessary professional staffing and integrity in the transposition and implementation of the *acquis communautaire*.

This component aims to:

- bring beneficiary countries significantly closer to meeting baseline conditions for a reliable, professional, efficient public administration operating under the rule of law and in line with the European standards necessary to meet the accession criteria;
- assist candidate countries to strengthen national administrative development capacities through intellectual support to the Network of Institutes of Public Administration in Central and Eastern European Countries (NISPAcee); and
- facilitate take up of other Commission Institution Building support mechanisms.

Box 2. The SIGMA Programme

The SIGMA Programme is a joint initiative of the OECD and the European Union, created in 1992 and principally financed by the European Union. As a joint initiative, governed by a Convention between the Organisation and the European Commission, the Programme has a distinct status settings it apart from normal OECD grant-funded activities. In the interests of transparency, the SIGMA Programme is described in a separate entry in the CCNM Programme.

SIGMA Objectives

SIGMA supports 15 Central and Eastern European countries in building up modern systems of governance appropriate to European, democratic and market oriented economies. One of the most important constraints on countries' ability to integrate into the European and global economy is the reliability and sustainability of their public institutions. This is a requirement for the European candidate countries, and is seen as necessary also for the non-candidates, especially as they draw closer to Europe in the context of new instruments set up after the Kosovo crisis.

Depending on the specific country needs, SIGMA will work on financial control and external audit, civil service and administrative control, policy formulation and co-ordination capacities, judicial systems and/or public expenditure management including procurement.

Structure

SIGMA is divided into two sub-programmes:

- “**Candidates**” i.e. the ten countries of central and eastern Europe which enjoy formal candidate status for membership of the European Union;
- “**Balkans**” i.e. other countries of South-Eastern Europe particularly Albania, Bosnia-Herzegovina, Croatia, Federal Republic of Yugoslav, former Yugoslav Republic of Macedonia.

Co-operation with other Directorates: SIGMA collaborates with DAFFE, DCD and the Development Centre on anti-corruption and good governance activities.

Co-operation with other institutions: In addition to the European Commission, SIGMA works particularly closely with the European Court of Auditors, Council of Europe, ETF, European Institute of Public Administration, ILO/Turin, World Bank, Organization for Security and Co-operation in Europe (OSCE), United Nations Development Programme (UNDP), Transparency International, and the Soros organisation.

c) Formulating Institution Building needs (support mainly for Bulgaria and Romania)

The aim of this component is to facilitate assistance for strengthening administrative and judicial capacity, including management and control of EU funds mainly in Bulgaria and Romania.

SIGMA will work with the Commission and counterpart institutions mainly in Bulgaria and Romania to prepare for Institution Building projects. Actions will be targeted to define needs, in coherence with their human resources, budgetary means and absorptive capacity; and to improve and finalise required documentation and prepare projects.

II.A.1.10V Task Force for the Implementation of the Environmental Action Programme for Central and Eastern Europe (Ongoing, ENV)

Objectives: To assist transition economies, and the NIS in particular, to develop and implement environmental policies more effectively and efficiently consistent with the recommendations of the Environmental Action Programme (EAP) for Central and Eastern Europe.

Outputs:

- Series of analytical reports, guidance documents and policy documents with recommendations;
- Workshops to implement activities, to review best practices” to build capacities;
- Establishment of a new network of senior officials from the water sector in the NIS;
- Development policy packages for tackling priority environmental problems in the NIS, financing strategies and demonstration projects implemented by donors.

Summary: Following the decisions of the Aarhus Ministerial Conference in 1998, the EAP Task Force and its Secretariat at the OECD focuses its work programme more on the NIS where progress in strengthening environmental policies and institutions has lagged that of countries in Central and Eastern Europe. The Task Force will continue to give priority to strengthening the effectiveness of environmental policy implementation and environmental finance. As a follow-up to the Consultation of Environment and Economic/Finance Ministers on Water Management and Investments in the NIS, held in Almaty, Kazakhstan, 16-17 October 2000, a new priority area will focus on supporting reforms of the urban water sector in the NIS. The work on environmental management in enterprises is now integrated into the environmental policy area emphasising promotion of enforcement and compliance with environmental requirements by enterprises.

Co-operation with other institutions: EC, World Bank, EBRD, UNDP, UNEP, UNECE, Regional Environmental Center (Szentendre), other international organisations and financial institutions.

Co-operation with other Directorates: DAFFE, DCD, ECO, DSTI.

II.A.1.11 Joint Vienna Institute (JVI) Competition Policy Seminar (Ongoing, DAFFE)

Objectives: To promote efficient international and domestic markets by encouraging sound competition law enforcement against anti-competitive private conduct and enhancing competition authorities’ ability to pursue market-oriented regulatory reform through “competition advocacy” of the kind recommended in OECD Member countries.

Outputs: OECD Competition policy seminar for transition countries (JVI).

Summary: The JVI event is the principal international seminar for competition officials from transition countries. A substantial proportion of the participants are agency heads or other high-level officials. The case-study format originally developed for these seminars has proven to be an effective training device and has become a model for other seminars given by the OECD and other organisations. Background materials for this event are often used by competition authorities as informal guidelines or training materials and are also used in other seminars.

Co-operation with other institutions: JVI, EC.

II.A.1.12 Joint Vienna Institute (JVI) Tax Modelling Seminar (Ongoing, DAFPE)

Objectives: Presentation of the principles of microeconomic tax models used to establish the likely revenue and distributional effects of changes in personal income tax, corporate income tax and VAT systems, and identification of the main problems associated with the construction and use of such models, drawing upon the experience of OECD Member countries.

Outputs:

- Development of tax simulation models for use by participating non-Member economies in estimating revenue impact of tax policy changes;
- Development of a 'network' of tax modellers in non-Member economies;
- Expanded seminar on Tax Modelling Vienna (JVI) in Spring 2001.

Summary: The previous seminars on Tax Modelling were well received and are therefore continuing in 2001.

Co-operation with other institutions: JVI.

II.A.1.13 Joint Vienna Institute (JVI) Social Policy Segments (two sessions) (Ongoing, DEELSA)

Objectives: To provide training in the labour market and social policy field to administrators and policy makers from transition economies in the tools and skills necessary to manage and operate successfully in a market economy.

Outputs: Two social policy courses at the JVI (One-week segments of the Applied Economic Policy Courses, April and November 2001).

Summary: The two social policy courses address social policy formulation and implementation in a market economy. They will provide an oversight of selected areas of experience within OECD Member countries and will emphasise the specific problems of implementation in economies and societies in transition. Participants will work with international and country experts on the implementation and the effects of possible reform measures. The aim of these courses is to promote coherent and employment-centred social policies. This serves to enhance the understanding of participants of the international policy experiences in their area of action. It also helps to develop a useful network of contacts for future OECD work in the region and to enhance the Organisation's visibility. The courses will reach some 75 participants from over 12 countries.

Co-operation with other institutions: JVI and its sponsoring institutions (BIS, EBRD, International Bank for Reconstruction and Development (IBRD), IMF, WTO)

Co-operation with other Directorates: ECO.

II.A.1.14 Joint Vienna Institute (JVI) Seminar on Implementing Social Assistance Schemes
(Ongoing, DEELSA)

Objectives: This seminar is aimed at officials who deal with designing, implementing and evaluating social assistance schemes.

Outputs: The seminar will provide an overview of the current state of implementation and evaluation of social assistance schemes in OECD countries and transition economies. The discussion will focus on theoretical, practical and policy aspects of different social assistance schemes and their implementation and evaluation. Country case studies of particular reform experiences will be the theme of small workshops with country experts. Participants will be strongly encouraged to actively participate in discussions and to share their respective countries' experiences. This session will be held on 10-14 December 2001.

Summary: The key issues being addressed in the course of the seminar will be: How can social assistance best balance the adequacy of benefits with financial incentives to work? What is the interaction between social assistance provisions and other benefits? At which levels shall target thresholds be set? Which trade-offs may there be in administering and deciding social assistance provision between central, regional and local level? What policy measures are essential to promote independence and reduce (inter-generational) welfare dependence?

Co-operation with other institutions: JVI and its sponsoring institutions (BIS, EBRD, IBRD, IMF, WTO).

Co-operation with other Directorates: ECO.

II.A.1.15V Central European Initiative (CEI): Enterprise Clusters and Business Networks (New, TDS)

Objectives: To facilitate information exchange and dissemination of best practice between LEED (Local Economic and Employment Development) member and non-Member countries.

Outputs:

- Throughout 2001, a series of workshops are to be held in different member countries of the Central European Initiative (CEI) on the subject of enterprise clusters and business networks;
- Examination of local partnerships and regional labour market councils in Central and Eastern Countries within the framework of the Study on Local Partnerships, in co-operation with the Council of Europe;
- Pending funding opportunities being found, work undertaken on the changing role of women in entrepreneurship in the economies in transition.

Summary: The aim of the CEI workshops is to identify counterparts able to undertake preparatory work for a Conference in Trieste in 2002 on the subject of enterprise clusters and business networks. The workshops will also serve to map the development of enterprise clusters in the countries concerned and trace the evolution of relevant policy. The Trieste Conference, with the support of the Regional Government of Friuli and the Central European Initiative, will focus on industrial districts and business networks in Eastern Europe.

The work on the role of women in entrepreneurship in the economies in transition would seek to: raise global awareness among both women and men on the subject; analyse entrepreneurship among women as a source of growth and job creation; and better integrate women entrepreneurs associations and organisations into the entrepreneurship and job creation activities of the LEED Programme. This work would seek to place female entrepreneurship in the framework of local development programmes and trends such as: enterprise clustering and networks, micro-credit activities, public-private partnerships, citizenship and entrepreneurship; regional and social development and community based initiatives.

Co-operation with other Directorates: DSTI, DAFFE.

II.A.2. Baltic Regional Programme

Introduction

Context

The Baltic Regional Programme has been the OECD's main vehicle for co-operation with Lithuania, Latvia and Estonia since its establishment in 1998. Several north-western regions of the Russian Federation participate in some of the activities.

As in the years before, the 2001 work programme has been developed in consultation with the Baltic countries. The programme is based on medium-term objectives agreed between the OECD and the Baltic countries; these objectives, and other information on the programme, are available on the Internet.

Objectives and Activity Overview

The overall aims of this Programme are (i) to support the efforts of the Baltic countries in the completion of their transition to market economies, (ii) to promote their stable integration into the global economy and (iii) to encourage their use of the "best practices" the OECD has developed. These objectives have been elaborated in the medium-term objectives for each activity under the programme. The OECD seeks to associate the Baltic countries more closely with the OECD's instruments in various fields, including foreign investment, competition, bribery, taxation, insurance, entrepreneurship and others.

Much of the initial work of this Programme consists of policy reviews and dialogue. Policy reviews in the fields of foreign direct investment, education, insurance and pension reform, as well as social and labour markets are near completion or underway. These reviews will lay the basis for further work, tailored to the Baltic countries' needs. New work on trade in services and the combat of bribery is expected to be initiated.

All activities in this programme are dependent on voluntary financial contributions for their implementation.

Highlights for 2001

- Review of social and labour market policies.
- Launch of Baltic Integrity Programme (anti-corruption).
- Workshop on quarterly national accounts and price statistics.
- Report on trade in services in the Baltic countries.
- Publication of foreign direct investment policy reviews for Estonia, Latvia and Lithuania; adherence of these countries to the Declaration on International Investment and Multinational Enterprises.
- Participation in Baltic Sea Region E-Business Forum.
- Workshops on securities markets, public debt management, insurance and pension reform.
- Series of workshops on tax policy.
- Evaluation of competition law enforcement.
- Publication of education policy reviews.
- Country reviews and action plans in the context of the Baltic FEED Policy Guidelines and Recommendations on enterprise development.

* * * * *

II.A.2.1V Macro-economic Statistics (Ongoing, STD)

Objectives: The overall objective is to accelerate improvement in the quality of quarterly estimates of gross domestic product (GDP) broken down by final expenditure categories at both current and constant prices. OECD's work complements the countries' progress towards compliance with EU directives.

Outputs:

- Workshop on practical solutions to the problem of measuring quarterly GDP;
- Workshop on measuring the prices of construction outputs;
- Consultants will be assigned work on priority topics in each country such as indicator methods for estimating quarterly GDP, accounts for the government sector and estimates of gross fixed capital formation;
- Short-term indicators for Estonia, Latvia and Lithuania will continue to be published in the OECD's *Main Economic Indicators*.

Summary: Being located in EU candidate countries, the Baltic statistical offices view satisfying the statistical *acquis communautaire* as a high priority, and have extensive programmes of technical co-operation with Eurostat. Thus, at the suggestion of the Baltic statistical offices, and in agreement with Eurostat, it has been agreed that OECD's main focus should be on the development of quarterly national accounts – an area not yet covered by Eurostat in any depth, but which will supplement their work in the area of annual national accounts.

Following the OECD workshops on the compilation of quarterly national accounts in 1999 and 2000, and at the suggestion of the Baltic offices, a further workshop will be held in 2001. Similarly, at the request of the countries, a workshop covering the compilation and use of price indices for national accounts was held in 2000, and a follow-up workshop on construction price indices is planned for 2001. Country-specific technical consultancy work will be provided in areas identified as priorities both by the statistical offices and by OECD economists.

Co-operation with other institutions: Eurostat, IMF, UNECE.

II.A.2.2V Foreign Direct Investment Statistics (Ongoing, DAFPE)

Objectives: To assist national experts from Baltic countries in developing reliable and comprehensive foreign direct investment statistics based on international standards; to provide a forum to exchange information and expertise with OECD experts, including Member countries.

Outputs: Development of reliable data collection systems (e.g. implementation of surveys) and timely and comprehensive reporting methods; participation in OECD work on FDI statistics.

Summary: Reliable FDI statistics are a very useful tool for FDI policy-makers. It is important to continue to accompany the Baltic states in their efforts to improve the quality of their data. Next year, this activity will involve i) technical assistance on issues common to all three Baltic states; and ii) on-site technical assistance for the evaluation of individual statistical procedures and implementation of improved data collection and dissemination procedures. Selected experts from the Working Party on Financial Statistics will participate in this work.

Co-operation with other institutions: European Central Bank, Eurostat, IMF.

Co-operation with other Directorates: DSTI.

II.A.2.3V Support for the Integration of the Baltic Countries into the International Trading System (Ongoing, ECH)

Objectives: To develop the trade policy dialogue on issues of mutual interest, in particular on trade in services of the Baltic countries, to support their integration into the global economy and the international trading system. Associate these countries more closely with the work and discussions on trade policy issues.

Outputs: Examination of the economic and business environment for trade in services in the Baltic countries, based on an analysis of the service sector and trade in services in the Baltic countries, and on business surveys of the companies involved in trade in services in these countries (both domestic and foreign-owned). The final report, based on the results of the business survey, will be discussed at a special meeting with Baltic trade officials and representatives of the business community (end of 2001).

Summary: The aim of this activity is to identify possible external and internal obstacles inhibiting the full exploitation of comparative advantages of the service sector in the Baltic countries. Work will apply some methodological approaches developed by the OECD Secretariat in its work on market access and regulatory reform issues in OECD Member countries. The current situation will also be compared with the results of previous studies on trade barriers in the Baltic countries undertaken by the OECD in 1994-1995 in order to assess the progress of the region in creating a business-friendly environment. The findings of this work could also be used for policy advice for other countries, especially those in transition.

Co-operation with other institutions: WTO, EBRD.

Co-operation with other Directorates: ECO, DAFPE.

II.A.2.4V Financial Market Reform (Ongoing, DAFPE)

a) Public debt management

Objectives: To assist senior debt managers from the Baltic countries in implementing best practices related to OECD financial policy making in the area of public debt management and government securities, and to familiarise them with modern financial techniques and practices. Establishment of a network between Baltic debt managers and their colleagues from the OECD area, in particular the Nordic countries.

Outputs:

- Annual forum of debt managers from Baltic and Nordic countries as well as from selected OECD Member countries;
- Recommended best practices in these areas.

Summary: The debt managers forum provides an important opportunity for senior debt managers from the Baltic countries and their colleagues from the Nordic countries and other OECD Member countries to discuss public debt management issues that are high on the agenda of the Baltic debt managers, including: portfolio strategy and risk management; organisation of wholesale markets for government securities; instruments for the retail sector; organisation of debt management, including the use of computers and software; policy and methods for communication with the markets.

Co-operation with other institutions: Debt management agencies from Nordic countries.

b) *Development of Baltic private securities markets*

Objectives: To assess the present status of the main elements of the legal, institutional and regulatory framework required for Baltic capital markets and to enhance the development of these markets; to discuss best practices for the operation and regulation of stock markets consistent with international standards and practice; to draft a Report on Baltic Capital Market Development.

Outputs:

- Two meetings of the Working Group on private securities markets;
- Report with policy conclusions;
- Report on Baltic-Nordic Capital Market Development.

Summary: The Working Group will focus on topics related to the following areas: *institutional structures applied to Baltic capital markets, Operations of Baltic securities markets, the role and responsibilities of issuers of securities; securities and capital market legislation.* At the conclusion of the Workshop participants will seek to agree on conclusions covering, *inter alia*, the following matters: the main topics which need to be addressed in securities market operations and the relevant international standards and practices; the institutional and administrative requirements (and attendant resource implications) for implementing capital market regulations; institutional structures.

II.A.2.5V Insurance and Pension Reform (Ongoing, DAFFE)

Objectives: To promote the development of modern, sound and open insurance and private pensions markets in the Baltic countries. To develop policy dialogue and assistance aiming at setting up an adequate regulatory and supervisory framework for these markets and promoting regulatory reform of private pensions schemes.

Outputs:

- Workshop on private pensions reform in Baltic countries (Sofia);
- Workshop on insurance and private pensions reform in Baltic countries;
- Policy dialogue and technical assistance on major issues related to regulatory reform of insurance and private pensions markets;
- Promotion of OECD insurance and private pensions principles;
- Establishment of a network of insurance and private pensions regulators and supervisors.

Summary: These workshops respond to requests for assistance in drafting regulation on insurance and private pension issues and in the establishment of a sound supervisory structure. Issues common to the insurance and private pension areas, and in particular investment regulation which is a crucial and much debated issue both in Baltic and OECD Member countries, will be dealt with at the occasion of the workshop on insurance and private pensions reform. The development of private pension systems is currently a high policy priority in all Baltic countries. The workshop on private pensions to be held in Sofia will focus on implementation issues, and on the practical organisation of pension fund supervision. The world-wide attendance of governmental, private sector and academic pension experts will provide a unique opportunity for Baltic countries to present their current reforms and to benefit from the experience of all other countries involved in the reform of their pension system. These meetings will be complemented by the involvement of Baltic countries in the network of insurance and private pension regulators and supervisors.

II.A.2.6V Foreign Direct Investment Policy (Ongoing, DAFPE)

Objectives: To share experiences on how the new information technologies are changing the way to do business in the Baltic region and the role of foreign direct investment in the development of the new economy of the Baltic States.

Outputs:

- Organisation of a high-level seminar on the occasion of the Baltic Sea Region E-Business Forum Conference to be held in Riga in mid-September 2001. Preparation and publication of a related study;
- Adherence of Estonia, Latvia and Lithuania to the Declaration on International Investment and Multinational Enterprises.

Summary: Estonia, Latvia and Lithuania are expected to be invited by the Organisation to adhere to the OECD Declaration on International Investment and Multinational Enterprises and to participate in related Committee work, in recognition of the important steps that they have taken in implementing best FDI policy practices and their ability to make a distinct contribution to the OECD's broad policy dialogue on foreign direct investment issues. As was the case with the conference held in Vilnius, Lithuania on 30 May 2000, on the issue of "FDI Competition and Fiscal Incentives", the Riga event will be integrated into CIME's analytical agenda. The Baltic Sea region is one of the world's fastest growing economic areas and is also becoming a leading centre of the global internet economy. Riga has long been an important research centre. The seminar will discuss the necessary improvements in the regulatory and legal environment for the enhancement of investment potential of the Baltic states in this crucial economic field.

Co-operation with other institutions: Baltic Sea Region e-Business Forum.

Co-operation with other Directorates: DSTI.

II.A.2.7V Taxation Policy (Ongoing, DAFPE)

Objectives: Reduction of international tax conflicts through improved application of tax treaties based on OECD model tax guidelines. Successful implementation of transfer pricing based on OECD transfer pricing guidelines. Improvement in the quality and timeliness of exchange of information between the Baltic countries and Member countries. Association with the recommendations of the Forum on Harmful Tax Practices. Successful implementation of a market-value tax on land and improvement to valuation rules in property tax system.

Outputs:

- Independent reviews of draft laws by Secretariat and Member country experts;
- Four workshops in the Baltic region on property tax, international tax, and domestic tax policy.

Summary: Since 1999, this activity has focused on tax policy reform, particularly in international tax and related domestic tax issues. One of the principal challenges for the three countries is to counter the danger of major revenue losses through cross-border tax evasion and tax avoidance schemes. Furthermore, the Baltic countries are feeling pressure from the international problem of harmful tax practices, and tax policy assistance is needed to help these countries find appropriate remedies.

This part of the programme helps the countries counter problems of international tax evasion and avoidance and prepares them to respond to major OECD initiatives such as combating harmful tax practices. The work is concentrated in four areas: (i) counteracting international tax avoidance; (ii) extending policy dialogue on core topics of the OECD's Committee on Fiscal Affairs; (iii) development of property tax systems; and (iv) improving the efficiency of tax administration.

As of this year, the OECD will aim to associate the Baltic countries more closely with the work of the OECD's Committee on Fiscal Affairs and the OECD's tax-related instruments, such as the model tax treaties and the transfer pricing guidelines, as well as with the OECD's work on taxation and electronic commerce.

II.A.2.8V Competition Policy (Ongoing, DAFPE)

Objectives: To assist the Baltic competition authorities in implementing law enforcement and advocacy of pro-competitive government regulation in a manner that reaches or approximates international "best practice" standards as reflected in OECD instruments and other documents.

Outputs: Annual reports on selected areas of Baltic competition activities; annual seminars/meetings to discuss the reports in a form of peer review; annual publications.

Summary: This activity's reports focus on the three Baltic countries, but representatives of the Russian Antimonopoly Ministry's contiguous territorial offices also participate in the annual seminar in order to promote enforcement co-operation and regional economic integration. The activity promotes best practice in line with (a) OECD Recommendations of 1995 (on International Co-operation) and 1998 (on Effective Action against Hard-Core Cartels); (b) OECD regulatory reform reports on the role of competition authorities and reviews of the operations of OECD Member countries; and (c) reports by the OECD's Competition Law and Policy Committee. The Baltic competition authorities are developing proposals for the most important topics to cover in 2001. Closer co-operation with the EC is being developed.

Co-operation with other institutions: EC.

II.A.2.9V Programme Co-ordination and Traineeships (Ongoing, CCNM)

a) Programme co-ordination

Objectives: To support the overall organisation of the Baltic Regional Programme, to represent the CCNM at relevant meetings of other organisations, and to increase synergy, avoid duplication and exchange programme information with other inter-governmental organisations (IGOs).

Outputs: Liaisons and dialogues with the Baltic countries, donor countries, IGOs and NGOs; an evaluation process including an annual meeting and an annual report.

Summary: To ensure that the Baltic Regional Programme meets its objectives and to secure its funding, frequent contacts with the Baltic countries, the sponsoring countries and other relevant parties, as well as a proper evaluation process, are essential. To support this work, a project post has been created for a programme administrator supported by a grant from Finland. An evaluation mechanism has been established for this Programme, which includes an annual meeting and an annual report (the 2000 annual report will be published in the first quarter of 2001). To help fulfil its objectives, the CCNM maintains dialogues with other relevant international organisations, in particular the Council of the Baltic Sea States, the European Commission, the Nordic Council and the Nordic Council of Ministers in order.

b) Visiting experts

Objectives: To familiarise a small number of officials from the Baltic countries with the operations of the OECD.

Outputs: Three to six-month assignments of visiting experts at the OECD Secretariat.

Summary: A number of officials from Estonia, Latvia or Lithuania, are invited to participate in activities of the Baltic Regional Programme in various OECD Directorates. In 1999 and 2000, officials from the three countries were assigned to such activities for six months per country. In 2001, an Estonian official will join the Agriculture Directorate for three months and another Estonian and a Latvian national are expected to join the Secretariat for three months each later in the year.

Co-operation with other Directorates: DAFPE, AGR.

II.A.2.10V Baltic Integrity Programme (New, DAFPE)

Objectives:

- To develop the conditions for an effective fight against corruption in the Baltic countries;
- To promote closer association with the OECD's efforts to combat bribery;
- To facilitate eventual adherence of the Baltic countries to the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and participation in the OECD Working Group on Bribery in International Business Transactions.

Outputs:

- Reviews of anti-corruption legislation and law enforcement in the Baltic countries and corresponding programmes;
- Reports on each Baltic country including findings and recommendations;
- A series of workshops on corruption issues.

Summary: The Baltic countries, through the Council of Baltic Sea States (CBSS), have signalled their willingness to receive assistance in meeting the criteria for accession to the OECD anti-bribery instruments. A thorough appraisal of the existing institutional and legal framework in these countries would precede recommendations for further legal or policy measures that would help strengthen institutions to effectively fight corruption and bribery. Engaging a policy dialogue between Baltic countries and Convention countries is also important in light of recommendations by the European Commission, in the context of the EU accession process, that include adherence to the OECD Convention.

Co-operation with other institutions: CBSS, EU.

Co-operation with other Directorates: PUMA/SIGMA.

II.A.2.11V Social Policy and Labour Market Review (Ongoing, DEELSA)

Objectives: Analyse labour market and social policies in a context of international comparison. The purpose is to provide advice to the Baltic governments and to present information of interest to OECD governments and to the international research community.

Outputs: Report on labour market and social policies to be presented at an *ad hoc* review meeting by the Education, Labour and Social Affairs (ELSA) Committee, probably at the end of 2001 or in 2002.

Summary: This review will focus on the structure of the labour market, the incomes of the population, relative wages, productivity and labour mobility. Issues of active and passive labour market policy, social assistance, social insurance and health care as well as poverty will be considered. The aim is to describe current policies in the appropriate economic and social context and to consider possible options for reform, especially in the near future. The report will be written essentially by DEELSA staff, but consultancy inputs are necessary on certain points e.g. to manipulate data and to analyse particular policy questions.

Statistical analysis will be employed to identify key features of each country's labour market and social conditions, both in a context of recent history and compared with other countries. Data are obtained from several official sources including the periodical labour force surveys, household budget surveys and employer surveys about wages and employment, and to some extent from recent surveys of a more occasional nature. Many of the data can be compiled from printed and electronic publications, but some necessary inputs will require special efforts in co-operation with the respective statistical agencies.

Different policy options will be considered against the background of international experience, documented for example in the context of the OECD Jobs Strategy, DEELSA reviews of the public employment service and social assistance in OECD Member countries, and similar reviews in the OECD/Centre for Co-operation with Economies in Transition (CCET) and OECD/CCNM series devoted to Central and Eastern European countries.

During 2000, the DEELSA began preliminary studies of literature, statistics, law texts and recent policy documents in the Baltic states. A fact-finding mission in November 2000 involved discussions with Ministries of Labour and Social Affairs, statistical agencies and other relevant bodies under the central governments as well as a few municipalities, employer and employee associations and researchers. Most of these discussions took place in the respective capitals, though short visits were made to other regions in two of the three countries. Before a draft report is presented, at least one more mission to each country will be required for additional fact-finding and to ensure a continued dialogue with the respective Ministries.

Co-operation with other institutions: ILO, World Bank, FAFO (Norwegian Institution for Applied Social Science).

Co-operation with other Directorates: ECO.

II.A.2.12V Review of Education Policy (Ongoing, DEELSA)

Objectives: The country reviews are intended to develop education strategy for regional and national policy initiatives, also in the context of the EU accession.

Outputs: Publication of education policy reviews of Estonia, Latvia and Lithuania, respectively. Following the publication of the reports, press conferences will be organised in the three capitals and a seminar will be held in 2001 in Lithuania and in 2002 in Estonia.

Summary: The country reviews were discussed at a meeting of the OECD's Education Policy Committee in Helsinki, in July 2000. Each of the reviews will be published in 2001. The review of Latvia was funded through EC-Phare and the other two through the CCNM Baltic Regional Programme. The reviews have followed the same methodology as Member country reviews and have had impact on bringing public debate on education to the fore.

Education reform has been given high priority by all Baltic countries which have supported this activity at high levels.

Co-operation with other institutions: World Bank, EC and European Training Foundation (ETF).

II.A.2.13V Baltic Forum for Entrepreneurship and Enterprise Development (Baltic FEED) (Ongoing, DAFPE)

Objectives: To ensure that the Baltic FEED Policy Guidelines and Recommendations are adopted as policy at government level, and implemented in the form of concrete, sustainable measures which contribute to the development of entrepreneurship and enterprise in the region.

Outputs:

- FEED country reviews for Latvia, Lithuania and Estonia;
- Regional policy implementation report.

Summary: In reaction to positive feedback from the Transition Economies FEED, a similar Forum has been established for the Baltic region (Latvia, Estonia, Lithuania as well as the Kaliningrad and St. Petersburg region in the Russian Federation). Participants have agreed that there is a need for a mechanism for co-ordination of the activities of the small business support infrastructure. The meetings in 1999 and 2000 contributed to this objective and also finalised common guidelines on entrepreneurship and enterprise promotion. These guidelines are now being promoted and evaluated on a national level. A first country review and action plan for

Latvia took place in October 2000 in close co-operation with the Directorate-General (DG) Enterprise of the European Commission. The results of this review were discussed at the meeting of the FEED in December 2000 and will be integrated in the country reviews to be undertaken in 2001.

Co-operation with other institutions: CBSS, EU, EBRD.

Co-operation with other Directorates: TDS.

II.A.2.14V Agriculture and Fisheries (New, AGR)

Objectives: To assess the progress towards market orientation of agriculture in the Baltic countries using the PSE/CSEs methodology. To assess the agricultural outlook. To build capacity in the Baltic States to assist their integration into world markets. To analyse the linkages between further trade liberalisation and its effects on the sustainability of resources in the fisheries sector. To help design a strategy for the downstream food-processing sector, in particular the dairy sector.

Outputs:

- PSEs updated annually to measure levels of transfers to agriculture in the Baltic countries and compare them with results in OECD and other transition economies;
- Results featured in annual *Watch on Support* in the flagship publication, *Agricultural Policies in Emerging and Transition Economies* and Electronic Data Product;
- Trade policy analysis with targeted set of conclusions. Input into the work on market liberalisation undertaken by the Committee for Fisheries;
- Technical workshop on policy issues and challenges faced by dairy processing sector with conclusions and recommendations; publication of proceedings.

Summary: The agricultural policy dialogue with the Baltic states will have four main components: (a) Policy analysis using the OECD's methodology to quantify and evaluate producer and consumer support levels (Producer and Consumer Support Estimates - PSE/CSEs). This work provides quantitative data on the transfers associated with agricultural policies. (b) Addressing issues such as technical barriers to trade (notably sanitary and phyto-sanitary regulations), as well as intellectual property rights (notably how international trade law can accommodate technological developments such as the adoption of GMO (genetically modified organisms) technology). (c) The fisheries component will be underpinned by the work on market liberalisation, which is a key element in the Committee for Fisheries' 2001-2002 programme of work. It will also contribute to the next round of multilateral trade negotiations. (d) As a follow-up to the work on agricultural policies, the Baltic countries are seeking assistance in policies on their downstream agro-processing sectors. The dairy processing sector creates particular problems and would benefit from a technical workshop to be focused on policy issues and challenges faced by this sector.

Co-operation with other institutions: EBRD, FAO, World Bank, WTO.

Co-operation with other Directorates: DAFPE, ECH.

II.A.3. South Eastern Europe Regional Programme

Introduction

Context

The CCNM anchors its substantive contribution to the development and reconstruction in South Eastern Europe mainly through its involvement in the Stability Pact. The countries of South Eastern Europe (SEE) need to consider a comprehensive approach to regional development and stabilisation. Achieving peace, stability and economic recovery in the SEE requires a joint commitment by all countries of the region. The SEERP supports implementation of consistent macroeconomic stabilisation policies and deeper structural reforms by these countries as key factors for stabilisation.

Objectives and Activity Overview

To strengthen regional co-operation and build consensus on a regional medium-term strategy for economic reconstruction and development. To help develop a climate favourable to both domestic and international investors; foster social inclusion and social change; improve the institutional capacity, governance structures and strengthen anti-corruption efforts throughout the region.

Highlights for 2001

- Implementing five flagship initiatives of the Investment Compact. These are: an investment profile, best practices for investment promotion agencies, a corporate governance round table, initiatives on tax treaty networks, and the Forum for Entrepreneurship and Enterprise Development.
- Carrying out the Anti-Corruption Initiative, including the promotion of transparency and integrity in business operations and promotion of good governance and reliable public administrations.
- Providing economic monitoring and evaluating structural reforms in the region within the framework of the Stability Pact.
- Exploring options for formulating education policy to improve the quality of education and democratic development in the region.
- Assisting the countries of the region with the development and implementation of the Regional Environmental Reconstruction Plan for SEE .
- Facilitating the improvements in economic statistics - specifically in national accounts, prices, purchasing power parities and business tendency surveys.

* * * * *

II.A.3.1 South Eastern Europe Compact for Reform, Investment, Integrity and Growth (Ongoing, DAFPE)

Objectives: To co-ordinate the implementation of the Compact, acting as the Secretariat of the Co-ordination Group established under Working Table Two, and undertaking substantial activities in co-operation with other partners in the Stability Pact. The objective of the Compact is to lay the foundations for sustained growth and development in South Eastern Europe. The Compact sets out a number of commitments for policy reform which the countries in the region need to implement to create a robust market economy. The Compact focuses on a comprehensive policy package including: Foreign Direct Investment (FDI) Policy, FDI Promotion Strategies and Programmes, Small and Medium-Sized Enterprise (SME) Support Structures, Privatisation, Fiscal Reform and Taxes, Bribery and Corruption, Corporate Governance, Competition Law and Policy, Accounting Regimes/Practices, and Financial Sector Development.

Key objectives for 2001 will include implementing five flagship initiatives of the Investment Compact. These are: an investment profile, best practices for investment promotion agencies, a corporate governance round table, initiatives on tax treaty networks, and the Forum for Entrepreneurship and Enterprise Development.

Outputs: The activity will assist the authorities in SEE in the design and implementation of policies needed for a successful economic recovery and growth strategy. Outputs will include:

- an analysis of current economic policy framework of the countries of the region;
- country-specific and regional policy recommendations for the improvements of the economic climate; and
- monitoring the implementation of the Compact.

Summary: The OECD has been given the mandate to act as the Secretariat of the implementation of the Compact. The Compact sets out a number of commitments for policy reform which countries in the region should implement to create favourable investment conditions. The Compact is based on the notion that private foreign and domestic investment needs to be at the centre of any successful recovery and growth strategy. This, in turn, will require the countries in the region to attract investment by adopting or reinvigorating economic policies covering a broad range of issues.

The OECD Secretariat has initiated contacts with other international organisations to establish an effective division of labour. The OECD has agreed to be the lead agency (or support the work of other organisations) in a number of policy areas covered by the Compact:

- Foreign Direct Investment (FDI) Policy (jointly with CIME members and with UNCTAD) including Statistics (with European Central Bank, the Eurostat and the IMF);
- FDI Promotion Strategies and Programmes (with Multilateral Investment Guarantee Agency (MIGA - World Bank Group);
- SME Support Structures (with EBRD);
- Privatisation (with UN/ECE);
- Fiscal Reform and Taxes;
- Bribery and Corruption;
- Corporate Governance (with USAID);

- Competition Law and Policy;
- Accounting Regimes/Practices;
- Financial Sector Development.

II.A.3.2

and

Anti-Corruption Initiative – (Ongoing, DAFPE/PUMA)

II.A.3.3V

Objectives: The Stability Pact Anti-Corruption Initiative sets out a number of commitments for policy reform which countries in South Eastern Europe need to implement to eradicate corruption. These commitments are the:

- Adoption and implementation of international instruments;
- Promotion of good governance and reliable public administrations;
- Strengthening of legislation and promotion of the rule of law;
- Promotion of transparency and integrity in business operations;
- Promotion of an active civil society.

The OECD is responsible for the implementation of two key pillars of the Initiative: (i) fighting bribery and corruption in business transactions and (ii) promoting good public governance. In addition, the OECD received the mandate to act as the Secretariat of the Initiative jointly with the Council of Europe and the office of the Special Co-ordinator of the Stability Pact.

Outputs: The Anti-Corruption Initiative is based upon a three-stage process of diagnosis, country-specific policy recommendations and monitoring through peer-review. The major focus in 2001 will be on designing country-specific recommendations for the improvement of the fight against corruption in the region and on monitoring the implementation of policies that are crucial to achieving results in terms of actually decreasing corruption in SEE.

Summary: The OECD will assist the countries in the region to adopt or re-invigorate policies covering a range of issues aimed at fighting corruption. The Initiative is based upon a monitoring mechanism, which envisages a three-stage process of diagnosis, country-specific policy recommendations and peer-review.

In March 2000, the OECD carried out missions to the region to meet with the national anti-corruption teams, as well as with representatives of the civil society and donors organisations. The OECD and its partners completed a first diagnosis of current anti-corruption conditions in SEE and provided country assessment reports at the Donors conference held in Brussels at the end of March 2000.

A general assessment is also underway. This general assessment -- to be completed early in 2001 -- will permit the setting of specific targets for reform. The assessment reports, one for each participating country, will serve as the basis for setting a detailed schedule of work for the Steering Group. Thereafter, the assessment reports are planned to serve as progress gauges for the future work of the Steering Group. In connection with preparing the assessment report, the Managing Committee has recently visited Montenegro and Bosnia-Herzegovina.

Monitoring will start in February 2001. The process will make use of the OECD "peer pressure" technique successfully being applied to monitoring of the implementation of the

OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. A Steering Group comprising regional and non-regional experts and representatives of the entities that manage the Stability Pact Anti-Corruption Initiative (SPAI), will systematically monitor the adherence by participating countries to the commitments they have made under the Initiative. The first cycle of evaluation should be completed by the end of next year.

Co-operation with other institutions: EC, Council of Europe, Stability Pact, World Bank.

Co-operation with other Directorates: PUMA/SIGMA.

II.A.3.4 Economic Monitoring (Ongoing, ECO)

Objectives: To provide economic monitoring of the region in the framework of the Stability Pact and, in particular, of the Investment Compact, the flagship OECD SEE activity in support of economic reconstruction. Continuous monitoring is now requested to enable the Organisation as a whole to react, as needed, to new developments. Missions and consultations with experts of non-Member economies in the region are designed to enhance the Secretariat's capability for monitoring and projecting economic performance. The activity also provides for participation at the Stability Pacts' Round Table on Economic Reconstruction and at thematic conferences organised as part of the Investment Compact.

Outputs: Assessment of regional economic developments in support of the Investment Compact. Detailed monitoring notes will be prepared three times a year. Briefing for the Secretary-General's office as requested.

Summary: Economic monitoring based on the exchange of information with the relevant countries, international financial organisations and specialised research institutes.

Co-operation with other institutions: Exchange of information and other consultations will be carried out with the IMF, the World Bank and European Institutions involved in the Stability Pact.

Co-operation with other Directorates: Primarily with DAFPE.

II.A.3.5 Education and the Economy in South Eastern Europe (Ongoing, DEELSA)

Objectives: Creation of a network for domestic and international experts to explore options for formulating education policy and to exchange experience and advice that impacts on education legislation, and ultimately to improve the quality of education and democratic development in the SEE region.

Outputs: A report for the Stability Pact, with regional, statistical and country sections (including Serbia) with recommendations that will be presented at a major conference in the first half of 2001. The report will subsequently be published. Several workshops on the Programme for International Student Assessment (PISA) activity will also take place. The Bulgarian review will be discussed by the Education Committee and published.

Summary: The Education and the Economy activity closely follows the objectives of the programme of work of DEELSA: evaluating strategies for lifelong learning for all; early childhood education and care (ECEC); the digital divide; facilitating transition to work; mobilising resources effectively; and improving the sharing of roles and responsibilities among government and partners.

Co-operation with other institutions: Stability Pact, World Bank, EC, ETF, United Nations Children's Fund (UNICEF), Council of Europe, UNESCO and non-governmental organisations (NGOs).

II.A.3.6V Environmental Policy in South Eastern Europe (New, ENV)

Objectives: To assist the countries of South Eastern Europe to develop and implement environmental policies and tools, including environmental information systems more effectively and efficiently.

Outputs:

- Series of analytical reports, guidance documents and policy documents with recommendations;
- Workshops to implement activities, to review best practices; and to build capacities;
- Development programmes implemented by donors.

Summary: At the inaugural meeting of Stability Pact Working Table Two in October 1999, the international community called for the preparation and implementation of a Regional Environmental Reconstruction Plan for SEE (REReP). This proposal was endorsed and it was agreed that the Regional Environment Centre (REC) based in Budapest, with whom OECD co-operates in supporting the Environmental Action Programme Task Force (EAP Task Force), should take the lead in developing the Plan. In February the Stability Pact approved the development of the Plan, established a Task Force to facilitate its implementation and nominated the REC to serve as its secretariat. The REC invited the OECD to co-operate closely in developing the Plan and promoting its implementation. The Greek Government has indicated that it would be willing to provide financial support for the OECD to take the lead in developing a review of the Bulgarian environmental information system.

Co-operation with other institutions: EC, Stability Pact, World Bank.

II.A.3.7 Regional Governance Initiatives (Ongoing, PUMA)

Objectives: Building democracies and market economies through the promotion of good governance and the rule of law at the national and regional level through the Compact for Reform, Investment, Integrity and Growth, the Anti-Corruption Initiative and Working Table One's Good Governance Task Force.

Outputs: Good governance is included in the Stability Pact's Working Tables One and Two. The activity will assist the Stability Pact's Office of the Special Co-ordinator, the European Commission and the Council of Europe in developing regional governance initiatives, primarily through the support to SEE countries for establishing procurement policies and regimes to assist in developing a regional regulatory reform agenda, co-operation for improving the dialogue between governments and citizens and the implementation of the Anti-Corruption Initiative.

Summary: Restoring peace, stability and prosperity amongst the peoples and states of South Eastern Europe can only occur if each state's institutional and administrative arrangements inspire confidence that decisions are taken under the rule of law and that decision-making is transparent, subject to consultation, and can be monitored. The development of a professional civil service and effective control institutions are also essential foundations for democracy and rule of law in the region.

II.A.3.8 Statistics (Ongoing, STD)

Objectives: To facilitate improvements in economic statistics -- specifically in national accounts, prices, purchasing power parities and business tendency surveys -- and to foster regional co-operation and self-help in statistics.

Outputs:

- Workshops on the estimation of quarterly national accounts;
- Workshop on construction cost and price indices;
- Publication of PPPs for Croatia and the Former Yugoslav Republic of Macedonia (FYROM) in the report on the 1999 round of the OECD PPP Programme;
- Training in business tendency surveys for the Former Yugoslav Republic of Macedonia and Croatia.

Summary: Co-operation with SEE countries is currently confined to Croatia and FYROM, though in 2001 efforts will be made to include Albania and Bosnia Herzegovina. The Programme is oriented towards sharing with SEE countries the sources and methods used by Member countries with a view to assisting them to identify the practices best suited to their own particular conditions. While the chosen subject areas are those where the OECD has some comparative advantage, the actual topics covered, such as quarterly national accounts and construction price indices, are those identified by the countries themselves.

Countries are particularly interested in being included in the OECD PPP Programme for comparison with others and for the framework it provides to improve their estimates of expenditure on GDP and various price statistics.

STD will foster regional co-operation by encouraging Bulgaria, Romania and Slovenia to provide technical assistance to other SEE countries in those subject areas where they have a comparative advantage.

Co-operation with other institutions: Eurostat and the Statistical Office of Slovenia.

Co-operation with other Directorates: Invitations to, and reports of, all workshops and missions are circulated to staff in all Directorates that have an interest in statistics for SEE countries.

II.A.3.9V Follow-up of 1997 labour market and social policy review in Slovenia (Ongoing, DEELSA)

Objectives: To discuss and assess policy developments in Slovenia since 1997 against the background of recommendations in the review report.

Outputs: Joint Seminar with the OECD and Slovenia's Ministry of Labour, Social Affairs and Family in Ljubljana in the first half of 2001.

Summary: Probably an *ad hoc* ELSA Committee review will be organised with the Slovenian authorities and with the support of the Austrian authorities.

Co-operation with other institutions: ILO, World Bank.

Co-operation with other Directorates: ECO.

II.A.3.10V Support for Improvement in Governance and Management: SIGMA Programme
(Ongoing, SIGMA/PUMA)

Objectives: The Programme aims to increase administrative capacities, of Albania, Bosnia-Herzegovina, Croatia, Federal Republic of Yugoslav, former Yugoslav Republic of Macedonia, specifically in civil service, administrative reform, financial control, and expenditure management.

Outputs: For its core work areas, the Programme will:

- carry out needs assessments; evaluate of administrative capacities, needs and related programme design by country;
- based on these assessments, prepare detailed public administration reform programmes to be financed and implemented under the Commission national programmes;
- provide expertise and advice in general and specific areas of public administration reform, including advice in relation to the public administration programmes being implemented under the national programmes.

Summary: The Programme will assist the concerned countries in establishing an effective legal framework for professional, efficient and reliable public administration under effective control. It will focus in particular on:

Civil Service Reform: The Programme will assist the countries in preparing civil service laws and staff regulations (recruitment, promotion, remuneration) and in ensuring that the necessary mechanisms are put in place for managing and implementing the reforms. It will assist in strengthening national training and administrative development institutions.

Public Finance Management: The Programme will assist the countries in developing effective public finance management (taxation, procurement, procedures for planning and executing the expenditure of public funds, usually through the state budget by government ministries and other agencies).

Financial Control and External Audit: The programme will assist the countries in establishing a coherent and comprehensive statutory base defining the systems, principles and functioning of financial control (management/internal control and external audit) systems, including mechanisms for internal audit, relevant management control systems and procedures, functionally independent internal audit with relevant remit and scope, and systems to prevent and take action against irregularities and to recover any amounts lost as a result of irregularity or negligence.

II.A.4. Russia Programme

Introduction

Context

The OECD works with Russia on issues of importance for the country's transition, such as fiscal relations between the federal and regional governments (fiscal federalism), investment policy, corporate governance, and the need for better regulation of natural monopolies. Keeping in mind the shared goal of Russia's future accession to the OECD, a major challenge ahead is to move Russia closer to OECD standards in a range of policy areas. The OECD's Russia Programme saw a dramatic increase in attention from Russian policy makers in 2000. Events included the Secretary General's meetings with President Putin and Prime Minister Kasyanov, the high visibility of the Organisation's involvement in the Muenster 2000 meeting held in Moscow, the presence of the principal Russian ministers and deputy ministers at OECD meetings, and talks between the Secretary General and the ministers for Finance, Economic Development and Trade, and Anti-Monopoly Policy.

Objectives and Activity Overview

The 2001 Russia Programme has as its ultimate goal to help facilitate the integration of the Russian Federation into the world economy. The Programme will continue the objectives endorsed by the Liaison Committee in June 2000.

- To promote good public and corporate governance; to improve the quality of public financial resource management for economic efficiency, particularly at the federal and regional levels and through the OECD Corporate Governance Guidelines, promoting good governance for corporations, stock exchanges, investors, and other relevant parties.
- To facilitate the enabling environment for enterprise development across several productive sectors; to continue activities in tax reform, competition law and policy, promoting foreign direct investment and the development of a sound banking sector and intensifying efforts to combat corruption.
- To focus attention on regional development; to promote improvements in the tax system for compliance and optimal sharing of revenues between the central state and the regions; to continue work on social protection, concentrating on the decline in living standards and the devolution of responsibilities from the federal to the regional level.
- To assess and assist Russia's progress towards meeting OECD best practices and standards; to facilitate compliance with OECD standards in environment, trade and codes of liberalisation of capital movements and invisible transactions.

Highlights for 2001

- Promote implementation of the recommendations of the third Economic Survey of Russia. Conduct a major conference on fiscal federalist relations with the participation of many regions.
- The fourth Economic Survey of Russia, with emphasis on regional concerns.

- Technical co-operation with the Russian tax authorities at both federal and regional levels through the Moscow International Tax Centre, with workshops on tax collection, taxation of foreign direct investment and methods of resolving tax disputes.
- Ongoing, high-profile work on corporate governance, culminating in the publication of a White Paper on corporate governance in Russia.
- Workshops in Russia supporting the implementation of competition policy, notably focusing on the regulation of national monopolies and enforcement of competition law.
- A high-level seminar encouraging adherence to the principles of the OECD Council Recommendation on Ethics in Public Service and of the Convention on Combating Bribery of Foreign Officials in International Commercial Transactions.
- An OECD report on Intellectual Property Rights and seminars organised in co-operation with other institutions.
- A meeting on the implementation of the recommendations of the OECD Environmental Performance Review of Russia and a new study and workshop on taxation policies in the field of environment.
- Publication of business tendency surveys and cyclical analysis.

* * * * *

II.A.4.1 Economic Survey of the Russian Federation (Ongoing, ECO)

Objectives: To work in co-operation with the Russian government and the Central Bank on preparing the fourth OECD Economic Survey of the Russian Federation for an Economic Development Review Committee (EDRC) Committee Review on 4 December 2001. To undertake several missions to Moscow and selected regions to better understand the true economic situation in the country and motivations for various economic policies. To discuss a first draft of the survey with government and Central Bank officials in a seminar in Moscow in October.

Outputs: The fourth OECD Economic Survey of the Russian Federation to be discussed at the EDRC meeting in December 2001. A final draft for publication by end-December or early January 2002.

Summary: This survey will provide a macroeconomic overview of developments in the Russian Economy in 2000 and 2001 and link this analysis to an in-depth examination of two to three special structural topics; the topics are to be agreed with the Russian authorities.

Co-operation with Other Institutions: IMF, World Bank.

Co-operation with Other Directorates: All Directorates working with Russia, particularly DAFPE.

II.A.4.2 Assessment and Improvement of Economic Statistics (Ongoing, STD)

Objectives: To help Russia develop its ability to provide reliable macro-economic statistics in a form which meets international standards, focusing on three areas: business tendency (opinion) surveys, short-term economic indicators and purchasing power parities.

Outputs:

- Publication on Sources and Methods of Russian Short-Terms Economic Indicators;

- Report on Business Cycles in Russia and Cyclical Indicators;
- Workshop to finalise PPPs for comparison with OECD Member countries;
- Ongoing publication of Russian short-term indicators in *Main Economic Indicators*.

Summary: The report on sources and methods for short-term statistics is designed to help users properly interpret Russian statistics. It also aids Goskomstat by identifying methodological weaknesses and departures from international standards.

Business tendency surveys ask managers of enterprises for their views on the current business climate and their expectations and plans for the immediate future. Qualitative statistics of this kind have assumed a particular importance in Russia because of the severe problems of non-response and mis-reporting. The report on business cycles, jointly prepared by Goskomstat, the Centre for Economic Analysis and OECD staff will show how business survey statistics can be used for cyclical analysis and to construct leading indicators.

For the 1999 PPP comparison, Russia is being included with OECD Member countries. There are particular difficulties here because of the different patterns of expenditures and prices in Russia compared with OECD Member countries. The workshop will explore practical solutions to these problems.

Co-operation with other institutions: IMF, CIS Statistical Office, Goskomstat, Eurostat.

II.A.4.3 Moscow Consultants (Ongoing, CCNM)

Objectives: The OECD maintains a small group of consultants working to support the activities of the CCNM and the other Directorates. In 2001 it is anticipated, with the increasingly active relationship with the Russian government, that the outputs listed below may become broader and of greater importance to the Organisation and Russia itself.

Outputs:

- Logistical support to in-country activities: transport, organisation of meetings, conferences and seminars, translation and interpretation;
- Support for the substantive work on Russia: research, contributing papers for publication and meetings;
- Co-ordination with Russian authorities: maintaining contacts, requesting and setting bi-lateral meetings for visiting officials, working with Russian ministries on targeting programme of work; and
- Information services: co-ordinating production and dissemination of all OECD Russian-language publications, co-ordinating dissemination of all OECD publications within Russia and the CIS.

Summary: The role the OECD's in-country consultants in the work of the Russia Programme is broad, covering administrative, logistical and substantive functions. The Organisation looks to continue the work of this group and seeks to optimise their effectiveness.

II.A.4.4 Support for Russia's Integration into the International Trading System (Ongoing, ECH)

Objectives: To continue the trade policy dialogue with Russia in support of its trade liberalisation process and to encourage the acceptance of multilateral trade disciplines, addressing critical areas of Russia's trade policy.

Outputs: Discussions with Russian trade officials in informal meetings of the Working Party of the Trade Committee (Spring and Fall 2001), based on analytical material prepared by the Secretariat and Russian consultants, focusing in particular on trade regulations in Russia, trade in services, as well as the interface between the federal and regional levels of government in Russia's trade policy. On this last subject, it is envisaged to organise a second Round Table in 2001.

Summary: The trade policy dialogue with Russia takes place outside the formal negotiating context of Russia's WTO accession and allows informal examination of areas where Russia faces difficulties in implementing multilateral trade disciplines. The dialogue covers a broad field, in particular the linkages of trade policy with other economic policies. In this way, the work benefits the negotiation process in Geneva. The regular exchange of views among OECD and Russian trade officials furthers the understanding of trade liberalisation benefits and the role of sound trade policy, complying with multilateral trade disciplines. These discussions contribute to prepare the country to play an active role in the future development of the international trading system.

Co-operation with other institutions: WTO, World Bank, EBRD.

Co-operation with other Directorates: ECO, AGR.

II.A.4.5 Insurance and Private Pension Reform (Ongoing, DAFPE)

Objectives: Promotion of regulatory and supervisory frameworks aimed at fostering modern, sound and open Russian insurance and private pension markets. Policy dialogue on insurance liberalisation issues and promotion of related OECD principles.

Outputs:

- Policy dialogue and recommendations on regulatory and supervisory issues related to insurance and private pensions schemes;
- Promotion of OECD liberalisation and regulation principles; and
- Follow-up of the 2000 Round Table on Insurance and Private Pensions in Russia.

Summary: After the May 2000 session of the Round Table on Insurance and Private Pensions in Russia, held in Moscow, the Russian authorities requested making it an annual event.

II.A.4.6V Cross-Border Partnerships for Enterprise Development and Investment Promotion in the North West Regions of the Russian Federation (Ongoing, DAFPE)

Objectives: To assist Russia's North West regional administrations in developing and prioritising enterprise promotion strategies. To further the competitiveness of regional enterprises based on in-depth understanding of the needs of local enterprises and foreign investors, while assessing the potential of the region. The target regions are St. Petersburg, Leningrad oblast', Kaliningrad, Karelia, Pskov, Murmansk, Arkhangelsk, Novgorod and the Komi Republic.

Outputs: Two-day meeting in spring 2001 in Kaliningrad or St. Petersburg to identify best practice with particular relevance for North West Russia on strategies for regional enterprise promotion and cross-border co-operation.

Summary: A prosperous SME sector is crucially important for the Russian Federation. Cross-border partnerships can play a key role in developing this sector. The need for strong local connections was stressed during the OECD meeting on Cross-Border Partnerships for

Enterprise Development and Investment Promotion in the North-West Regions of the Russian Federation held in St. Petersburg in November 2000 at which participants requested follow-up work in 2001.

Initiatives such as development and venture capital, capital markets, cross-border information systems, and the role of development agencies in brokering joint ventures, were seen as appropriate to SME development.

II.A.4.7 Corporate Governance in Russia (Ongoing, DAFPE)

Objectives: To improve the understanding and acceptance of modern corporate governance practices. To formulate practical avenues for improving corporate governance standards in Russia.

Outputs:

- The fourth meeting of the Russian Corporate Governance Round Table in May 2001;
- Preparation and dissemination of policy papers and analytical and empirical work on corporate governance in Russia;
- Recommendations for action, based on the OECD Principles of Corporate Governance, in the form of a White Paper on Corporate Governance, the second draft of which will be discussed in May at a meeting of the Round Table;
- Development of a corporate governance website as a hub for Russia-specific information.

Summary: The Corporate Governance Round Table was established in 1999 and has held three meetings. Using the OECD Principles of Corporate Governance as a conceptual framework, the results of this dialogue will be presented in a Corporate Governance White Paper by the Round Table. It is anticipated that the White Paper will serve Russia as a foundation for further reforms in state regulation and private management of enterprises, while also serving the OECD as a testing ground for its Principles.

Co-operation with other institutions: World Bank, IFC, EBRD, Technical Assistance to the Commonwealth of Independent States (TACIS), UNCTAD, USAID.

Co-operation with other Directorates: ECO.

II.A.4.8V Regulatory Reform in Russia (New, PUMA)

Objectives: To improve the institutional basis for effective, market-oriented regulation in high priority sectors in Russia. Assess and highlight the links between regulatory policy performance and regulatory institutions. Identify critical issues in institutional design relevant to policy performance. In partnership with other international institutions, develop concrete guidance on best international practices in the design of capable and legitimate regulatory institutions.

Outputs: Introductory expert meeting in early 2001. Subject to the availability of resources, specific follow-up workshops on individual sectors and concrete guidance for good institutional design in late 2001.

Summary: Institutional deficiencies are constraining the introduction of market-oriented policies in Russia. Lack of an adequate institutional basis for regulatory oversight of key sectors -- including the infrastructure sectors and financial services -- has blunted competition and delayed structural reform, distorted incentives for market actors, reduced the social value of investments, and provided opportunities for corruption. Setting up an effective regulatory

system requires establishing standards for regulatory quality and principles of transparent, accountable and efficient regulatory decision-making as well as creating a central body with authority to enforce these principles across ministries, in co-ordination with other key institutions, particularly competition and consumer protection authorities. The Secretariat believes that Russian authorities could benefit from the Organisation's horizontal work on regulatory reform and competition policy, especially in the formative stages of implementing the economic programme. As a first step, the OECD will organise an experts meeting to assess the institutional basis for effective, market-oriented regulation in high priority sectors in Russia such as electricity, transportation and communications. The objective of such a meeting would be to identify critical issues in institutional design relevant to policy performance. The meeting could be done in partnership with other international organisations, developing concrete guidance on best international practices in the design of capable and legitimate regulatory institutions. Depending on the outcome of this meeting, the OECD and the Russian authorities could consider how to engage in a policy-dialogue on regulatory reform in line with the immediate needs of the country.

II.A.4.9 Investment Policies in Russia (Ongoing, DAFPE)

Objectives: To assess trends in inward foreign direct investment, the overall institutional and policy framework for entrepreneurial activity as it applies to FDI and its implementation at federal and regional level. To identify significant weaknesses, obstacles and barriers to investment activity.

Outputs:

- Policy conclusions and recommendations for improvements to the general investment climate, highlighting the specific concerns of foreign investors;
- A comprehensive study of the environment for foreign investment in the Russian Federation, completed in December 2000, will be discussed at expert meetings in Moscow as well as at the CIME. Publication is planned for early 2001, following presentation to the Russian government.

Summary: For several years foreign direct investment has been a core element in the OECD programme of co-operation with the Russian Federation. This topic has been the subject of discussions in CIME and CMIT with Russian experts and officials on legal, regulatory and policy issues concerning foreign investment flows and related areas such as production-sharing agreements, foreign exchange regulation and capital flight. In line with the increasing focus in the Russian administration on the state of the investment climate, the CMIT embarked in 1999 on the preparation of a major analysis of the barriers and obstacles to the creation of a healthy business environment in the Russian Federation. During the past year a Steering Group composed of OECD Member country and Russian experts and senior government officials has met at regular intervals with the Secretariat to guide the preparation of the investment study. Following completion of the study and subsequent publication in early 2001, a series of meetings with relevant policy-makers and legislators is planned.

Co-operation with other institutions: EBRD, Foreign Investment Advisory Service (FIAS), IFC, IMF, World Bank.

Co-operation with other Directorates: ECH, ECO.

II.A.4.10 Competition Policy Development and Implementation (Ongoing, DAFPE)

Objectives: To promote sound competition law enforcement as a means of combating private anti-competitive conduct and public corruption. To assist the Antimonopoly Ministry in pursuing the government's programme of reform in the transportation, energy, and other infrastructure markets.

Outputs: OECD seminars, meetings, papers on:

- law enforcement;
- legal issues confronting the courts and the Antimonopoly Ministry;
- competition in financial markets;
- competitive approaches to natural monopolies; and
- advice on drafting laws and regulations.

Summary: As noted at the Russian antimonopoly authority's 10th anniversary celebration in the Fall of 2000, Russia/OECD co-operation in competition law and policy has been particularly close for over ten years. In June of 2000, the Ministry requested additional assistance in carrying out its key role in the government's programme to reform natural monopoly regulation to provide competition where possible and efficient regulation when it is not.

Co-operation with other institutions: USAID, EC/TACIS.

Co-operation with other Directorates: PUMA.

II.A.4.11 Visiting Experts (Ongoing, CCNM)

Objectives: To familiarise a small number of Russian officials with the approaches of the OECD.

Outputs: Provide on the job training at the OECD.

Summary: Traineeships (secondments) will be organised for a small number of Russian officials in various directorates.

II.A.4.12 Public Governance and Management (Ongoing, PUMA)

Objectives: Support the Russian Authorities in the design and implementation of the public governance system with special attention to administrative procedures; financial management and control (including audit); management system for developing law and regulation; governance arrangements for the relations between levels of government; establishment of a professional civil service system; and development of the overall architecture of the executive.

Outputs:

- Policy dialogue and recommendations on administrative reform components;
- Reviews of draft texts and administrative development plans;
- Trained staff in key positions in the Russian Administration; and
- Policy inputs to donors and improved co-ordination amongst donors programmes supporting administrative reform in Russia.

Summary: Incomplete reform of the governance system in Russia is acknowledged by the current administration and all donors to be the bottleneck on economic and social development. The

Federation authorities have announced an ambitious reform plan. The World Bank, the IMF and the European Commission as well as several bilateral donors (especially UK and Sweden) are planning major programmes. Several Russian NGOs, of which the most prominent is Transparency International, are also active in promoting governance reform. The CCNM activity will, first, support specific aspects of the reform plans -- drawing on the comparative SIGMA experience with reforming systems of public administration in transition conditions and access to appropriate expertise. This would be backed up with diversified OECD member experience from PUMA constituted as a standing expert panel to support the Russian decision-makers. Second, the project will facilitate a donor panel to provide a forum for strategic dialogue with the Russian Authorities about assistance to governance reform. Under this activity, CCNM will also improve intra-OECD co-ordination by setting up a group comprised of Secretariat and delegations to develop OECD strategy towards Russia.

II.A.4.13 Implementing Tax Reform and Strengthening Tax Administration in Russia (Ongoing, DAFPE)

Objectives:

- To assist the Russian government in implementing the revised tax code and to encourage Russia to follow internationally agreed rules on taxation as developed by the Committee on Fiscal Affairs;
- To assist in the development of fiscal federalist relations;
- To help combat capital flight through appropriate tax measures and through association with the Forum on Harmful Tax Practices;
- To improve tax collections through better audit selection methods and taxpayer services;
- To build a core of highly trained and honest tax officials;
- To improve the taxation of large companies; and
- To encourage better co-ordination of international assistance to the Ministry of Taxes.

Outputs:

- Workshops and seminars at the Moscow International Tax Centre. Topics include taxation of foreign investment, taxation of financial institutions, tax collection, resolving tax disputes;
- Co-operate with the ongoing EU taxation project and help develop a new EU project on building training capacity in the regions;
- Help Russia work with the Forum on Harmful Tax Practices and seek ways to eliminate practices which may be judged harmful;
- Draft new transfer pricing rules that conform with OECD guidelines;
- Disseminate information on agreements based on joint OECD/Council of Europe guidelines; and
- Associate Russia with the Ottawa Taxation Framework Conditions.

Summary: The OECD works to improve the tax system in Russia and facilitate co-ordination among foreign donors. Russian's observership in the Committee on Fiscal Affairs fosters understanding and acceptance of the standards developed by the CFA. The Moscow International Tax Centre conducts seminars for senior regional officials on taxation principles

and administrative practices in OECD Member countries. The programme helps identify issues of concern, facilitate communication with tax officials and prepare regional and local tax officials to implement the new tax code consistently throughout the Federation.

Co-operation with other institutions: IMF, World Bank, EC, USAID.

II.A.4.14 Environmental Co-operation with Russia (Ongoing, ENV)

Objectives: To assist Russian authorities in integrating environmental considerations into the economic reform process. To deepen synergies with environmental programmes in Russia implemented by OECD Member countries.

Outputs: Follow-up meeting on implementing the recommendations of the OECD Environmental Performance Review of Russia (EPR). A study and a workshop on taxation policies in the field of environment. Expert support in improving reporting of environmental data. Translation into Russian of selected OECD environmental publications.

Summary: As a follow-up to the publication of the OECD Environmental Performance Review of Russia, a meeting will be organised in Spring 2001 in Moscow to discuss with the Russian authorities and interested donors the recommendations of the OECD Review and identify priority areas for future co-operation.

The work on environmental taxation will be continued. A workshop will be organised in the fall of 2001 to discuss the environmental impact of current fiscal policy instruments in Russia, and how political, institutional and macroeconomic conditions may support or hinder design and implementation of environmental taxes in Russia. Preliminary feasibility studies for the application of environmental taxes in Russia will also be presented. Experts from OECD Member countries will be invited to the workshop to share their experiences in this field.

Efforts will be made to build up high-level political support in integrating environmental considerations into economic reform process in Russia.

Co-operation with other institutions: EC, World Bank, EBRD, UN ECE, UNEP, UNDP.

Co-operation with other Directorates: DAFPE, ECO.

II.A.4.15 Human Resource Development in the Russian Federation (Ongoing, DEELSA)

Objectives: To monitor, assess and provide recommendations to education professionals on issues of relevance for a society undergoing transition. The OECD works to assist in formulating new strategies for education and re-training in response to the changing economic climate.

Outputs:

- Conduct and publish a study of Intellectual Property Rights in Russia. This work will provide benefits to universities, scholars and commercial interests in Russia;
- Two seminars on educational statistics and indicators; and
- Resume work on strategies for training and integrating demobilised military personnel.

Summary: As in most countries, enrolments in tertiary education are rising in the Russian Federation, but issues of access and equity remain problematic. These issues will be a major theme of the 2001 OECD Education Ministerial and are of major concern for Russia. The long term success of initiatives for anti-corruption and democratic citizenship are closely linked to educating young people in the values inherent in OECD Member countries. The OECD will

participate in a number of donor-organised activities and continue to co-operate with the World Bank, NGOs and other organisations.

Co-operation with other institutions: World Bank, EC-Tacis, ETF.

Co-operation with other Directorates: DSTI and ECH for Intellectual Property.

II.A.4.16 Forum for the Russian Federation on Entrepreneurship and Enterprise Development (Russian FEED) (Ongoing, DAFFE)

Objectives: To promote conditions conducive to entrepreneurship and the growth of small and medium-sized enterprises in the Russian Federation. This process in turn will contribute to national and regional objectives in fostering private sector development, job creation, the transition to a stable market economy and in developing civil society.

Outputs:

- Monitoring methodology according to the Russian FEED guidelines;
- Meeting of the Russian FEED in April 2001; and
- Meeting of the Russian FEED in November 2001.

Summary: The Russian FEED was created in response to the challenges that entrepreneurship and enterprise development face in Russia today. The Russian government and foreign donors called for the forum after the financial crisis of 1998. The group drafted guidelines for entrepreneurship and enterprise development for the Russian Federation that were published in late 2000. The group will focus work in 2001 to create better strategies and mechanisms to implement the FEED guidelines at the federal and regional levels. In addition, new topics of specific relevance to enterprise development will be addressed in the coming year.

Co-operation with other institutions: UNIDO, USAID, World Bank, EBRD, UN, EU.

Co-operation with other Directorates: TDS, DSTI.

II.A.4.17V Anti-Corruption and Business Integrity in the Russian Federation (Ongoing, DAFFE)

Objectives: This activity seeks (1) to gauge Russia's ability to adhere to and comply with the OECD Anti-Corruption Instruments and to assist the Russian authorities in creating the environment needed for compliance, and (2) to assess Russia's private sector initiatives at fighting corruption and to support these initiatives.

Outputs:

- Review anti-corruption legislation and programmes in Russia, with special emphasis on measures against bribery in international transactions (including: criminal law, civil and administrative sanctions, accounting and audit rules, tax treatment of bribes, government procurement systems);
- Conduct meetings with Russian authorities to discuss the results of the review and assist in preparing a programme for the way forward;
- Monitor, analyse and comment on business integrity activities in Russia;
- Support the development of business ethics resource centres in Russia, building on the experience of similar centres in the U.S., Canada and Western Europe;

- Support the development of a code of business ethics and standards for transparency and their dissemination. Monitor the development and implementation of business integrity commitments.

Summary: Corruption is a major obstacle to development in the Russian Federation, undermining faith in the political system and discouraging investment. Recent moves taken by the new Russian government demonstrate a willingness to fight corruption. In connection with this, the Russian authorities have expressed interest in adhering to the OECD Anti-Corruption instruments. In the business community, as well, new initiatives have arisen to encourage integrity in business transactions and to develop a code of business ethics.

II.A.4.18 Innovation Policy in Russia (Ongoing, STI)

Objectives: The objective of this activity is to assess Russia's S&T and innovation policy and to assist Russia in developing reforms aiming at enhancing the innovation performance of the economy.

Outputs:

- Review the main challenges facing the Russian S&T system, notably as regards the institutional and regulatory framework, the financing of R&D and the valorisation of S&T assets;
- Organise a seminar on Innovation Policy and the Valorisation of Science and Technology with the participation of OECD and Russian experts from Government, Research Institutions and Industry to inform the policy debate and identify best practice policies in areas such as public support to R&D, management of Intellectual Property Rights (IPRs), public/private partnerships, management of human resources in S&T;
- Develop policy recommendations that could facilitate the S&T policy reform process.

Summary: The innovation performance of the Russian economy is hampered by institutional and regulatory rigidities of the S&T system and distortions in the allocation of R&D financial and human resources. S&T system. The valorisation of important S&T assets calls for important reforms addressing these problems. Russian authorities have expressed an interest in learning about OECD Member countries' experience to adapt best practices policies in their reform process.

Co-operation with other institutions: Civilian Research and Development Foundation (CRDF) (United States), International Association for the Promotion of Co-operation with Scientists from the New Independent States of the former Soviet Union (INTAS) (EU); Finnish Ministry of trade and Industry.

II B. ASIA

II.B.1. Programme for Emerging Asian Economies

Introduction

Context

Asian Economies, including China; Hong Kong, China; India; Indonesia, Malaysia; the Philippines; Singapore; Chinese Taipei; Thailand, and Vietnam, have figured prominently in OECD work with non-Members since the late 1980s. The Asian financial and economic crisis of 1997 - 1998 called attention to structural deficiencies and generated political support for widespread reforms. In response, the OECD created a programme for emerging Asian economies to contribute its expertise and support for these reforms. Continued efforts are needed to establish and reinforce institutions and adopt policies that strengthen the resilience of the Asian economies and societies against external and internal economic shocks. Now in its fourth year, the Emerging Asian Economies Programme adopts a multi-disciplinary approach, which capitalises on the OECD's cross-sectoral experience.

Objectives and Activity Overview

The main objectives of the Emerging Asian Economies Programme are:

- to help establish and reinforce institutions and adopt policies which strengthen the resilience of the Asian economies and societies against external and internal economic shocks;
- to help establish capital account liberalisation accompanied by a coherent set of interrelated institution building and regulatory reform measures;
- to promote development of debt securities markets, pension reforms and the development of an institutional investor sector; and
- to encourage strengthening of regulatory frameworks in the fields of bank supervision, insolvency legislation, corporate governance, competition, public utilities and tax legislation.

Attention will also be given to trade liberalisation (including for agricultural products), development of human resources, the development of knowledge-based industries and, especially in economies characterised by large state-owned or government-favoured enterprises, the development of a more competitive SME sector.

Highlights for 2001

- Third Round Table meeting on corporate governance, publication of a White Paper and definition of the corporate governance agenda in the Asian region on the basis of this paper.
- Establishment of a Forum for Asian Insolvency Reform (FAIR).
- Contributions to the development and improved enforcement of competition laws in the "ASEAN5".
- Launch of a 'Co-operative Initiative on Regulatory Reform' between OECD and Asia-Pacific Economic Co-operation (APEC).

- Further monitoring and analysis of migration trends in Asia.
- Case studies of systems to provide income security to employees and social safety nets and a conference to explore with experts and policy makers the most appropriate systems.
- Further work on combating corruption in Asian and Pacific economies.

* * * * *

II.B.1.1 Economic Monitoring (New, ECO)

Objectives: To establish and strengthen regular interactions with government agencies and experts in key non-Member economies in the region and international organisations on projected economic development.

Outputs:

- Assessment of selected non-Member economies' trends and policies to support *inter alia* OECD's twice yearly *Economic Outlook*;
- One monitoring note on financial system developments in selected Asian non-Member economies.

Summary: Beside the semi-annual meetings of the OECD's Economic Policy Committee and the production of its *Economic Outlook*, continuous monitoring is now requested to enable the Organisation as a whole to react, as needed, to new developments. Missions and consultations with experts of non-Member economies do not only enhance the Secretariat's capabilities for monitoring and projecting economic performances of non-Members, but also establish mutual understanding on analysis of trends and policies. This activity provides for monitoring of economic developments in non-Members which are not covered by other CCNM programmes. In 2001, conditional on the support of one full-time consultant, efforts will focus on financial system development bearing on macro performance in selected Asian non-Member economies.

Co-operation with other institutions: IMF, World Bank, ADB and specialised economic research institutes.

Co-operation with other Directorates: Economic monitoring work will be carried out in consultation with all relevant directorates and in particular with DAFPE.

II.B.1.2 Macroeconomic Indicators for Non-Member Economies (Ongoing, STD)

Objectives: The objective is to help emerging Asian economies develop statistical capabilities to provide reliable macro-economic statistics on an internationally comparable basis. During 2001 STD will focus on two areas - business tendency (opinion) surveys and short-term economic indicators.

Outputs:

- Report on sources and methods underlying the main economic indicators in United Nations Economic and Social Commission for Asia and the Pacific (UN ESCAP) countries;
- Report on the Second OECD-ADB workshop on business tendency surveys (Bangkok, 2000);
- Third OECD-ADB workshop on business tendency surveys (Manila, 2001);
- OECD-Singapore Statistics Workshop on consumer price indices, Singapore (June, 2001); and
- Short-term economic statistics for India and Indonesia will be introduced in the OECD's *Main Economic Indicators*.

Summary: Business tendency surveys ask managers of enterprises their views on the current business climate and their expectations and plans for the immediate future. *Qualitative* statistics of this kind have proved a valuable supplement to traditional *quantitative* statistics particularly for monitoring the current situation and for short-term forecasting. The OECD programme aims to encourage wider use of these surveys, showing users how to interpret the results and introducing a set of standardised core questions to make the results comparable among Asian countries and with similar surveys in OECD Member countries.

Most Member countries of UN ESCAP produce traditional economic indicators such as consumer price indices, indices of industrial production, unemployment rates, producer price indices etc. but these are often of doubtful reliability and do not conform to international standards. The OECD programme compares the sources and methods underlying these statistics in order to identify best practices, it identifies departures from international standards and shows how international comparability can be improved.

Co-operation with other institutions: UN ESCAP, ADB.

II.B.1.3 Corporate Governance (Ongoing, DAFPE)

Objectives: To assist decision-makers from the private and public sectors in their efforts to improve corporate governance in the Asian region.

More specifically, the activity seeks to:

- promote better governance in the Asian region;
- improve the understanding of corporate governance and assist in developing policy responses;
- promote an ongoing dialogue between the private and public sectors;
- monitor and evaluate developments;
- identify needs for technical assistance; and
- inform the international community about national and regional reform initiatives.

Outputs:

- Organisation of a high level private-to-public sector dialogue meeting, the third Round Table meeting (Singapore, April 2001), which will examine the role of the board of directors in corporate governance as well as that of stakeholders;

- Possible publication of documents presented at the meeting;
- Preparation and discussion of a first draft of a regional White Paper on corporate governance; and
- Assignment of a website to a local contractor to update the Asian region on local developments on governance.

Summary: The objectives will be achieved by providing a forum for the discussion of best practices and national experience in a multilateral setting. The year 2001's activities are a continuation of the series of Asian Round Table meetings that started in Seoul in 1999. The Round Table's central output -- the White Paper -- will be completed in 2002. Its main purpose is to set public and private sector reform priorities by identifying areas where improved corporate governance will enhance investment, the development of financial markets and ultimately enhance prosperity. More specifically, the White Paper will: 1) produce a set of recommendations for use by government in the region and private sector institutions; 2) provide regional policy makers and private sector leaders as well as international investors, experts and multilateral institutions, with an overview of the main issues and developments in the region; and 3) contribute to the forthcoming review of the OECD Principles of Corporate Governance, planned to take place in 2002-2003. Two more Round Table meetings are envisaged for 2002.

Co-operation with other institutions: Asian Corporate Governance Association, ADB, APEC, Monetary Authority of Singapore, Pacific Economic Co-operation Council (PECC), Singapore Institute of Directors, TUAC, World Bank.

Co-operation with other Directorates: Development Centre.

II.B.1.4 Financial Sector Reform and Capital Markets (Ongoing, DAFPE)

Objectives:

- To exchange policy experiences on market-based approaches to the management of the financial system (including the influence of institutional investors on the *modus operandi* of financial markets) and to make recommendations on regulatory and supervisory issues on the basis of OECD best practices;
- To identify and formulate policies for the development of fixed-income securities markets; to promote the development of the infrastructure of government securities markets;
- To assess the development of institutional investors in Asia, as providers of financial services, as holders of financial assets and as contributors to private sector development; to identify obstacles to the further growth and development of the institutional sector in Asia and to suggest policies to address these obstacles.

Outputs:

- Fourth International Seminar on Securities Market Regulation (Tokyo, April 2001);
- Third Round Table on Capital Market Reform in Asia (Tokyo, 10-11 April 2001);
- Third OECD/World Bank meeting on the development of fixed-income securities markets (Paris, beginning of 2001);
- OECD/ADB workshop on institutional investors (end of 2001);

- Publication on government debt management in the 21st Century (the so-called Third OECD “Green Book”).

Summary: Adequate rules and regulations, timely disclosure and sufficient supervision are key to enhance investors’ confidence in their markets. Deepening the markets through facilitating liquidity to contain excessive market volatility is also crucial to induce investment to capital markets in emerging economies especially those in the crisis-affected Asian economies. The institutional sector is also relatively underdeveloped in most Asian emerging financial markets. This project will assist Asian policy makers in implementing financial policies for promoting domestic institutional investors and the associated development of the capital market on the basis of the experience in OECD Member countries.

The Round Table, bringing together senior financial policy makers, will serve as a permanent policy dialogue forum for the exchange of views on key capital market reform issues in Asia. Important elements of this dialogue include a comparative analysis of the role of the institutional investors in the development of capital markets in emerging markets and the related financial regulatory issues. The OECD/ADB meeting will focus on the formulation of best practices related to the development of a domestic institutional investor base and implications for private sector development.

The OECD World Bank meeting will focus on the following issues: integrated debt management systems; risk management systems; electronic auction systems; the electronic bond (e-bond); electronic trading systems of government bond; the trend of designing depository, payment and settlement systems; implications for private debt markets.

Co-operation with other institutions: Asian Development Bank Institute (ADBI), International Organisation of Securities Commissions (IOSCO), ADB, IMF, World Bank, Japanese Government.

II.B.1.5V Foreign Direct Investment Policy (Ongoing, DAFPE)

Objectives: To identify factors and mechanisms that lead multinational enterprises to be responsive to corporate responsibility issues, such as environment management, labour standards and combating corruption.

Outputs: Research and analysis on FDI trends and corporate responsibility, and a workshop on this subject.

Summary: Corporate responsibility has provided a useful indicator for the OECD policy dialogue by providing information on the conduct of multinational enterprises (MNEs). The recent comprehensive revision of the OECD Guidelines for Multinational Enterprises will support other areas of investment policy dialogue, especially that on foreign direct investment and development. The Ethical Investment Research Service has provided data on environment management systems of European firms, and further collaboration is expected in the area of human rights. At the same time, collaboration with several Japanese parties (NGOs and academia) is also being prepared in order to study corporate responsibility initiatives of Japanese MNEs. Funding permitting, the analysis of MNEs having their home base in OECD non-Member countries and the study of non-OECD MNEs are planned.

Co-operation with other institutions: ILO, UNCTAD, World Bank, ADB, ASEAN, Ethical Investment Research Service, other NGOs.

Co-operation with other Directorates: ENV, ECH, DEELSA, DCD, Development Centre.

II.B.1.6 Insolvency Regimes in Asia -- Forum for Asian Insolvency Reform (FAIR) (Ongoing, DAFPE)

Objectives: To develop an Asian agenda for insolvency reform, build a regional constituency behind it, monitor progress, and help keep insolvency at the heart of the reform efforts in the region.

Outputs: A meeting in Bali, Indonesia (February 2001) on *Insolvency Reforms in Asia: An Assessment of the Implementation Process and the Role of Judiciary*. Subsequent FAIR meetings are expected to be held in 2002 and 2003;

Substantive background documentation on selected insolvency regimes (covering both formal and informal mechanisms) and/or other topical subjects, and a monitoring note on the progress in insolvency reform in the region. Each of these documents will be published on the Internet and possibly in print;

Summary: The OECD and the Asia Pacific Economic Co-operation forum (APEC), with the support of AusAID and the Government of Japan, have established the Forum for Asian Insolvency Reform (FAIR) in order to come up with a concrete Asian agenda for insolvency reform, build a regional constituency for it, monitor progress, and help to keep insolvency at the heart of the reform efforts in the region. FAIR gathers key policy makers, members of the judiciary, insolvency practitioners, academics, and other private sector participants. It will meet annually over 2001 – 2003 to facilitate and deepen dialogue on insolvency reform in the region.

Specifically, FAIR seeks to:

- Further develop and sustain policy dialogue in the area of insolvency reform among Asian policy makers and senior private sector participants;
- Undertake informal peer reviews of the implementation of reforms in the individual economies of the region;
- Identify and discuss the main topical subjects of interest to regional policy makers and practitioners; and
- Function as a key facilitator in identifying country-specific technical assistance needs, which could then be addressed by bilateral donors or multilateral institutions.

Co-operation with other institutions: ADB, APEC.

II.B.1.7 Insurance and Pensions Reform (Ongoing, DAFPE)

Objectives: To promote the development of sound, modern and open insurance and private pensions markets in Asian economies and the establishment of appropriate regulatory and supervisory frameworks.

Outputs:

- Second conference on Insurance Regulation and Supervision in Asia (Kuala Lumpur, January 2001); Proceedings of this conference;
- Executive seminar on insurance and pensions regulation (Tokyo, end of 2001);
- Publication of a comparative report on insurance regulation and supervision in Asian countries;

- Establishment of a regional Asian network of pensions funds regulators and supervisors and an Asian electronic discussion group; and its integration in the International Network of Pensions Regulators and Supervisors created in Prague in April 2000; and
- Comparative survey of private pensions reform in Asia; Policy analysis of investment and prudential regulation of institutional investors in Asia.

Summary: Insurance plays a fundamental role in national economic and social structures as well as in promoting entrepreneurship, which is crucial for successful and sustained growth in emerging economies. Besides, the challenge of ageing populations and the deficit of public systems require comprehensive reform of the pension system, and in particular the promotion of complementary private pensions schemes. Insurance companies and pension funds, as major institutional investors, also play a leading role in the development and growth of national capital markets and investment channels. This calls for the development of policy dialogue between OECD Member and emerging economies in which both sides can learn from the other's experience. A key element for the development of sound, open and modern insurance and private pensions markets is related to the setting up of appropriate regulatory and supervisory structures. The OECD has a unique role to play in this respect through the provision of regulatory policy analysis and the promotion of accepted principles and guidelines.

Co-operation with other institutions: ADB, the International Association of Insurance Supervisors (IAIS), World Bank, Financial Services Agency (FSA) (Japan).

II.B.1.8 Taxation Policy (Ongoing, DAFFE)

Objectives: To enhance the policy dialogue with non-Members on key issues in international taxation. To consolidate the OECD's role as the premier standard-setting body in international taxation by associating non-Members with the standards, guidelines and principles developed by the OECD's Committee on Fiscal Affairs (CFA). To provide assistance to Asian non-Members in associating themselves with high-profile works of CFA, such as harmful tax practices, taxation on electronic commerce, the OECD Model Tax Conventions and OECD Guidelines on Transfer Pricing.

Outputs:

- Five seminars will be organised in co-operation with the Korean Government at the Chonan Multilateral Tax Centre (Korea) for Asian non-Member participants to cover important topics such as harmful tax practices, taxation on electronic commerce, tax treaties, transfer pricing and exchange of information;
- A one-week seminar will be organised jointly with the Asian Development Bank Institute (ADBI) on taxation on electronic commerce (August to September 2001);
- A two-day conference on harmful tax practices will be organised in Tokyo in co-operation with the Japanese Government in order to promote the dialogue with Pacific island jurisdictions on this issue (February 2001);
- A two- to three-week mission on harmful tax practices will be organised to key countries and regions in the area to promote OECD's understanding of their tax systems and to promote dialogues on the way in which OECD can help them associate themselves to the standards set in the OECD's 1998 and 2000 reports on this issue (February to April 2001);

- Regular contacts will be made with China, Malaysia, Indonesia, Thailand and others to help them draft their domestic guidelines on transfer pricing and/or advanced price arrangements;
- Two OECD seminars will be organised in conjunction with the ISTAX (International Seminar on Taxation) programme of Japan on tax treaties and transfer pricing guidelines (second half of 2001);
- Two OECD seminars will be organised in conjunction with CATA programme on tax treaty and transfer pricing (second half of 2001);
- OECD participation is requested in activities of a Working Group of SGATAR (Study Group on Asian Tax Administration and Research), to be hosted by Australian Government; and
- As indicated in the China programme, six seminars will be organised in co-operation with the Chinese Government at Beijing International Tax Training Centre on such topics as tax treaties, transfer pricing guidelines (introductory and advanced), taxation on financial market, taxation on electronic commerce and exchange of information.

Summary: These activities not only meet the need of Asian non-Members to familiarise themselves with best practices in OECD countries, but also provide a firm basis for a policy dialogue between Member countries and non-Members on key issues in international taxation. The OECD's main focus in technical assistance activities will be on activities that involve more policy-oriented dialogues with non-Members.

Given the truly global nature of current high-profile projects of the CFA, such as those on harmful tax practices and taxation on electronic commerce, co-operation with and participation of non-Members in Asia is the key for success of these activities. The seminars and missions are to enhance the mutual understanding between OECD and non-Members and to provide common ground for solutions of those important projects to which non-Members can associate themselves. Particularly on the project of harmful tax practices, starting with the dialogues launched at the above-mentioned seminars and missions, OECD will aim at organising regional meetings, similar to the technical advisory groups for its project on taxation on electronic commerce, to give non-Members a stronger voice in the areas discussed.

Co-operation with other institutions: ADB; ADBI; CATA; SGATAR; World Bank; IMF.

II.B.1.9 Competition Policy (Ongoing, DAFPE)

Objectives: To promote efficient international and domestic markets by assisting in the preparation of competition laws, the sound enforcement of those laws, and the adoption of market-oriented regulatory reform.

Outputs: At least two OECD seminars for Asian countries, with documentation disseminating OECD best practice; OECD participation in and papers for other events; advice on drafting competition laws; reports and publications on competition policy in emerging economies.

Summary: This programme contributed to the original recognition of Asian countries that a lack of competition – manifesting itself in cronyism, lack of transparency, and monopoly – was an important part of the Asian economic crisis and that competition policy was a necessary part of the solution. When the programme began, none of the ASEAN countries had a competition law and many rejected competition policy. Thailand and Indonesia now have competition laws, and China, Malaysia, the Philippines, Singapore and Vietnam are now either working on laws or beginning to give serious consideration to doing so. Working closely with OECD Members in the region, the programme continues to promote competition law and policy, including market-oriented regulatory reform, while beginning to provide advice on OECD best practice in law enforcement.

Co-operation with other institutions: World Bank; UNCTAD; APEC; ADB; Chinese Taipei FTC.

Co-operation with other Directorates: PUMA.

II.B.1.10V Regulatory Reform (Ongoing, PUMA)

Objectives: To launch a ‘Co-operative Initiative on Regulatory Reform’ between OECD and APEC. The joint APEC/OECD work on regulatory reform is aimed to promote the individual and collective implementation of the APEC and the OECD principles by building domestic capacities for quality regulation.

Outputs: The main output is to develop a co-operation programme between both organisations on regulatory reform. Two main events are programmed in 2001: an initial conference (Singapore, February 2001) and a follow-up workshop (China, May 2001) back to back with the APEC SOM meeting.

Summary:

- This important long-term initiative is being launched in the context of faltering structural reforms in Asia that could undermine the recovery in the post-financial crisis period.
- Agreement was reached in Summer 2000 to launch the APEC-OECD Co-operative Forum on Regulatory Reform in 2001 and 2002. The APEC-OECD co-operative initiative was endorsed at the APEC high-level meetings in November 2000 in Brunei, and included in the Ministers’ Declaration.
- APEC and OECD economies have embraced similar concepts of regulatory quality as the foundation for further progress on regulatory reform, which should be the basis of a common agenda.
- The Co-operative Initiative on Regulatory Reform will permit Member economies of the two organisations to interact at joint events in 2001 and 2002, sharing experiences and building capacities for quality regulation. These events will consist of an opening conference in Singapore (February 2001) to exchange views and experiences on regulatory reform and to identify common interests in improving regulatory practices to support market functioning. The discussion will be focused on seeking and designating further fields for co-operation between APEC and OECD in the field of regulatory reform.
- Subsequent events, starting with the China workshop in May 2001, will concentrate on thematic issues (capacities to produce high quality regulation, competition and market openness policies) as well as sectoral ones (telecommunication, energy, transport), based on a multi-year programme.

Co-operation with other institutions: APEC.

Co-operation with other Directorates: DAFPE, ECH, DSTI.

II.B.1.11 Anti-Corruption Initiative for Asia-Pacific (New, DAFPE)

Objectives:

- To improve the framework conditions for an effective fight against corruption in Asian economies;
- To promote closer association with the OECD's and other relevant international instruments aimed at combating bribery and corruption;
- To facilitate eventual adherence of Asian non-Members to the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and participation in the OECD Working Group on Bribery in International Business Transactions;
- To facilitate the exchange of information and experience on national, regional and international anti-corruption initiatives; and
- To maximise the use of resources and avoid duplication of work by strengthening the co-operation between countries, donors and other international organisations and other actors active in promoting anti-corruption efforts in the Asia and Pacific region.

Outputs:

- Third annual conference of the Initiative in Japan, 2001;
- To work on a regional anti-corruption compact for endorsement at the Initiative's next annual conference (Japan, Fall 2001). The regional compact will aim at promoting co-operation to combat corruption both in terms of prevention and enforcement;
- To establish a special anti-corruption fund under the auspices of the Initiative to be hosted by the Asian Development Bank. The fund will provide financial assistance for capacity building within the region to develop and implement anti-corruption programmes;
- In order to strengthen the exchange of experiences and know-how among the various actors involved in fighting corruption in the region, OECD and ADB will work closely with the World Bank by making use of the World Bank's Distance Learning Centre and video conference facilities.

Summary: The Initiative was created in October 1999 from a workshop for countries of the Asia and Pacific region held in Manila under the auspices of the ADB and the OECD. Its initial objective was to put in place the framework conditions for effectively combating corruption by identifying appropriate political, institutional, and other reforms necessary for the different countries and institutions participating in the Initiative. These aims were reaffirmed by the Initiative's participating countries at the second annual conference in Seoul, Korea (11-13 December 2000), which over 200 people attended.

To date, the principal outputs have been:

- Publication of Conference Proceedings (November 2000);
- Regional website as part of the OECD Anti-Corruption Ring Online (November 2000) - <http://www.oecd.org/daf/asiapacific/>;
- Policy dialogue (Seoul Conference, December 2000);

- Conference conclusions and recommendations as a framework for the future work of the Initiative.

OECD and ADB act as Secretariat of the Initiative. A Managing Committee composed of donor countries, international organisations and invited parties assist in the implementation of the initiative. As a co-operative project between ADB and OECD, the Regional Initiative has attracted considerable interest world-wide and large support from countries in the region representing a wide variety of actors such as the public and private sectors, civil society groups and media in those countries. The Third Annual Conference will take place in Japan in the second half of 2001. This activity is supplementary to those within the Global Forum.

Co-operation with other institutions: ADB, World Bank, Pacific Basin Economic Council (PBEC), UNDP, Konrad Adenauer Foundation.

Co-operation with other Directorates: PUMA.

II.B.1.12V Public Finance in Indonesia (New, PUMA)

Objectives: To support good governance by improving the effectiveness and efficiency of Indonesia's budgeting and related public management systems.

Outputs: A series of policy seminars (about three per annum) where senior officials from OECD Member countries engage in dialogue with senior Indonesian officials on a range of high-level topics: budget governance, role of the legislature, transparency, etc.

Summary: Governance has been pinpointed by most international organisations as the main bottleneck for a quick recovery of the Indonesian economy after the Asian financial crisis. The Indonesia Ministry of Finance is confronted with a number of specific challenges, ranging from problems of budgeting and budget execution to questions of decentralised budgeting and of revenue equalisation among the newly autonomous levels of government and administration.

An OECD contribution would be welcomed by the Indonesian government and by those organisations that have been active in this field in Indonesia for some time, such as the IMF and the World Bank. Target groups are senior officials of the Indonesian Ministry of Finance, other central agencies, and the Indonesian Parliament.

This activity will be financed by the "Partnership for Good Governance in Indonesia," a consortium of donor agencies from OECD Member countries.

Co-operation with other institutions: Represented in the Partnership for Governance in Indonesia.

II.B.1.13 International Migration (Ongoing, DEELSA)

Objectives: To monitor migration movements and policies in certain Asian countries and to assist these countries in formulating migration policies in relation to the development of their labour markets.

Outputs:

- Participation in the annual workshop of migration and labour markets in Asia; and
- Special section in the annual report, *Trends in International Migration*, as well as publication of the proceedings of the annual workshop on migration and the labour market in Asia.

Summary: The aim of the annual workshop of migration and labour markets in Asia is to monitor migration movements and policies in certain Asian countries and to assist these countries in formulating migration policies in relation to the development of their labour markets. The event is organised by the Japan Institute of Labour, the Japanese Ministry of Labour with the participation of the ILO and the OECD. Migration in Asia is an important issue, due to its policy implications on the labour market and economic growth of the region. These issues are examined on the basis of case studies on Australia, China; Hong Kong, China; Indonesia, Japan, Korea, Malaysia, the Philippines, Singapore, Thailand and Vietnam.

Co-operation with other institutions: ILO.

II.B.1.14V Income Security and Safety Nets (Ongoing, DEELSA)

Objectives: To advance the policy debate and to develop expertise on the role of social safety nets and broader social protection issues, to buttress the region's economic recovery and its long-term social development.

Outputs: A workshop to be held in Paris (April 2001), involving commissioned papers on Indonesia, Malaysia, the Philippines and Thailand, as well as from OECD Member countries (Australia, Korea, Japan) and international organisations. The proceedings of the workshop will be published.

Summary: This activity involves new policy analysis of safety net and broader social protection issues in Asia in the light of country experiences and policy-oriented work conducted by the OECD and other international organisations directly involved in this area. The aim of the workshop is to emphasise practical issues of concern to policy makers in South-East Asia, including the identification of the scope and appropriateness of social protection measures in the countries of this region. The meeting would also provide the opportunity to bring together a number of the international organisations concerned about these issues. Topics to be discussed include:

- Reviewing the social consequences of the Asian economic crisis three years after;
- Examining the issue of income inequality and poverty in the region from a broader perspective;
- Discussing both policy and practical issues relating to creating social safety nets in the region;
- Identifying effective labour market policies for long-term economic and social development;
- Addressing the question of financing transfer programmes at different levels of government.

Co-operation with other institutions: ILO, World Bank, ADB.

Co-operation with other Directorates: Development Centre, PUMA.

II.B.1.15V Developments and Policy Challenges in the Agro-food Processing Sector (New, AGR)

Objectives: To assist policy makers in India to define a strategy for developing the agro-food processing sector.

Outputs: Technical Workshop bringing together policy makers and experts from OECD Member countries, and emerging economies. Targeted set of policy recommendations. Publication of proceedings.

Summary: International trade in agriculture is moving increasingly towards higher-value, processed agro-food products. This expanding area is of interest to many non-Member countries; a workshop devoted to this topic was held in China in October 1999. India currently processes only 2 per cent of its agricultural output. It is the world's largest producer of milk and the second largest producer of fruits and vegetables and suffers significant production and welfare losses due to its underdeveloped downstream sector. The development of this sector is, as is the case in China, a potential key rural employer. A workshop devoted to the agro-processing sector in India would be of considerable interest to the Indian authorities. This workshop would be complemented by India's continuing participation in the meetings of the Global Forum on Agriculture, including systematic monitoring of India's agricultural market and trade policies.

Co-operation with other institutions: World Bank, ADB.

II.B.2. China Programme

Introduction

Context

Given China's large size and its specific characteristics, a country programme for China has been in operation since 1996. The strategy followed from the beginning on both sides has been to exploit all opportunities for mutually beneficial dialogue as they arose. Since the interest expressed by Chinese Ministries and Agencies has been consistently strong, the coverage of the programme is currently very wide. As from 2001, the programme will progressively focus on one unifying theme, starting with "the domestic policy challenges of China's further integration into the global economy".

Objectives and Activity Overview

The main objectives of the China Programme are:

- to use the current debate in China on further reform and opening to highlight policy frameworks capable of enhancing the country's resilience to shocks and to realise more fully the benefits of further integration into the global economy; and
- to strengthen activities which demonstrate concretely the usefulness of policy debate and of institutionalised checks and balances in public policy. A key component of this approach is to involve more actively provincial governments.

Highlights for 2001

- A major study on the domestic policy challenges facing China as integration into the global economy accelerates. The overall theme of the study is that trade and investment liberalisation will create opportunities for China's economic development but will also pose challenges. These challenges will require effective and co-ordinated policy responses in a wide range of areas if the full benefits of trade and investment liberalisation are to be realised.
- An analysis of China's foreign direct investment policies compared to those of OECD Member countries, with a view to improve the framework conditions for foreign investors in China. Publication of a comparative analysis at end of 2001.
- Calculation of a Purchasing Power Parity for China for the reference year 2000, to permit, for the first time, a direct comparison between China's GDP and that of the OECD as a whole.
- Development of administrative regulations on transfer pricing.
- Expert meetings and seminars on budget management, taxation, securities markets, insurance regulation, pensions, competition policies, environment policies and indicators.

* * * * *

II.B.2.1 Economic Monitoring and Analysis: Study on Domestic Challenges (Ongoing, ECO)

Objectives: To prepare assessments of macroeconomic prospects for China for the *Economic Outlook* and related efforts. To carry out in-depth analysis on issues related to the domestic economic policy implications of China's further integration into the world economy; and to co-ordinate work among Directorates in support of the OECD-wide efforts on this topic.

Outputs:

- Horizontal study on the domestic economic policy implications of China's further integration into the world economy to be discussed at an Economic Policy Seminar in December 2001;
- Economic projections and analysis of China's macroeconomic prospects for two *Economic Outlook* cycles; and
- At least one monitoring note on economic developments and reforms in China during 2001.

Summary: The objective of the horizontal study is to assess the implications for China's economy and economic policies of the prospective further liberalisation of its international trade and investment.

The overall theme of the study is that trade and investment liberalisation will create opportunities for China's economic development but will also pose challenges. Liberalisation will lead most directly to changes in trade flows, foreign investment, and domestic prices. These changes in turn will produce adjustments in the major sectors of the domestic economy that will also have economy-wide repercussions on macroeconomic performance, regional development, and financial and labour markets. These adjustments will require effective and co-ordinated policy responses in a wide range of interrelated areas if the full benefits of trade and investment liberalisation are to be realised. Within this context, specific themes of the study are the economic integration of China with the world economy; and the relations between trade and investment liberalisation and the broader economic reform process now underway.

The study is divided into two major parts. The first concerns the impacts of trade and investment liberalisation and policy responses on the major sectors of the economy that will be most affected --industry, agriculture, and financial services. The second part addresses the broader economy-wide impacts on regulatory policies, financial system development, labour markets, social benefit programmes, macroeconomic performance; regional development; and the environment. In each of these areas, the analysis will summarise the current situation and direction of policies, the main direct and indirect impacts of trade and investment liberalisation, the resulting challenges to economic development and reform and the policy responses that will be needed to deal with those challenges. The study will develop specific policy recommendations in each of the individual areas, as well as define the key interdependencies among policies that will need to be taken into account in making a successful adjustment to trade and investment liberalisation.

Monitoring work consists of following progress on economic reforms in China and preparing analyses for circulation in the OECD and for discussion with Chinese authorities. Co-operation with all relevant institutions is envisaged.

The activity is supported by a voluntary contribution from the Government of Japan.

Co-operation with other institutions: Exchanges of information and other consultations will continue with: the IMF, World Bank, and ADB. Contacts will also continue with various Chinese government agencies including the Development Research Centre, Ministry of Foreign Trade and Economic Co-operation

(MOFTEC), the People's Bank of China, the State Development Planning Commission, the State Economic and Trade Commission, and the State Statistical Bureau. Contacts with appropriate regional officials, experts at the Chinese Academy of Social Sciences, other Chinese academics, and appropriate non-government organisations working in China will also be developed further.

Co-operation with other Directorates: Work for the horizontal study will be carried out in co-ordination with relevant divisions in DAFFE, AGR, DSTI, DEELSA, ECH, ENV, PUMA, and TDS.

II.B.2.2 Economic Statistics: Study on Domestic Challenges (Ongoing, STD)

Objectives: To support efforts by the National Bureau of Statistics (NBS) to replace statistics designed for a central planning regime by statistics relevant for a market oriented economy and which conform to international standards. The work focuses on the following areas - national accounts, purchasing power parities, business tendency surveys and cyclical analysis.

Outputs:

- Joint OECD-NBS Workshop on Quarterly National Accounts, Shanghai, 2001;
- Training course in cyclical/leading indicators for provincial statisticians;
- Publication of a joint report on *Business Cycles and Leading Indicators*;
- Calculation of purchasing power parities for the reference year 2000;
- Publication of *Sources and Methods of China's Short-Term Economic Indicators*; and
- Short-term indicators for China will continue to be published in OECD's "*Main Economic Indicators*".

Summary: In 2000 OECD published a detailed report on the sources and methods of China's national accounts. This identified a number of weaknesses in the estimates and the annual workshops look for practical solutions. The 2001 Workshop will be attended by experts from the provincial statistical offices who provide much of the basic data for the national accounts.

Purchasing power parities (PPPs) are required to convert national accounts aggregates in national currency to an international currency for comparison with other countries. The NBS is working with OECD to calculate PPPs for 2000 to allow, for the first time, a direct comparison between China's GDP and that of the OECD as a whole.

Both the NBS and the People's Bank of China carry out business tendency surveys. The OECD programme aims to encourage wider use of these surveys by showing users how to interpret the results and use them for monitoring the short-term economic developments. Joint work will be done on developing separate cyclical/leading indicators for the larger regions.

Co-operation with other institutions: IMF.

II.B.2.3V Foreign Direct Investment Issues: Study on Domestic Challenges (Ongoing, DAFPE)

Objectives: To promote FDI policies conducive to structural adjustment and balanced regional economic growth and to provide technical expertise for the development of reliable FDI statistics in China based on international standards.

Outputs: Workshops, working papers, policy advice, on site-technical assistance and visits of senior level Chinese officials leading to the preparation/publication of a comparative analysis of China's FDI policies at the end of 2001.

Summary: The first year of the OECD/China co-operation programme led to numerous activities on FDI statistics, investment promotion and FDI economic assessment. It has resulted in a comprehensive and original impact study of FDI on the Chinese economy, to be published at end of 2000. In view of this outcome, the Chinese authorities have requested that the co-operation programme be upgraded into a policy dialogue that would address crucial FDI issues facing China at this crucial juncture of its economic reforms. To that effect, next year's activities on China will involve (a) a seminar in Paris in mid-year 2001 to examine how China could attract more FDI inflows in the form of mergers and acquisitions; (b) a workshop on experience with investment promotion at central and regional levels to be held in a central or western province in the second half 2001; and (c) the completion of a comparative study of China's FDI policies by end of 2001 building upon this work and an exchange of experiences with OECD investment policy experts. The results of this work will be integrated into the study on domestic policy challenges of China's further integration into the global economy. Work on the improvement of FDI statistical methodology will conclude with a workshop to be held in China by Summer 2001.

The activity is financed by a voluntary contribution from the Governments of Japan and Switzerland.

Co-operation with other institutions: World Bank, UNCTAD, IMF, MOFTEC, State Development Planning Commission, State Administration for Foreign Exchange and various research institutes.

Co-operation with other Directorates: IEA, AGR, ECO, DSTI, Development Centre.

II.B.2.4V State Owned Enterprises: Study on Domestic Challenges (Ongoing, DAFPE)

Objectives: The objective of this activity is to analyse the corporate sector implications of trade and investment liberalisation in China. An important additional objective is to examine the corporate governance environment in China and contribute to current reform efforts in this area, including through policy recommendations.

Outputs: The main output of this activity will be a contribution to the study on domestic policy challenges of China's further integration into the global economy. The improved understanding of the Chinese corporate governance framework will be used as a basis for assisting the Chinese authorities in policy design and for identifying issues for future policy dialogue and assistance on corporate reform and governance.

Summary: Trade and investment liberalisation (TIL) is expected to yield substantive welfare gains in the corporate sector, while at the same time it may cause domestic adjustments on a large scale. Enhanced efficiency of resource allocation through increased specialisation according to China's comparative advantage can materialise only if the corporate sector is ready to adapt and the authorities are in a position to speed up the process. Most importantly, TIL is expected to impact on the incentives to the corporate sector and bring about sustainable

changes in the state and non-state sectors at the country and provincial level. DAFPE/CA contribution to the OECD China TIL study will take stock of the current status of the enterprise reform effort and the resulting corporate governance environment in China and on this basis will discuss trade and investment liberalisation implications on the entry, functioning and exit of enterprises. This will require desk and field research. The activity will also rely on close intra- and inter-directorate co-ordination and on co-operation with other institutions as outlined below. Further dialogue activities on corporate affairs issues will be envisaged, building on previous dialogue events in 1998 and 2000.

The activity is financed by a voluntary contribution from the Government of Japan.

Co-operation with other institutions: World Bank, ADB.

Co-operation with other Directorates: ECO, DSTI.

II.B.2.5 Financial and Insurance/Pensions Sector Reform: Study on Domestic Challenges (Ongoing, DAFPE)

Objectives: To support efforts to establish well-functioning, market-based financial and insurance/private pension systems and to introduce modern regulation and supervision of these sectors.

Outputs:

- Second Expert Meeting on Insurance Regulation and Supervision (Beijing, Shanghai or Tianjin, July 2001);
- Workshop on Regulation of Private Pensions in China (Beijing, October 2001);
- Second International Round Table on Securities Markets in China (preparation for the meeting to be held in the second half of 2001); and
- Contribution to the study on domestic policy challenges of China's further integration into the global economy (chapters on insurance, securities and financial markets).

Summary: Financial sector reform can be seen as the most important and urgent issue faced by China in order to put its economy on a more market-oriented basis. The First International Round Table on Securities Markets in China, which was held on 24-25 October 2000 with the co-operation of the China Securities Regulatory Commission (CSRC), was the first OECD conference in the area of securities markets in China. The CSRC expressed interest in keeping a close relation with the OECD and holding a meeting in the future, which will deepen the discussion on specific issues raised in the first Round Table. The Second Expert meeting on Insurance Regulation and Supervision is to follow the well received first meeting. The commitment of the China Insurance Regulatory Commission (CIRC) to this initiative is very high. The workshop on Regulation of Private Pensions in China will be held in co-operation with the Ministry of Labour and Social Security of China in Beijing in October 2001. Pension sector reform is also high in the agenda in China, and will in turn have a substantial impact on its securities markets.

Co-operation with other institutions: CSRC, IOSCO, CIRC, Ministry of Labour and Social Security.

Co-operation with other Directorates: ECO, DEELSA.

II.B.2.6 Visiting Experts (Ongoing, CCNM)

Objectives: To develop a better knowledge and understanding of OECD's role and working methods among Chinese officials.

Outputs: Two or three month visits to OECD by selected Chinese officials.

Summary: This Programme has proved very efficient since its inception in 1998. Eighteen Chinese officials have benefitted so far. This has also facilitated greatly the co-operation activities with China. This programme is intended to cover progressively all the ministries and governmental agencies involved in OECD-China co-operation and policy dialogue. In 2001, this activity will concern the Ministry of Finance, the People's Bank of China, the China Development Bank, the State Environmental Protection Administration, the State Development Planning Commission, the State Administration of Taxation and the China Securities Regulatory Commission. The costs of the visits are shared between OECD and China.

Co-operation with other Directorates: PUMA, ECO, ENV, DAFFE.

II.B.2.7 Competition Policy Design and Implementation: Study on Domestic Challenges (Ongoing, DAFFE)

Objectives: To assess current reforms to China's competition policies as part of the study on domestic policy challenges of China's further integration into the global economy, and to support China's preparation of an antimonopoly law.

Outputs: Chapter on competition policies for the study on domestic policy challenges of China's further integration into the global economy; OECD/China seminar on China's antimonopoly law; reports and publications.

Summary: Enacting an antimonopoly law is part of China's current Five Year Plan, and the OECD has been co-operating with China on the preparation of such a law, tailored to China's circumstances, for several years. The most recent OECD/China seminar included presentations by Chinese and OECD participants on the importance of competition law for China to benefit fully from trade and investment liberalisation, and this activity is exploring that theme in further depth, both as part of the overall OECD horizontal study and in connection with ongoing co-operation with the "drafting group" that is working on a draft antimonopoly law. Japan is contributing to this work by providing an expert to work with the Secretariat for six months in 2001.

Co-operation with Other Institutions: IMF, World Bank.

Co-operation with Other Directorates: ECO.

II.B.2.8 Building an Efficient Tax System and Improving International Tax Arrangements (Ongoing, DAFPE)

Objectives: To encourage the development of a tax system compatible with a market economy and with international practice. To contribute to the study of domestic challenges of China's further integration into the global economy.

Outputs:

- Chapter on taxation in the study on domestic policy challenges of China's further integration into the global economy;
- Six seminars at the Beijing International Tax Centre on the following topics: Transfer Pricing; Taxing Electronic Commerce; Tax Treaties; Taxation of Financial Instruments; Exchange of Information and Bank Secrecy;
- Associating China with the Ottawa Taxation Framework Conditions and with the 1998 Recommendations on Harmful Tax Practices; and
- Development of administrative regulations on transfer pricing and consultations on China's policy on tax treaties.

Summary: A strong and constructive relationship has been established between the OECD and the highest level of Chinese tax policy and administrative officials. This module has two interrelated components:

a) In addition to the participation of China in the Multilateral Tax Centres (see under the Global Forum on Taxation), six weeks of seminars are offered to the State Administration of Taxation (SAT) in the Beijing International Tax Centre. The workshops will bring together officials from regional taxation offices to provide them with exposure to OECD taxation principles and practices to help the ongoing process of reform and encourage better communication between the national authorities and the regional offices.

b) Policy dialogue with the Ministry of Finance and the SAT will be organised through two weeks of joint OECD-China seminars in Vienna.

In addition, work will continue on transfer pricing by supporting China's efforts to develop administrative regulations on transfer pricing and adapt its policy on tax treaties.

Co-operation with other institutions: IMF, World Bank, ADB.

Co-operation with other Directorates: ECO.

II.B.2.9V Budgeting and Financial Management (Ongoing, PUMA)

Objectives: To support good governance and the modernisation and integration of the Chinese economy into the world economy by improving the effectiveness and efficiency of the budgeting and related public management systems.

Outputs:

- Contribution to the horizontal study on domestic policy challenges of China's further integration into the global economy;
- Three regional seminars where senior officials from OECD Member countries engage in dialogue with provincial finance bureau officials on a range of topics related to budget modernisation;
- A seminar in Beijing on Treasury management (March).

Summary: This is an ongoing activity which originated with a request by the Chinese authorities in December 1998 for co-operation in the area of public sector budgeting. A series of activities have been held in 1999 and 2000. For a full listing, see the document PUMA/SBO(2000)10. The activities in 2001 focus on involvement of provincial governments and, at central level, on the setting up of a single treasury.

The activity is financed by a voluntary contribution from the Government of Japan.

Co-operation with other institutions: World Bank, IMF.

Co-operation with other Directorates: ECO, DAFFE.

II.B.2.10 Environmental Indicators and Policies in China (Ongoing, ENV)

Objectives: To support China's efforts to design and implement cost-effective, result-oriented, market-based environmental policies by assisting in developing an effective strategy for financing environmental improvement in the water sector, strengthening environmental information systems and developing environmental indicators.

Outputs:

- Publication of the proceedings of the Workshop on Environmental Financing, held in Beijing in November 2000;
- Workshop follow-up to support to the development of an Environmental Finance Strategy in China;
- A chapter on Environmental Policy Priorities for China in light of trade and Investment Liberalisation as an input to the study on domestic policy challenges of China's further integration into the global economy; and
- Workshop on Environmental Indicators in China and OECD Member Countries.

Summary: Three elements will be implemented in 2001:

- Development of an environmental financing strategy for the selected environmental sector in China as a follow-up to the OECD-China workshop on Environmental Financing, 21-23 November, 2000 in Beijing;
- A workshop on environmental indicators to be organised as a follow-up to OECD-China workshop on Environmental Monitoring, 12-14 April 1999, Beijing; and

- A study of environmental implication of trade and investment liberalisation in China.

The first two activities build on the ongoing OECD-China co-operation on environmental policies and information systems. Both elements are expected to be financed with the support of voluntary contributions from OECD Members. The third element will aim to analyse the environmental impacts of trade and investment liberalisation in China and provide an input to the study on domestic policy challenges of China's further integration into the global economy.

Co-operation with other institutions: World Bank, ADB.

Co-operation with other Directorates: ECO.

II.B.2.11 Social Policy and Labour Market Review of China, in Light of Trade and Investment Liberalisation (New, DEELSA)

Objectives: To prepare a chapter on labour market and social policies in China for the horizontal study on domestic policy challenges of China's further integration into the global economy; to identify issues for further dialogue and co-operation with China in this area.

Outputs: Contribution to the study on domestic policy challenges of China's further integration into the global economy.

Summary: The analysis will cover the social implications of economic restructuring for China, providing a quantitative overview of social conditions for various groups, including issues such as income distribution and poverty, labour market activity and labour mobility. It will also discuss ways of extending the coverage of social security, including financing issues. It will discuss the directions of recent pension reforms. It will also analyse ways of helping workers who lose their jobs, including unemployment insurance and assistance and active labour market policies.

Co-operation with other Directorates: ECO, DAFPE, AGR, PUMA.

II.B.2.12 China's Integration into the International Trading System: Domestic Challenges for Agriculture (Ongoing, AGR)

Objectives: To analyse the implications of China's opening up to international trade in the agriculture sector as part of the study on domestic policy challenges of China's further integration into the global economy. To further analyse the domestic policy implications of China's WTO commitments, in particular in relation to technical barriers to trade, state trading enterprises and the effects on China's domestic agricultural production and distribution system.

Outputs: Chapters on impact of trade and investment liberalisation on agriculture, rural industries and the rural economy for inclusion in the study on domestic policy challenges of China's further integration into the global economy. Participation in the discussions of the study with Chinese experts and policy makers. Follow-up workshop on domestic policy implications of China's further trade liberalisation in agriculture. Policy recommendations and conclusions. Publication of proceedings.

Summary: Agriculture employs about 50 per cent of China's active population and contributes around 18 per cent to GDP. The agricultural sector will be one of the most significantly affected by China's further trade liberalisation. As part of the study on domestic policy challenges of China's further integration into the global economy, the agricultural policy impacts will be

analysed in greater depth. This will include analysis of the implications for the development of rural industries in China and repercussions for the rural economy and policy responses. The activity will build on the results of the Workshop on “China’s Integration into the International Trading System: Issues for and Impacts on Agriculture” held in November 2000. Another Workshop will be held in late 2001 to discuss in greater depth the domestic policy implications of China’s WTO commitments, in particular in relation to technical barriers to trade, state trading enterprises and the effects on China’s policies that govern agricultural supply, distribution, and trade of major commodities.

Co-operation with other Directorates: ECO, ECH, DSTI, DEELSA.

II.B.2.13 The Industry Dimensions of Trade and Investment Liberalisation and Reform (New, DSTI)

Objectives: To assess the impact of trade and investment liberalisation on China’s industries, and the policy changes and industrial restructuring and adjustments to be carried out. To improve OECD’s competence on China’s industrial and technological policy issues.

Outputs:

- Contribution to the study on domestic policy challenges of China’s further integration into the global economy;
- Seminar in Shanghai on steel policy issues; and
- A study of China’s telecommunications sector development and reform (in synergy with the activity **II.B.2.14V**. below).

Summary: China’s overall adjustment to trade and investment liberalisation will be significantly influenced by the responses in the industrial and technology sectors. These responses will be analysed as part of the study on domestic policy challenges of China’s further integration into the global economy. Four areas will receive particular focus: (1) the impact of TIL on Chinese industries in terms of industrial structure, employment and production as differentiated by key industrial sectors; (2) the impact on technology and innovation capability of Chinese firms, (3) related enterprise restructuring, including mergers and acquisitions and SOEs reforms; and (4) the development of non-state sector, including small and medium-sized enterprises. In parallel, a seminar will be held in Shanghai as part of the continuing dialogue with China’s State Metallurgical bureau.

Co-operation with other Directorates: ECO, and other Directorates.

II.B.2.14V The Policy Challenges in China’s Transition to a Knowledge Based Economy (New, DSTI)

Objectives: To review key aspects of China’s transition towards a knowledge-based economy and to make policy recommendations. This project includes policy dialogue and co-operation with relevant government ministries and think-tanks in order to provide input into the policy making on issues related to China’s transition to a knowledge-based economy. To improve OECD’s competence in this area.

Outputs:

- A study of China's transition to a knowledge-based economy with emphasis on the role of entrepreneurship;
- Policy fora with Chinese government officials and representatives from business sector, etc. on China's transition toward a knowledge-based economy, and subsequent impetus on Chinese policy considerations; and
- A study of China's telecommunications sector development and reform (in synergy with **II.B.2.13** above).

Summary: Various efforts will be made to assess and influence China's transition to a knowledge-based economy with a special view to enterprise development, innovation and the challenges of establishing a comprehensive policy framework for institutions and incentives conducive to knowledge creation and use. A meeting is planned with China's Ministry of Science and Technology to share policy experience. The activity will also benefit from synergies with parallel work between the OECD and the World Bank, and a forum jointly organised by these organisations will engage high-level officials from various ministries in order to address the horizontal challenges in the area (meeting to include China, India and Brazil). A review of the development and reform of China's telecommunications sector will be carried out in order to shed light on the China's current status and potential in terms of information infrastructure and information and communications technology (ICT) industry. This activity will benefit from synergies with DSTI's studies on the industrial dimensions of trade and investment liberalisation and reform on China.

Co-operation with other institutions: International Telecommunication Union (ITU), World Bank.

Co-operation with other Directorates: Development Centre, DCD, DEELSA, ECO.

II. C. SOUTH AMERICA

II.C.1. Programme for Emerging South American Economies

Introduction

Context

Argentina, Brazil and Chile, and sometimes other South-American countries, have participated in OECD-sponsored activities since 1993. The 1990s marked a turning point in South America, spurred by economic reforms that restored economic growth and eliminated hyperinflation. Economic growth depended strongly on the inflow of foreign capital, which was biased towards short-term flows. Consequently, South-American economies have remained vulnerable to external shocks, while important structural weaknesses remain.

Objectives and Activity Overview

This programme has been established as of this year, whereas before 2001, the CCNM's work with South-American countries took place in the context of other programmes. With the establishment of a specific regional programme, the OECD is able to enhance its co-operation efforts, selecting activities that are best met on a regional level. Issues under this programme include corporate governance, competition policy, tax reform, foreign investment policy, capital markets, insurance and pension reform. An important new activity is envisaged in the form of a study on the sources of long-term growth for Argentina, Brazil and Chile.

Highlights for 2001

- Launch of study on sources of long-term growth in Argentina, Brazil and Chile
- Workshop on business tendency surveys and cyclical analysis
- Conferences on insurance and pension reform and publication of a Comparative analysis of insurance regulation in Latin America
- Second meeting of the Latin American Corporate Governance Round Table
- Latin American and Caribbean Investment Initiative

* * * * *

II.C.1.1V Economic Monitoring (Ongoing, ECO)

Objectives: To establish and strengthen regular interactions with government agencies and experts in key non-Member economies in the region and international organisations on projected economic development.

Outputs: Assessment of selected non-Member economies' trends and policies to support *inter alia* OECD's semi-annual *Economic Outlook*.

Summary: Economic developments in South-American countries, particularly Argentina, Brazil and Chile, will be monitored on the basis of information exchange with the relevant countries and international financial institutions. The information thus gathered will contribute to the OECD's *Economic Outlook*, issued twice a year. It will also provide information for the twice-yearly meetings of the OECD's Economic Policy Committee. Continuous monitoring is requested to enable the Organisation as a whole to react, as needed, to new developments. Missions and consultations with experts of non-Member economies not only enhance the Secretariat's capabilities for monitoring and projecting economic performances of non-Members, but also establish mutual understanding on analysis of trends and policies.

Co-operation with other institutions: IMF, World Bank, IADB, United Nations Comision Economica para America Latina y el Caribe (UN-CEPAL), WTO.

Co-operation with other Directorates: Economic monitoring work will be carried out in consultation with all relevant directorates.

II.C.1.2V Study on Sources of Long-term Growth and Economic Convergence in Argentina, Brazil and Chile (New, ECO)

Objectives: To identify factors conducive of long-term economic growth in South America and to strengthen the OECD's expertise on this region.

Outputs: Study on sources of long-term growth and economic convergence for Argentina, Brazil and Chile. This study will benefit from the ongoing OECD horizontal growth project (see below).

Summary: Given their aggregate economic weight (70 per cent of South-American GDP), the developments in Argentina, Brazil and Chile are critically important for the performance of the entire South-American region. The growth performance in *Brazil* has been relatively disappointing, compared with its potential. The macroeconomic stabilisation and structural reforms carried out in Brazil during the 1990s are creating the conditions to move the economy closer to its production frontier, but questions remain on the continuation and sustainability of this effort. Over the same period, *Argentina* experienced higher growth rates, but the overall process remained highly vulnerable to external shocks and doubts have been raised about the ability of its economic structure to deliver sustained growth rates. *Chile* has implemented ambitious reforms over a longer period, and has experienced relatively high growth rates as a result, but the country remains rather vulnerable to external shocks.

Against this background, and also considering the strong regional interdependencies, the Argentina, Brazil and Chile ("ABC") Project is aimed at assessing and comparing the state of structural reforms in these countries, with a particular focus on the conditions for the development of the real sector and its competitiveness. This appears particularly relevant in view of the renewed commitment in the Mercosur at adopting common policies to best adapt member countries to the global economic environment.

The project will benefit from the work done in the context of a large horizontal project, recently developed by the OECD, on the sources of long-term growth. This project has identified many policy areas that are conducive to increased long-term growth rates, in particular with an emphasis on the so-called "new economy" factors.

The results of the study will be discussed at a policy seminar in the first half of 2002 on "Sources of long-term growth and economic convergence in South-America".

Co-operation with other institutions: IMF, World Bank, IADB, UN-CEPAL, WTO.

Co-operation with other Directorates: The study and the organisation of a policy seminar will be carried out in close co-operation with the Development Centre. Other Directorates may also contribute in connection with the different areas of structural reforms, notably DAFPE, AGR, DEELSA, ENV, STD and IEA.

II.C.1.3 Macroeconomic Indicators (Ongoing, STD)

Objectives: To help emerging South American economies develop statistical capabilities to provide reliable macro-economic statistics on an internationally comparable basis. During 2001, the focus will be on two areas - business tendency (opinion) surveys and development of cyclical indicators.

Outputs:

- Workshop on business tendency surveys and cyclical analysis to be organised jointly by OECD and United Nations Economic Commission for Latin America and the Caribbean (UN ECLAC). The papers on country practices presented at the workshop will be published as conference proceedings by OECD;
- Short-term indicators for Brazil and Argentina will be published in the OECD's *Main Economic Indicators*.

Summary: In 2000, a first workshop on business tendency surveys and leading indicators was organised by ECLAC, OECD and the Instituto de Pesquisa Economica Aplicada (IPEA) in Rio de Janeiro. It was attended, *inter alia*, by experts from statistical offices, central banks and research agencies in Brazil, Argentina and Chile. The purposes of this first workshop were to establish an inventory of business tendency surveys being carried out in the region, to assess what changes would be needed to make them comparable with surveys being carried out in OECD Member countries, and to review the use of the survey results for economic analysis and short-term forecasting. There are two aims of this second workshop. The first is to review progress in enhancing international comparability of the surveys through introduction of a standard set of core questions. The second purpose is to show how the *qualitative* results of these surveys can be combined with *quantitative* statistics from traditional surveys to construct composite leading indicators. The OECD system of leading indicators will be used as a model.

The methods used by Latin American statistical offices to address the non-observed economy and the possibilities of conducting a workshop on measurement of the non-observed economy will be investigated.

Co-operation with other institutions: UN ECLAC, IPEA (Brazil).

II.C.1.4 Insurance and Private Pensions Reform (Ongoing, DAFPE)

Objectives: To promote the development of a modern, sound and open private pension and insurance industry and an adequate regulatory and supervisory framework, focusing in particular on the opportunities offered by the new Latin American systems for diversification of retirement risks.

Outputs:

- Second Conference on insurance regulation and supervision in Latin America (Peru, end of 2001);
- Publication of a Comparative analysis of insurance regulation in Latin America;
- Conference on pension reform in Latin America, jointly with the Latin American Association of Pension Fund Supervisors (AIOS) (end of 2001); and
- Recommendations regarding the design of private pension plans, their regulatory and supervisory framework, and their impact on the development of capital markets.

Summary: Most Latin American governments have embarked on a process of reform of their public pension systems. This process has involved, without exception, the introduction of mandatory private pension systems. This development contrast with developments in most OECD countries. The Pensions Conference would bring together both policy-makers and major industry players to compare the performance of their respective private pension systems in terms of coverage, adequacy and security. It will also an assessment of how the interaction between private pension and capital market developments can help foster a savings culture, and enhance the opportunities for diversification of retirement risks. The conference would be organised jointly with AIOS during their annual conference in late Autumn.

The Second Conference on insurance regulation and supervision will discuss major issues related to the development of an adequate regulatory framework for Latin American insurance markets (including investment regulation, financial security, reinsurance, intermediation, financial convergence, e-commerce) and their role in personal private pensions plans.

Co-operation with other institutions: AIOS, World Bank, IAIS.

II.C.1.5V Latin American Corporate Governance Round Table (New, DAFPE)

Objectives: To improve the understanding of present corporate governance practices in Latin America. To facilitate South-American countries' participation in a public-to-private international policy dialogue on the basis of the OECD Principles on Corporate Governance. To identify the needs, and facilitate the provision of technical assistance by international financial institutions. To formulate reform priorities and identify the necessary legal and regulatory provisions to support such reform.

Outputs:

- The second meeting of the Latin American Corporate Governance Round Table (Buenos Aires, March 2001), focused on shareholders' rights and equitable treatment of shareholders; and
- A first draft of a White Paper on Corporate Governance in Latin America, aimed at setting an agenda for action and reform priorities for the region.

Summary: Good corporate governance is essential for the development of a competitive private sector that is able to attract the capital needed for investment on a long-term basis. The establishment of a Latin American Round Table in May 2000 has proven to be an efficient way of establishing a continuous framework for policy dialogue and multilateral exchange of experience. It assures an inclusive approach, building on close partnership with the most important constituents in the respective countries. At the end of the Round Table process, a White Paper will provide for a tangible output in the form of policy recommendations and the formulation of policy priorities.

Co-operation with other institutions: World Bank Group, IADB, securities regulators, stock exchanges and business organisations from the Latin American region.

Co-operation with other Directorates: Development Centre.

II.C.1.6V Latin American and Caribbean Investment Initiative (New, DAFPE)

Objectives: To design a programme, the Latin American and Caribbean Investment Initiative, which will address the investment challenges and opportunities facing the region in the years ahead. It will seek to improve the transparency of current regional initiatives, including those in the Caribbean Rim and deepen their understanding of the interaction between regional and multilateral integration.

Outputs: Continuation of a series of workshops which started in 1998, as well as analytical studies and publications on selected investment policy issues within the region.

Summary: The sweeping economic reforms in Latin America have involved a substantial liberalisation of the investment regime in most of these countries. Some common elements in the new investment regimes are the granting of national treatment and the elimination of most restrictions on capital and profit remittances. The new regulatory regimes allow countries to accept international arbitration as a means of solving disputes that might arise between the host country and foreign investors. The future dialogue would include exchanges of views on investment rules in regional agreements, as well as the experience with the OECD investment instruments. Another key area of the dialogue would be the possibility of enhancing competitive advantages for attracting investment and the improvement of investment promotion strategies.

Specific issues identified by participating countries include:

- Assessment of competitive advantages in specific sectors and regions;
- Mergers and acquisitions;
- Tax treatment of foreign investment;
- Access to capital; and
- Improving performance of investment promotion agencies.

II.C.1.7 Taxation (New, DAFPE)

Objectives: To encourage South American countries to work with OECD in implementing its Taxation Framework Conditions on e-commerce and taxation and its Recommendations on Harmful Tax Practices. To promote an acceptable tax regime for inward investment in these countries and one which encourages multinational enterprises to pay their fair share of taxes. To extend and update the regional tax treaty network.

Outputs:

- Series of seminars in the region co-hosted by CIAT;
- Special activities with Argentina, assuming this country becomes an observer to the Committee on Fiscal Affairs;
- Assistance on legislative drafting;
- Seminars on management and tax administration, on fiscal federalism, on tax harmonisation in the context of the ongoing Mercosur discussion, on the tax treatment of financial derivatives and institutions, on developing ethics in tax administration and counteracting bribery;
- Updating the positions of South American countries on the OECD Model Convention;
- Gaining acceptance by the key countries in the region of the "Ottawa" Framework Conditions for taxation and electronic commerce; and
- Associating the key countries in the region with the 1998 Recommendations on Harmful Tax Practices.

Summary: This activity will build on work already begun in Latin America in the area of tax treaties and transfer pricing. Three workshops will be jointly organised with CIAT on taxation of financial markets; exchange of information and bank secrecy; and harmful tax practices. Bilateral missions will be organised to Argentina; Brazil and Chile to take forward the work on eliminating harmful tax practices.

Co-operation with other institutions: CIAT, IADB.

II.C.2. Brazil Programme

Introduction

Context

Brazil is the second largest economy outside the OECD area. After the successful stabilisation plan launched in 1994, the Brazilian economy has had to meet several challenges on the road to sustainable growth. This has required a mix of policies to deal appropriately with structural problems and, in particular, the unsustainable fiscal and current account deficits, which severely worsened in the late 1990s. Notwithstanding the recent currency crisis, the Brazilian Government remains fully committed to stabilisation through monetary and fiscal policy as well as to market-oriented structural reforms.

Brazil participates as an observer in a number of OECD Committees and, as a full participant, in the Development Centre. It is also an active participant in the CCNM's multi-country activities. This country-specific programme has been designed in consultation with the Brazilian authorities to address priority issues for Brazilian policy makers.

Objectives and Activity Overview

At the heart of this Programme is an Economic Survey of Brazil, which will be published in the first half of 2001. The survey will identify policy challenges that need to be addressed and deepen the OECD's understanding of the Brazilian economy. Thus, it will lay a basis for the further development of this programme and the OECD's ability to focus on key policy issues in Brazil. This programme already incorporates activities addressing such issues where the Organisation has strong experience to share.

Highlights for 2001

- Publication of the Economic survey of Brazil and follow-up.
- Launching of work on government debt management and securities market reform.
- Assistance in drafting new regulations on pension reform, competition policy and taxation.

* * * * *

II.C.2.1 Economic Survey of Brazil (Ongoing, ECO)

Objectives: Completion of the OECD's first Economic Survey of Brazil in co-operation with the Brazilian authorities. Monitoring of the Brazilian economy.

Outputs:

- Publication of the Economic Survey of Brazil (first half of 2001);
- A follow-up seminar in Brazil where a Portuguese version of the survey will be presented to a broad audience; and

- Economic monitoring for the twice-yearly meetings of the OECD's Economic Policy Committee and its *Economic Outlook* .

Summary: This comprehensive economic survey of Brazil is being prepared in co-operation with the Brazilian authorities. It will deepen the OECD's understanding of the Brazilian economy and the policy challenges confronting it, thus paving the way for future co-operation with Brazil on a number of key structural issues. It will also offer to Brazilian officials a frame of reference based on the policy experiences of OECD Member countries. The survey is focused on macro-structural links and structural themes in line with the present policy priorities of the Brazilian government. The survey will cover two critical areas to improve Brazil's economic performance: i) a wide range of fiscal reform issues (re-examining fiscal federal arrangements, re-design of the tax system, social security reform), and ii) improving competitiveness (linking with trade and investment policy, enterprise re-structuring and corporate governance). In this way, the Survey is expected to contribute to the policy debate in the country.

Co-operation with other institutions: IMF, World Bank, UN CEPAL, IADB, WTO.

Co-operation with other Directorates: Development Centre, DAFPE. Following the publication of the Survey, areas for further work and follow-up by the other Directorates will be identified.

II.C.2.2 Securities Market Reform and Public Debt Management in Brazil (New, DAFPE)

Objectives: To assist senior Brazilian debt managers in improving public debt management, and their adoption of modern financial techniques and practices. To promote the development of government securities markets.

Outputs:

- Workshop on government debt management and government securities market operations in Brazil; and
- Establishment of a network between Brazilian debt managers and their colleagues from OECD Member countries.

Summary: The policy dialogue with the Brazilian policy makers focuses on key financial issues in the government securities markets and public debt management areas. A comparative analysis of the financial infrastructure (including regulation) of emerging debt markets will be an important feature of this dialogue. Emphasis will be given to the promotion of best practices in financial policy making among OECD Member countries, in particular in relation to government debt markets. There will be co-operation with the OECD Working Party on Debt Management to ensure that its unique and up-to-date pool of knowledge in this special field of government activity and policy will benefit Brazilian debt managers as they design and implement their policies in this area.

II.C.2.3V Insurance and Private Pension Reform (Ongoing, DAFPE)

Objectives: To promote the development of a modern, sound, and open private pension and insurance industry in Brazil.

Outputs:

- Conference on pension reform (March 2001, Brazil) and publication of proceedings; and
- Assistance on drafting regulatory provisions; promotion of OECD principles on regulation of private pensions.

Summary: This activity will focus on policy dialogue and recommendations regarding the design of private pension plans and of the regulatory and supervisory framework. The Brazilian government is currently amidst a comprehensive reform process of the private pension system. The regulatory and supervisory framework for both occupational and personal pension plans is being revamped, while new opportunities are being created for expanding the coverage of the system. Legislation setting the general framework for regulating pension plans has been approved by the Brazilian Congress, as well as a law that will permit the establishment of privately managed, funded pension plans for civil servants at the federal, state, and local levels. Other legislative measures to be debated in the course of 2001 include the establishment of an independent regulatory body. Technical assistance at this point is important, as the regulatory agency is in the process of designing new rules and regulations.

Co-operation with other institutions: World Bank.

II.C.2.4 Competition Policy Design and Implementation (Ongoing, DAFPE)

Objectives: To promote efficient international markets and Brazil's development of competitive domestic markets by encouraging sound competition law enforcement and market-oriented regulatory reform through (a) "competition advocacy" by competition officials, and (b) use of competition policy principles by regulatory officials.

Outputs: Reports, publications and meetings on (1) competition law enforcement and (2) regulatory reform using competition policy principles.

Summary: A 2000 OECD/CCNM report (published in the *OECD Journal of Competition Law and Policy*, Volume 2, No. 3) extensively evaluated Brazil's competition law enforcement and also assessed its regulatory reform in infrastructure markets. The report's recommendations on law enforcement were submitted to, discussed with, and well received by a high-level task force with a mandate to make legislative recommendations for reform. Further assistance will be provided as the proposed new law is considered by the legislature. Both the work on law enforcement and the work on regulatory reform will contribute to the Economic Survey of Brazil. The close relationship between Brazil and the OECD in this area was manifested in 2000 when Brazil became the first non-Member country to associate itself with the OECD Council's 1998 Recommendation on Effective Action against Hard-Core Cartels.

Co-operation with other Directorates: PUMA, ECO (new legislation).

II.C.2.5 Implementing Tax Reform and Improving Tax Administration (Ongoing, DAFPE)

Objectives:

- To encourage Brazil to work with OECD in implementing the Taxation Framework Conditions for taxation and electronic commerce, and the Recommendations on Harmful Tax Practices;
- To promote an acceptable tax regime for inward investment in Brazil that encourages multi-national enterprises (MNEs) to pay their share of taxes; and
- To extend and update the Brazilian tax treaty network.

Outputs:

- Promoting fiscal climate for FDI;
- Counteracting tax evasion and avoidance through the work of the Forum on Harmful Tax Practices (see http://www.ocde.org/daf/fa/harm_tax/harntax.htm);
- To associate Brazil with the Ottawa Framework Conditions on taxation and electronic commerce (see http://www.oecd.org/daf/fa/e_com/ottawa.htm); and
- Updating the Brazilian position on the OECD Model Tax Convention (see <http://www.oecd.org/daf/fa/treaties/treaty.htm>).

Summary: This activity will build on work already begun with Brazil in the area of tax treaties and transfer pricing. A bilateral mission will take place in March 2001 to encourage Brazil to associate itself with the work of the Forum on Harmful Tax Practices. Assistance will be provided on taxation in financial markets. In addition, Brazil will participate in the CCNM's multi-country work on taxation.

Co-operation with other institutions: CIAT, IADB.

II.D. EXPLORATORY WORK IN OTHER AREAS

Introduction

In addition to the geographic areas covered by the regional and country programmes, it is important that the Organisation retains its flexibility to explore possibilities of work in new regions. For 2001 this will mainly concern Southern Africa. Since activity funding will not be available in 2001, work will need to rely on voluntary contributions.

II.D.1 SOUTH AFRICA

II.D.1.1V Competition Policy Design and Implementation - South Africa (New, DAFPE)

Objectives: South Africa has recently adopted a competition law and established institutions, the Competition Commission and the Competition Tribunal, to enforce and adjudicate it. Capacity building to ensure successful implementation of the competition law and other recent reforms will permit South Africa to accelerate its economic growth and offer increased economic opportunity to its citizens. Moreover, both as a model for economic reform and through trade with its neighbors, South Africa can promote economic growth and stability throughout the Southern African Development Community (SADC), since South Africa is important both individually and as a leader in the SADC.

Outputs: Subject to the availability of voluntary contributions, the series would comprise four annual events over a three year period: (1) a five-day case studies discussion seminar for SADC competition officials, (2) a three-day seminar for SADC competition appeal judges, including the Competition Tribunal of South Africa, (3) a three-day seminar on competition and regulation for SADC competition and regulatory officials, (4) participation in the Commission's annual two-week training course on competition policy. It would also include OECD Secretariat providing informal assistance to the Commission's staff on particular issues throughout the year.

Summary: The OECD's Competition Law and Policy (CLP) Division and its Centre for Co-operation with Non-Members have unique experience and resources to contribute to the development of competition law and policy in South Africa and the SADC. This experience, and the resulting expertise in providing assistance, stem from a decade of working with newly formed competition authorities in transition countries throughout Central and Eastern Europe and the Commonwealth of Independent States, as well as five years of working with developing countries in Latin America and Asia. In addition, since the CLP Division works closely with the competition authorities of its Member countries, the Division's staff are aware of the latest developments in competition law and policy and have unique access to a network of competition officials in its 30 Member countries and some dozen non-Members. Thus, the CLP Division is able to identify seminar panel members with unparalleled credibility, expertise, and practical experience, and whose countries are often willing to donate their time to OECD "outreach" work with non-Members.

Co-operation with other institutions: USAID.

II.D.1.2V OECD- Southern African Dialogue on Governance (New, PUMA)*Objectives:*

- To support reformers and nation builders in southern Africa; and
- Providing access to the diverse experience of OECD Member countries in building robust institutional arrangements for the governance of public policy and public services.

Outputs:

- OECD-Southern African Governance Dialogue series consisting of an annual high level Seminar on governance;
- Speakers for seminars for Ministers and Parliamentarians on budget supervision and oversight;
- Provision of OECD practitioners for mentoring workshops for senior officials on key public management implementation issues; and
- OECD inputs of lecturers and presenters to give a comparative input to regional Executive courses on budget and financial management for all three levels of government.

Summary: The Republic of South Africa is a beacon of hope in southern Africa and surrounding region. South Africa has a Government devoted to meeting the needs of the majority, and a very up to date set of constitutional arrangements in the formal sense. The challenge for South Africa, and for other countries in the region, is how to convert constitutional and political aspiration into human reality. In this endeavour the practical experience of OECD Members is of considerable potential value. And governance has been identified by the South African government as one of the major bottlenecks.

Following an exchange of letters between The Minister of Finance of South Africa and the Secretary-General of the OECD, this programme is designed for the medium term, addressing a number of these problems.

Co-operation with other institutions: Ministry of Finance, RSA; Applied Fiscal Research Centre (AFReC) of the University of Cape Town.

Co-operation with other Directorates: ECO, DAFFE, other Directorates *ad hoc*.

III. PARTNERSHIPS WITH OTHER ORGANISATIONS

Member countries have a strong self-interest in promoting the growth and prosperity of non-Members by sharing with them the demonstrable benefits that OECD has so far brought to the existing membership. Given the limited membership and resource levels of the OECD, one answer may be in developing “strategic partnerships” with institutions that are able to carry the OECD’s knowledge, expertise and best practices to those regions where the OECD Members themselves have vital interests.

The “strategic partnership” concept refers to privileged co-operation relationships entered into by the OECD with one or several other organisations, be they the multilateral institutions, development banks, development assistance agencies or regional groupings:

- to work on specific projects of mutual interest;
- and of relevance to both OECD and non-OECD economies;
- over a certain sustained period of time.

This kind of co-operation could lend itself to a somewhat structured agreement on its scope and modalities between the partner organisations, while avoiding excessive formalisation. The primary objectives of a strategic partnership should be:

- to help share in the most cost-effective way OECD Membership's expertise and experience with non-Member countries;
- to increase synergies and avoid duplication of work among international bodies;
- to contribute as effectively as possible to achieving the international community's common goals.

The OECD has already entered into a series of “strategic partnership” relations aimed at meeting the objectives highlighted above. The 2001-2002 CCNM Programme includes major elements to advance such partnerships.

III.1.1V Strengthening and Monitoring Partnerships with Other Organisations (New, CCNM)

Objectives:

- To enhance the reach of both organisations, in particular, by making available to non-Members through additional channels, the OECD policy know-how, standards and guidelines and its multidisciplinary approach to policy advice and also by benefiting from the complementarity of membership of both institutions;
- To learn from other organisations' experience to the benefit of OECD's own work; and

- To increase synergies, on the basis of comparative advantages, and to improve the impact of the respective programmes.

Outputs:

- Enrichment of CCNM programmes with the experience of other organisations;
- Wider access to non-OECD audiences for OECD work and working methods; and
- Fuller application of the lessons of OECD experience in different contexts at both country and regional levels.

Background: **Existing Partnership: World Bank:** The co-operation builds on the comparative advantages of the OECD and the World Bank. The two organisations have accumulated unmatched expertise on structural policies, often in differing country contexts. OECD Member countries have developed policy know-how, standards and guidelines based on their experiences which can be of great benefit to non-Member countries, including the Bank clients. The OECD's multidisciplinary approach to policy advice through peer reviews and the direct involvement of practitioners from member governments in its work are recognised strengths. The Bank brings to the table its extensive in-country presence, long experience with policy applications in widely differing settings and across sectors, and is able to combine intellectual and financial support to its borrowers, engage in capacity building and help interpret their wider interests in the global debate.

Pooling these strengths further enriches the CCNM programmes with the World Bank's experience of non-Member countries on the one hand, and ensures that the lessons of OECD experience are made accessible to non-OECD audiences with the help of the World Bank, on the other hand. Moreover, it signifies that the dialogue about how these lessons can best be adapted and applied in widely different country contexts is facilitated at the regional and national levels.

The OECD and the World Bank's agendas have been marked by shared global objectives of a healthy world economy and global poverty reduction, promoting beneficial trade, ensuring robust public and private capital flows, sustainable development, and responsible and transparent governance. Taking into account the G7/G8 recommendations and a need for seeking synergies and improving the impact of the respective programmes, much closer co-operation was requested (in the specific context of the Development Assistance Committee, historically the main focus of the Bank's engagement in OECD work, and given the consequences of interests and complementarity of membership of both institutions).

The *Joint Statement of Priorities for OECD-World Bank Co-operation* was signed on 30 May 2000 and its implementation is under way. The *Joint Statement* formalised co-operation and collaboration that had been developing for some time between both institutions, and added a broader and more flexible framework to the co-operative work (formally covered by already existing Memoranda of Understanding on Knowledge-based Economy and Corporate Governance, respectively). The *Joint Statement of Priorities for the OECD-World Bank Co-operation* listed the following areas as priorities for co-operation in 2000.

- Development Partnerships and Goals, and the Comprehensive Development Framework (CDF);
- Corporate Governance, as described in the Framework for Co-operation signed in June 1999;
- Combating corruption;

- Social Affairs, including Health and Social Safety Nets;
- Sustainable Development, including the OECD Round Table on Sustainable Development, and informal co-operation on the OECD Ministerial 2001 Report and the World Bank World Development Report 2002.
- Environment; and
- Knowledge-based Economies, as described in the Memorandum of Understanding between the two institutions signed in November 1999.

In addition, the *Joint Statement* lists areas for potential further co-operation, including:

- Public governance, including regulatory reform;
- Capacity building for development, notably for trade;
- Education, including performance indicators and related work;
- Debt securities and insurance markets, including data collection and analysis on pension funds;
- Tax policy and implementation;
- Accounting and Auditing;
- Insolvency reform;
- Competition policy; and
- Territorial development policies.

Finally, the *Statement* gives Russia a priority country context for further co-operative work.

The implementation of the priorities is proceeding well. Each year there would be a sub-set of activities identified for specific focus, depending on the emerging priority issues. Both sides also agreed that the following new or reinforced OECD-Bank areas of focus for 2001 would include:

- Digital divide;
- Sustainable development;
- Governance (e.g. anti-corruption, regulatory reform and respective contributions to the Bologna Conference on Governance); and
- Russia.

Co-operation with other institutions: World Bank.

III.1.2V Promoting New Partnerships with Other Organisations (CCNM)

Potential new partnership arrangements: Discussions on a partnership were well advanced in early 2001 with UNCTAD, OECD's counterpart organisation in the United Nations system, with a similar multidisciplinary mandate and increasingly similar methods of work. A *Joint Statement of Priorities for OECD-UNCTAD Co-operation* could be signed before May, 2001, and could include (albeit not be limited to) the Third UN Conference on Least Developed Countries, and development.

Other potential partners include the WTO, UNIDO, UNECE, G7/G8, APEC, Pacific Economic Cooperation Council (PECC), Mercosur and regional development banks. Discussions on cooperative work will continue in 2001.

Objectives:

- To enhance the reach of both organisations, in particular, by making available to non-Members through additional channels, the OECD policy know-how, standards and guidelines and its multidisciplinary approach to policy advice and also by benefiting from the complementarity of membership of both institutions;
- To learn from other organisations' experience to the benefit of OECD's own work; and
- To increase synergies, on the basis of comparative advantages, and to improve the impact of the respective programmes.

Outputs:

- Enrichment of CCNM programmes with the experience of other organisations;
- Wider access to non-OECD audiences for OECD work and working methods; and
- Fuller application of the lessons of OECD experience in different contexts at both country and regional levels.

Background: Co-operative work on various projects is ongoing or has been initiated, drawing on relevant OECD Directorates, and will be pursued in light of availability of resources.

ANNEXES

ANNEX 1. ABBREVIATIONS

OECD ABBREVIATIONS

AGR	Directorate for Agriculture, Fisheries and Food
CCNM	Centre for Co-operation with Non-Members
CERI	Centre for Educational Research and Innovation
DAFFE	Directorate for Financial, Fiscal and Enterprise Affairs
DCD	Development Co-operation Directorate
DEV	Development Centre
ECH	Trade Directorate
ECO	Economics Department
DEELSA	Directorate for Education, Employment, Labour and Social Affairs
ENV	Environment Directorate
IEA	International Energy Agency
ITN	Information Technology and Network Services
NEA	Nuclear Energy Agency
PAC	Public Affairs and Communications
PUMA/	Public Management Service
SIGMA	Support for Improvement in Governance and Management
SAH	Club du Sahel
STD	Statistics Directorate
DSTI	Directorate for Science, Technology and Industry
TDS	Territorial Development Service

* * * * *

BIAC	Business and Industry Advisory Committee
TUAC	Trade Union Advisory Committee

INSTITUTION ABBREVIATIONS

ACCA	Association of Chartered Certified Accountants
ADB	Asian Development Bank
ADB I	Asian Development Bank Institute
AFReC	Applied Fiscal Research Centre
AICPA	American Institute of Certified Public Accountants
APEC	Asia-Pacific Economic Co-operation
ASSAL	Association of Insurance Supervisors in Latin America
AusAID	Australian Agency for International Development
BIS	Bank for International Settlements
BSEC	Black Sea Economic Co-operation
CATA	Commonwealth Association of Tax Administrators
CIAT	Inter-American Centre of Tax Administrations
CIDA	Canadian International Development Agency
CIPE	Centre for International Private Enterprise
CIRC	China Insurance Regulatory Commission
CNCC	Compagnie Nationale des Commissaires aux Comptes

INSTITUTION ABBREVIATIONS (CONTINUED)

CREDAF	Centre de Rencontres et d'Etudes des Dirigeants des Administrations Fiscales
CRDF	Civilian Research and Development Foundation
CSEOEC	Conseil Supérieur de l'Ordre des Experts-Comptables
DSE	German Foundation for International Development
EC	European Commission
ETF	European Training Foundation
EU	European Union
EBRD	European Bank for Reconstruction and Development
EWMI	East-West Management Institute (Hungary)
FEE	La Fédération Européenne des Experts Comptables
FIAS	Foreign Investment Advisory Service
FIBV	International Federation of Stock Exchanges
FSA	Financial Services Agency (Japan)
IABN	Inter-Agency Network for Safety in Biotechnology
IADB	Inter-American Development Bank
IAIS	International Association of Insurance Supervisors
IASC	International Accounting Standards Committee
IBRD	International Bank for Reconstruction and Development
ICC	International Chamber of Commerce
ICME	International Council on Metals and the Environment
IFAC	International Federation of Accountants
IFAD	International Forum on Accountancy Development
IFC	International Finance Corporation
INTAS	International Association for the Promotion of Co-operation with Scientists from the New Independent States of the former Soviet Union
IOSCO	International Organisation of Securities Commissions
IOTA	Intra-European Organisation of Tax Administrations
IOM	International Organisation for Migration
IPEA	Instituto de Pesquisa Economica Aplicada
IMF	International Monetary Fund
IRFAA	Regional Federation of Accountants and Auditors (Eurasia)
JVI	Joint Vienna Institute
KFTC	Korea Fair Trade Commission
MIGA	Multilateral Investment Guarantee Agency (World Bank Group)
MOFTEC	Ministry of Trade and Economic Co-operation (China)
OAS	Organization of American States
OSCE	Organization for Security and Co-operation in Europe
PBEC	Pacific Basin Economic Council
PECC	Pacific Economic Cooperation Council
TACIS	Technical Assistance to the Commonwealth of Independent States
USAID	United States Agency for International Development
USFTC	United States Federal Trade Commission
WCO	World Customs Organization
WIFO	Austrian Institute of Economic Research

INSTITUTION ABBREVIATIONS (CONTINUED)

UNITED NATIONS (UN) SPECIALISED AGENCIES AND PROGRAMMES

CEPAL	Comision Economica para America Latina y el Caribe
ECE	Economic Commission for Europe (UNECE)
ECLAC	Economic Commission for Latin America and the Caribbean
ESCAP	Economic and Social Commission for Asia and the Pacific
FAO	Food and Agriculture Organization of the United Nations
ILO	International Labour Organization
UNCED	United Nations Conference on Environment and Development
UNCSD	Commission on Sustainable Development
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
	United Nations Commission for Sustainable Development
UNEP	United Nations Environment Programme
UNEP CBD	United Nations Environment Programme Convention and Biological Diversity
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNSD	United Nations Statistics Division
WTO	World Trade Organization

* * * * *

ANNEX 2. CCNM CONTACTS LIST

CCNM Direction and Co-ordination		
Area of responsibility	Name	Co-ordinates
Overall Direction and Co-ordination	Mr. Eric BURGEAT Director	Tel. 33 1 45.24.80.27 Office. Château 211 E-Mail. eric.burgeat@oecd.org
Overall Direction and Co-ordination	Mr. André BARSONY Deputy Director	Tel. 33 1 45.24.90.55 Office. Château 201 E-Mail. andre.barsony@oecd.org
Assistant to Mr. Burgeat	Ms. Anna-Maria AICHER Assistant	Tel. 33 1 45.24.93.36 Office. Château 209 E-Mail. anna-maria.aicher@oecd.org
Assistant to Mr. Barsony	Ms. Susan DIDRY Assistant	Tel. 33 1 45.24.90.79 Office. Château 209 E-Mail. susan.didry@oecd.org
OECD Partnerships with other Organisations	Ms. Judyta FIEDIN Administrator	Tel. 33 1 45.24.16.36 Office. Château 101 E-Mail. judyta.fiedin@oecd.org
Communication, Publications, Internet, Observerships, CCN, Council, Evaluation	Ms. Lynn ROBERTSON Administrator (replaced by Mark HAMLIN until July 2001)	Tel. 33 1 45.24.18.77 Office. Château 202 E-Mail. lynn.robertson@oecd.org mark.hamlin@oecd.org
Publications, Documentation, Joint Vienna Institute (JVI), Visiting Experts, Internet/Intranet support	Ms. Alexandra DE MIRAMON Principal Assistant	Tel. 33 1 45.24.19.87 Office. Château 102 E-Mail. alexandra.demiramon@oecd.org
Programme Development and Financial Management Unit		
CCNM Programme Development and Financial Management Global Forums on Investment and Competition Policy	Mr. Jan SCHUIJER Head	Tel. 33 1 45.24.85.61 Office. Château 207 E-Mail. jan.schuijer@oecd.org
Assistant	Mr. Hervé BOURCE Assistant	Tel. 33 1 45.24.92.42 Office. Château 203 E-Mail. herve.bource@oecd.org
Administrative Officer, Budget Management, Personnel	Mr. François PINSARD Administrator	Tel. 33 1 45.24.88.95 Office. Château 200 E-Mail. françois.pinsard@oecd.org
Budget Preparation, Information Technology, Personnel	Ms. Brigitte JULE Principal Assistant	Tel. 33 1 45.24.90.49 Office. Château 2 E-Mail. brigitte.jule@oecd.org

CCNM Direction and Co-ordination		
Programme Development and Financial Management Unit		
Monitoring and Administration of CCNM Grants	Ms. Joan TASSY Principal Assistant	Tel. 33 1 45.24.19.88 Office. Château 103 E-Mail. joan.tassy@oecd.org
Activity Implementation Monitoring (AIM) Database, Programme of Work/Budget, Intranet	Ms. Catherine FINDLAY-BROSSARD Assistant	Tel. 33 1 45.24.19.86 Office. Château 3 E-Mail. catherine.findlay-brossard@oecd.org
Budget - All CCNM Programmes (except EAEP and Brazil), Administration of Moscow Office, Translations	Ms. Annick DESNE Administrative Assistant	Tel. 33 1 45.24.84.47 Office. Château 103 E-Mail. annick.desne@oecd.org Tel. 7095 229 7089 (Moscow Office)
Budget support Budget - Emerging Asian Economies Programme (EAEP), Brazil, Translations	Ms. Marie-Paule ETCHEBARNE Assistant	Tel. 33 1 45.24.18.99 Office. Château 203 E-Mail. marie-paule.etchebarne@oecd.org
Baltic, South America/Brazil Programmes and Exploratory Work Unit		
Baltic Regional Programme, South America/Brazil Programme, Exploratory Work in Other Areas Global Forums on Sustainable Development and Knowledge Economy	Ms. Marilyn YAKOWITZ Head	Tel. 33 1 45.24.16.92 Office. Château 205 E-Mail. marilyn.yakowitz@oecd.org
Assistant	Ms. Frances CRAMB Assistant	Tel. 33 1 45.24.18.37 Office. Château 203 E-Mail. frances.cramb@oecd.org
South America/Brazil Programme	Ms. Bernadette SARMIENTO Administrator	Tel. 33 1 45.24.88.20 Office. Château 204 E-Mail. bernadette.sarmiento@oecd.org
Baltic Regional Programme	Ms. Sirkka Liisa SIIKAMAKI Administrator	Tel. 33 1 45.24.92.00 Office. Château 108 E-Mail. sirkka.siikamaki@oecd.org

CCNM Direction and Co-ordination		
Europe and Central Asia/Russia and South Eastern Europe Regional Programmes Unit		
Europe and Central Asia/Russia and South Eastern Europe Global Forums on Taxation and Governance	Mr. Nick MALYSHEV, Head	Tel. 33 1 45.24.16.69 Office. Château 107 E-Mail. nikolai.malyshev@oecd.org
Assistant	Ms. Carmen KOWALCZYK Assistant	Tel. 33 1 45.24.19.07 Office. Château 105 E-Mail. carmen.kowalczyk@oecd.org
Europe and Central Asia/Russia and South Eastern Europe Global Forums on Taxation and Governance	Ms. Malory GREENE Administrator	Tel. 33 1 45.24.17.32 Office. Château 104 E-Mail. malory.greene@oecd.org
Asia and China Programmes Unit		
Emerging Asian Economies and China Global Forums on Trade and Agriculture	Mr. Frédéric LANGER Head	Tel. 33 1 45.24.76.68 Office. Château 5 E-Mail. frederic.langer@oecd.org
Financial sector issues in Asia	Mr. Makoto ASANO Administrator	Tel. 33 1 45.24.78.85 Office. Château 106 E-Mail. makoto.asano@oecd.org
Emerging Asian Economies Programme	Mr. Katsuyuki TOMIZAWA Administrator	Tel. 33 1 45.24.87.75 Office. Château 101 E-Mail. katsuyuki.tomizawa@oecd.org
Emerging Asian Economies and China Global Forums on Trade and Agriculture	Ms. Chuen-Mui WU Administrator	Tel. 33 1 45.24.82.91 Office. Château 7 E-Mail. chuen-mui.wu@oecd.org

CCNM Direction and Co-ordination		
OECD Moscow Office		
c/o The Institute for the Economy in Transition Building N3, Gazetny per. 5 103918 Moscow	Mr. Taras KOBUSHKO Mr. Sergei PONOMAREV Ms. Natalia VISHNEVSKAYA Ms. Victoria ALEXANDROVSKAYA	Tel. 7503 956 4721 / 7095 229 7089 / 7095 956 4721 Fax. 7503 956 4722 / E-Mail via Internet: oecdm0@glas.apc.org

Directorate for Food, Agriculture and Fisheries (AGR)		
Agricultural Policies in Non-Member Economies (APNME) Division		
Global Forum on Agriculture	Ms. Alexandra TRZECIAK-DUVAL Head of Division	Tel. 33 1 45.24.95.09 Office. Ingres 172 E-Mail. alexandra.trzeciak-duval@oecd.org
China, Romania, Russia	Mr. Andrzej KWIECINSKI Principal Administrator	Tel. 33 1 45.24.95.08 Office. Ingres 164 E-Mail. andrzej.kwiecinski@oecd.org
Baltics, Bulgaria, India Biotechnology	Mr. Michael RYAN Administrator	Tel. 33 1 45.24.85.58 Office. Ingres 162 E-Mail. michael.ryan@oecd.org
Brazil Agricultural trade issues, including TBTs and impacts of trade reform on poverty, food security and aspects of structural adjustment	Mr. Jonathan BROOKS Administrator	Tel. 33 1 45.24.17.02 Office. Ingres 145 E-Mail. jonathan.brooks@oecd.org
Slovenia Producer and Consumer Support Estimates (PSE/CSE) Agricultural Credit and Finance in SEE	Ms. Olga MELYUKHINA Consultant	Tel. 33 1 45.24.95.61 Office. Ingres 166 E-Mail. olga.melyukhina@oecd.org
Agricultural database on emerging and transition economies PSE/CSE Calculations Internet	Ms. Claude NENERT Statistical Assistant Replaced from 13/2-30/6/2001 by Jean-Marc Salou	Tel. 33 1 45.24.96.84 Office. Ingres 147 E-Mail. claud.nenert@oecd.org
Programme of Work and Budget & Personnel Communications, Publications Events Management & Evaluation	Ms. Sally TAYLOR Administrative Assistant	Tel. 33 1 45.24.16.17 Office. Ingres 170 E-Mail. sally.taylor@oecd.org
Meetings and Documents Secretarial support	Ms. Stefanie MILOWSKI Assistant	Tel. 33 1 45.24.95.32 Office. Ingres 168 E-Mail. stefanie.milowski@oecd.org
Meetings and Documents Secretarial support	Ms. Anita LARI Assistant	Tel. 33 1 45.24.99.00 Office. Ingres 168 E-Mail. anita.lari@oecd.org

Directorate for Financial, Fiscal and Enterprise Affairs (DAFFE)		
Programme of Work and Budget	Mr. Robert LEY Counsellor	Tel. 33 1 45.24.91.20 Office. Ingres 264 E-Mail. robert.ley@oecd.org
Assistant	Ms. Janet SCHOFIELD Assistant	Tel. 33 1 45.24.47 54 Office. Ingres 267 E-Mail. janet.schofield@oecd.org
Administrative Assistant	Ms. Claire OZORIO Administrative Assistant	Tel. 33 1 45.24.95.81 Office. Ingres 267 E-Mail. claire.ozorio-denorus@oecd.org
Corporate Affairs Division (CA)		
Head of Division	Mr. Stilpon NESTOR Head of Division	Tel. 33 1 49.10.43.40 Office. 320 B E-Mail. Stilpon.nestor@oecd.org
Corporate Governance, Latin America (Co-operation with the World Bank)	Mr. Mats ISAKSSON Principal Administrator	Tel. 33 1 49.10.43.42 Office. 305 B E-Mail. Mats.isaksson@oecd.org
Disclosure and Accounting, Corporate Governance Asia (He leaves us on 28/2/2001)	Mr. Richard FREDERICK Principal Administrator	Tel. 33 1 49.10.43.41 Office. 306 B E-Mail. Richard.frederick@oecd.org
Corporate Governance and State-owned Enterprise (SOE) Reform, China, South East Europe, Romania	Ms. Elena MITEVA Administrator	Tel. 33 1 49.10.43.43 Office. 308B E-Mail. Elena.miteva@oecd.org
Insolvency Asia, Corporate Law Issues	Mr. Simon WONG Counsel	Tel. 33 1 49.10.43.44 Office. 327B E-mail: simon.wong@oecd.org
Corporate Governance, Russia	Ms. Fianna JESOVER Administrator	Tel. 33 1 49.10.43.45 Office. 313B E-Mail. Fianna.jesover@oecd.org
Corporate Governance Asia	Mr. Manuela CARUSO Consultant	Tel. 33 1 49.10.43.47 Office. 328B E-Mail. Manuela.Caruso@oecd.org

Directorate for Financial, Fiscal and Enterprise Affairs (DAFFE)		
Corporate Affairs Division (CA)		
Privatisation database, Privatisation Network	Ms. Ladan MAHBOOBI Consultant	Tel. 33 1 49.10.43.46 Office. 339B E-mail: ladan.mahboobi@oecd.org
Corporate Governance, Eurasia	Ms. Marie Laurence GUY Consultant	Tel. 33 1 49.10.43.48 Office. 339B E-mail: marie-laurence.guy@oecd.org
Meetings, Budget, Administration	Ms. Marie-Christine du BOUETIEZ Administrative Assistant	Tel. 33 1 49.10.43.49 Office. 318B E-Mail. marie-christine.dubouetiez@oecd.org
Meetings, Website	Ms. Laura HOLLIDAY Assistant	Tel. 33 1 49.10.43.50 Office. 328B E-mail: laura.holliday@oecd.org
Meetings, Database	Ms. Svetlana VOLKOVA Assistant	Tel. 33 1 49.10.43.51 Office. 317B E-Mail. Svetlana.volkova@oecd.org
Meetings, Publications	Ms. Ijeoma INYAMA Assistant	Tel. 33 1 49.10.43.52 Office. 317B E-Mail. Ijeoma.inyama@oecd.org
Meetings, Library	Ms. Sandra MIGDAL Assistant	Tel. 33 1 49.10.43.54 Office. 328B E-Mail. Sandra.migdal@oecd.org
Enterprise Development Unit (EDU)		
Private Sector Development (including the Centre for Private Sector Development, Istanbul)	Mr. Abdul BAYHAN Head of Unit	Tel. 33 1 45.24.18.47 Office. Ingres R. 54 E-Mail. abdul.bayhan@oecd.org
Investment Promotion	Mr. David BANKS Project Manager	Tel. 33 1 45.24.17.04 Office. Ingres R. 55 E-Mail. david.banks@oecd.org
South Eastern Europe (SEE) Forum for Entrepreneurship and Enterprise Development (FEED)	Mr. Milford BATEMAN Project Manager (Until 28 th February 2001)	Tel. 33 1 45.24.81.80 Office. Ingres R. 45 E-Mail. milford.bateman@oecd.org
South Eastern Europe (SEE) Forum for Entrepreneurship and Enterprise Development (FEED)	Mr. Gerry SHARKEY Project Manager	Tel. 33 1 45.24.81.80 Office Ingres R. 45 E-mail: gerry.sharkey@oecd.org

Directorate for Financial, Fiscal and Enterprise Affairs (DAFFE)		
Enterprise Development Unit (EDU)		
Private Sector Development (including the Centre for Private Sector Development, Istanbul)	Ms. Debbie BINKS Administrative Assistant (On Leave)	Tel. 33 1 45.24.78.45 Office. Ingres R. 53 E-Mail. debra.binks@oecd.org
Private Sector Development (including the Centre for Private Sector Development, Istanbul)	Ms. Maeve MCELGUNN Administrative Assistant (Acting until 4 th March 2001)	Tel. 33 1 45.24.78.45 Office. Ingres R. 53 E-Mail. maeve.mcelgunn@oecd.org
Capital Markets Development	Mr. Hans BLOMMESTEIN Principal Administrator	Tel. 33 1 45.24.79.90 Office. Ingres R. 54 E-Mail. hans.blommestein@oecd.org
Baltic Forum for Entrepreneurship and Enterprise Development (Baltic FEED)	Mr. Jonathan BROOKS Project Manager	Tel. 33 1 45.24.80.80 Office. Ingres R. 51 E-Mail. jonathan-francis.brooks@oecd.org
Trainee	Ms Anna STEPANENKO- MALAN Trainee (Until 31 st May 2001)	Tel. 33 1 45.24.79.72 Office. Ingres R. 53 E-Mail. Anna.stepanenko-malan@oecd.org
Transition Economies Forum for Entrepreneurship and Enterprise Development (TE FEED)	Ms. Ekaterina TRAVKINA Project Co-ordinator	Tel. 33 1 45.24.78.82 Office. Ingres R. 51 E-Mail. ekaterina.travkina@oecd.org
Editor	Mr. George WILLIAMSON Editor	Tel. 33 1 45.24.78.20 Office. Château 3 E-Mail. george.williamson@oecd.org
Private Sector Development (including the Centre for Private Sector Development, Istanbul)/Global Network/ Middle East Forum for Entrepreneurship and Enterprise Development (ME FEED)	Ms. Angela JEPSON Project Co-ordinator	Tel. 33 1 45.24.78.64 Office. Ingres R. 47 E-Mail. angela.jepson@oecd.org
South East Europe Investment Promotion	Ms. Catherine GALGOCZI Project Co-ordinator	Tel. 33 1 45.24.79.25 Office. Ingres R. 47 E-Mail. catherine.galgoczi@oecd.org
Baltic Forum for Entrepreneurship and Enterprise Development (Baltic FEED)	Ms. Kirsten O'CONNELL Project Co-ordinator	Tel. 33 1 45.24.94.89 Office. Ingres R. 47 E-Mail. kirsten.oconnell@oecd.org

Directorate for Financial, Fiscal and Enterprise Affairs (DAFFE)		
Capital Movements, International Investment and Services (CMIS) Division		
Capital Movements, International Investment and Services	Mr. Pierre PORET Head of Division	Tel. 33 1 45.24.91.19 Office. Ingres 211 E-Mail. pierre.poret@oecd.org
OECD Instruments China	Ms. Marie-France HOUDE Principal Administrator	Tel. 33 1 45.24.91.26 Office. Ingres 201 E-Mail. marie-france.houde@oecd.org
Foreign Direct Investment and Financial Sector Issues (Russian Federation)	Ms. Eva THIEL Principal Administrator	Tel. 33 1 45.24.96.63 Office. Ingres 212 E-Mail. eva.thiel@oecd.org
Global Investment Forum	Mr. Mehmet OGUTCU Principal Administrator	Tel. 33 1 45.24.93.95 Office. Ingres R. 22 E-Mail. mehmet.ogutcu@oecd.org
SEE Investment Compact	Mr. Chris WILKIE Principal Administrator	Tel. 33 1 45.24.18.95 Office. Ingres 205 E-Mail. christopher.wilkie@oecd.org
Assistant	Ms. Marie-Odile FORGES Assistant	Tel. 33 1 45.24.91.22 Office. Ingres 209 E-Mail. marie-odile.forges@oecd.org
South East Europe Investment Compact Unit		
Project Manager	Mr. Declan Murphy Principal Administrator	Tel. 33 1 45.24.97.01 Office. Ingres R. 21 E-Mail. declan.murphy@oecd.org
Assistant	Ms. Kimberly PAGELS Assistant	Tel. 33 1 45.24.97.02 Office. Ingres R. 17 E-Mail. kimberly.pagels@oecd.org

Directorate for Financial, Fiscal and Enterprise Affairs (DAFFE)		
Financial Markets Division (FIN)		
Financial Affairs	Mr. André LABOUL Acting Head of Division	Tel. 33 1 45.24.91.27 Office. Ingres 278 E-Mail. andre.laboul@oecd.org
Financial Markets, Debt Management	Mr. Hans BLOMMESTEIN Principal Administrator	Tel. 33 1 45.24.79.90 Office. Ingres R. 49 E-Mail. hans.blommestein@oecd.org
Private Pensions and Insurance	Ms. Cecile VIGNIAL Administrator	Tel. 33 1 45.24.78.48 Office. Ingres 286 E-Mail. cecile.vignial@oecd.org
Private Pensions and Insurance	Mr. Juan YERMO Administrator	Tel: 33 1 45 24 96 92 Office: Ingres 286 E-Mail: juan.yermo@oecd.org
Financial Statistics	Ms. Ayse BERTRAND Head of Unit	Tel. 33 1 45.24.91.24 Office. Ingres 270 E-Mail. ayse.bertrand@oecd.org
Outreach Unit for Financial Sector Reform		
Financial Sector Reform	Mr. Fujiki HAYASHI Head of Unit	Tel. 33 1 45.24.18.38 Office. Ingres 202 E-Mail. fujiki.hayashi@oecd.org
Financial Sector Reform	Mr. Masaaki KAIZUKA Principal Administrator	Tel: 33 1 45.24.96.64 Office: Ingres 275 Email. masaaki.kaizuka@oecd.org
Financial Sector Reform	Mr. Takahiro YASUI Principal Administrator	Tel. 33 1 45.24.18.26 Office. Ingres 262 E-Mail. takahiro.yasui@oecd.org
Financial Sector Reform	Mr. Toshimitsu SAIUCHI Administrator	Tel. 33 1 45.24.78.35 Office. Ingres 290 E-Mail. toshimitsu.saiuchi@oecd.org
Budget, Meetings	Ms. Lynn WHITNEY Project Co-ordinator	Tel: 33 1 45 24 88.36 Office: Ingres 292 Email: lynn.whitney@oecd.org
Meetings, Website, Publications	Ms. Jaimie ELLIS Auxilliary	Tel: 33 1 45 24 78 59 Office: Ingres 292 Email: jaimie.ellis@oecd.org

Directorate for Financial, Fiscal and Enterprise Affairs (DAFFE)		
Anti-Corruption Division		
Acting Head of Division	Ms. Enery QUINONES Acting Head of Division	Tel. 33 1 45.24.91.02 Office. Ingres 206 E-Mail. enery.quinones@oecd.org
Co-ordinator Anti-Corruption Outreach Activities	Mr. Frédéric WEHRLE Administrator	Tel. 33 1 45.24.18.55 Office. Ingres 201 E-Mail. frederic.wehrle@oecd.org
Anti-Corruption Network for Transition Economies	Ms. Helene HOLM-PEDERSEN Project Staff	Tel: 33 1 45.24.76.16 Office: Ingres 269 E-Mail: helene.holm-pedersen@oecd.org
Outreach Policy Dialogue	Ms. Irene HORS Project Staff	Tel: 33 1 45.24.18.10 Office: Ingres 201 E-mail: irene.hors@oecd.org
Outreach (communication policy & Asia-Pacific Initiative)	Ms. Gretta FENNER Project Staff	Tel. 33 1 45.24.76.01 Office. Ingres 266 Email. gretta.fenner@oecd.org
Outreach (administrative support & budget)	Ms. Winnie MARSHALL Administrative Assistant	Tel: 33 1 45.24.91.06 Office: Ingres R. 04 E-mail: winnie.marshall@oecd.org
Policy Dialogue (Stability Pact Anti-Corruption Initiative)	Ms. Mila KONIKOVIC Project Staff	Tel: 33 1 45.24.18.10 Office: Ingres 201 E-mail: mila.konikovic@oecd.org
Policy Dialogue (Stability Pact Anti-Corruption Initiative)	Mr. Timo LOMAN Project Staff	Tel: 33 1 45.24.18.10 Office: Ingres 201 E-mail: timo.loman@oecd.org
Stability Pact Anti-Corruption Initiative	Ms. Emmanuelle GANNE Project Staff	Tel. 33 1 45.24.78.47 Office. Ingres 214 Email. emmanuelle.ganne@oecd.org

Directorate for Financial, Fiscal and Enterprise Affairs (DAFFE)		
Fiscal Affairs (FA) Division		
Taxation	Mr. Jeffrey OWENS Head of Division	Tel. 33 1 45.24.91.08 Office. Ingres 245 E-Mail. jeffrey.owens@oecd.org
Taxation	Ms. Susan HIMES Head of Unit, Non-Member Country Unit	Tel. 33 1 45.24.89.99 Office. Ingres 242 E-Mail. susan.himes@oecd.org
Taxation (Tax Policy)	Mr. David HOLLAND Principal Administrator	Tel. 33 1 45.24.18.46 Office. Ingres 242 E-Mail. david.holland@oecd.org
Taxation (Russian Federation)	Mr. Richard PARRY Administrator	Tel. 33 1 45.24.96.65 Office. Ingres 233 E-Mail. richard.parry@oecd.org
Taxation (China and other Asian countries)	Mr. Makoto NAKAGAWA Principal Administrator	Tel. 33 1 45.24.17.94 Office. Ingres 240 E-Mail. makoto.nakagawa@oecd.org
Taxation (China and other Asian countries)	Mr. Akio NABETANI Administrator	Tel. 33 1 45.24.96.50 Office. Ingres 217 E-Mail. akio.nabetani@oecd.org

Directorate for Financial, Fiscal and Enterprise Affairs (DAFFE)		
Fiscal Affairs (FA) Division		
Taxation (China and other Asian countries)	Ms. Zhujian ZHOU Visiting Expert	Tel. 33 1 45.24.18.46 Office. Ingres 217 E-Mail. zhujian.zhou@oecd.org
Administration/Budget	Ms. Edel MCMANUS Administrative Assistant	Tel. 33 1 45.24.98.00 Office. Ingres 249 E-Mail. edel.mcmanus@oecd.org
Administration (Russia, New Independent States)	Ms. Daria OSTAPCHUK Assistant	Tel. 33 1 45.24.96.91 Office. Ingres 248 E-Mail. daria.ostapchuk@oecd.org
Administration (Multilateral Tax Centres (Budapest, Vienna), Balkan Region, WP1 & WP6 Non-Member Activities, EMEF, Joint Events with IOTA)	Ms. Fiona NEARY Assistant	Tel. 33 1 45.24.18.46 Office. Ingres 248 E-Mail. fiona.neary@oecd.org
Administration (China, Vietnam, Korea, Latin America, Baltics, Mongolia, WP8 Non-Member Activities, Joint Events with ISTAX, ADB, IADB, CIAT, CATA, CREDAF)	Ms. Christine HUDE Assistant	Tel. 33 1 45.24.18.92 Office. Ingres 246 E-Mail. christine.hude@oecd.org
Administration (MTCs (Ankara), Income Tax Workshop, VAT Workshops, Balkans)	Ms. Leonora LYNCH Assistant	Tel. 33 1 45.24.94.80 Office. Ingres 246 E-Mail. leonora.lynch@oecd.org
Competition Law and Policy (CLP) Division		
Competition Policy	Mr. Bernard PHILLIPS Head of Division	Tel. 33 1 45.24.91.39 Office. Ingres 226 E-Mail. bernard.phillips@oecd.org
Competition Policy	Mr. Terry WINSLOW Principal Administrator Head of Programme	Tel. 33 1 45.24.19.72 Office. Ingres 225 E-Mail. terry.winslow@oecd.org
Competition Policy	Mr. Lennart GÖRANSON Principal Administrator	Tel. 33 1 45.24.91.44 Office: Ingres 224 E-Mail: lennart.göranson@oecd.org
Competition Policy	Ms. Sally VAN SICLEN Administrator	Tel. 33 1 45.24.78.30 Office: Ingres 222 E-Mail: sally.vansiclen@oecd.org

Directorate for Financial, Fiscal and Enterprise Affairs (DAFFE)		
Competition Law and Policy (CLP) Division		
Competition Policy	Mr. János VOLKAI Administrator	Tel. 33 1 45.24.98.08 Office: Ingres 224 E-Mail: janos.volkai@oecd.org
Competition Policy	Ms. Inga STEFANOWICZ Seconded Consultant	Tel. 33 1 45.24.18.13 Office: Ingres 217 E-mail: inga.stefanowicz@oecd.org
Administrative Assistant	Ms. Julie DE KERORGUEN Administrative Assistant	Tel. 33 1 45.24.91.40 Office. Ingres 223 E-Mail. julie.dekorguen@oecd.org
Assistant	Ms. Morven ALEXANDER Assistant	Tel. 33 1 45.24.91.40 Office. Ingres 223 E-Mail. morven.alexander@oecd.org
Assistant	Ms. Michelle WESTON Assistant	Tel. 33 1 45.24.91.21 Office. Ingres 230 E-Mail. michelle.weston@oecd.org

Development Co-operation Directorate (DCD)		
Director's Office		
Development Co-operation Co-ordination	Mr. Fritz MEIJNDERT Counsellor	Tel. 33 1 45.24.90.20 Office. Ranelagh 1533 E-Mail. fritz.meijndert@oecd.org
Reporting Systems Division		
Financial Flows	Mr. Simon SCOTT Principal Administrator	Tel. 33 1 45.24.15.60 Office. Ranelagh 1410 E-Mail. simon.scott@oecd.org
Debt Stocks	Ms. Deborah GUZ Administrator	Tel. 33 1 45.24.90.40 / 33 1 45.24.17.80 Office. Ranelagh 1503 E-Mail. deborah.guz@oecd.org

Directorate for Education, Employment, Labour and Social Affairs (DEELSA)		
Non-Member Economies and International Migration Division (NEIM)		
Division Head	Mr. Jean-Pierre GARSON Head of Division	Tel. 33 1 45.24.91.74 Office. Chardon Lagache 202 E-Mail. jean-pierre.garson@oecd.org
Education and Training	Mr. Ian WHITMAN Principal Administrator	Tel. 33 1 45.24.92.99 Office. Chardon Lagache 211 E-Mail. ian.whitman.@oecd.org
Labour Market Policies	Mr. Anders REUTERSWARD Principal Administrator	Tel. 33 1 45.24.92.85 Office. Chardon Lagache 201 E-Mail. anders.reutersward@oecd.org
Social Policies	Mr. Peter WHITEFORD Principal Administrator	Tel. 33 1 45.24.90.41 Office: Chardon Lagache 206 E-Mail. peter.whiteford@oecd.org
Social Policies Joint Vienna Institute	Mr. Michael FÖRSTER Administrator	Tel. 33 1 45.24.92.80 Office. Chardon Lagache 209 E-Mail. michael.forster@oecd.org
Education (South Eastern Europe)	Ms. Christine STROMBERGER Consultant	Tel. 33 1 45.24.96.12 Office. Chardon Lagache 211 E-Mail. christine.stromberger@oecd.org
Labour Market and Social Policies (Baltic States)	Mr. Christian LÖVGREN Consultant	Tel. 33 1 45.24.82.19 Office. Chardon Lagache 205 E-Mail. christian.lovgren@oecd.org
Labour Market and Social Policies (China)	Ms. Marie-Ange MAURICE Trainee	Tel. 33 1 45.24.90.68 Office. Chardon Lagache 207 E-Mail. marie-ange.maurice@oecd.org
---	Ms. Patricia COMTE Assistant	Tel. 33 1 45.24.18.72 Office. Chardon Lagache 210 E-Mail. patricia.comte@oecd.org
---	Ms. Sylviane YVRON-SOLARI Assistant	Tel. 33 1 45.24.91.60 Office. Chardon Lagache 203 E-Mail. sylviane.yvron-solari@oecd.org
---	Ms. Michele HARBOUN Secretary	Tel. 33 1 45 24 91 17 Office. Chardon Lagache 212 E-Mail. Michele.harboun@oecd.org

Directorate for Science, Technology and Industry (DSTI)		
Committee Secretariat Unit		
Head of Unit/General Contact for CCNM	Mr. Gabriel DRILHON Principal Administrator	Tel. 33 1 45.24.93.65 Office. New Building 3222 E-Mail. gabriel.drilhon@oecd.org
---	Ms. Nicole LE CRAPPER Assistant	Tel. 33 1 45.24.93.56 Office. New Building 3220 E-Mail. nicole.lecrapper@oecd.org
Industry Division (IND)		
Division Head	Ms. Candice STEVENS Head of Division	Tel. 33 1 45.24.93.24 Office. New Building 3356 E-Mail. candice.stevens@oecd.org
---	Mr. Peter AVERY Principal Administrator	Tel. 33 1 45.24.93.63 Office. New Building 3335 E-Mail. peter.avery@oecd.org
---	Ms. Nicole ROUAULT Assistant	Tel. 33 1 45.24.93.81 Office. New Building 3350 E-Mail. nicole.rouault@oecd.org
Information, Computer and Communications Division (ICCP)		
Division Head	Mr. John DRYDEN Head of division	Tel. 33 1 45.24.93 73 Office. New Building 3123 E-Mail. john.dryden@oecd.org
	Ms Asako TAKAHASHI Assistant	Tel. 33 1 45.24.99 51 Office. New Building 3123 E-Mail. Asako.takahashi@oecd.org
Science and Technology Policy (STP) Division		
Division Head	Mr. Daniel MALKIN	Tel. 33 1 45.24.93.80 Office. New Building 3083 E-Mail. daniel.malkin@oecd.org
---	Mr. Mario CERVANTES Administrator	Tel. 33 1 45.24.94.31 Office. New Building 3065 E-Mail. mario.cervantes@oecd.org
---	Ms. Paula VENDITTI Ms Marion BARBERIS Assistants	Tel. 33 1 45.24.93.43 Office. New Building 3065 E-Mail. paula.venditti@oecd.org marion.barberis@oecd.org

Directorate for Science, Technology and Industry (DSTI)		
Economic Analysis and Statistics (EAS) Division		
Statistics	Ms. Laudeline AURIOL Administrator	Tel. 33 1 45.24.92.05 Office. New Building 3285 E-Mail. laudeline.auriol@oecd.org
Transport Division (DOT) (Transport/Shipbuilding/Steel/Tourism)		
Division Head	Mr. Wolfgang HUBNER	Tel. 33 1 45.24.91.32 Office. New Building 3215 E-Mail. wolfgang.hubner@oecd.org
---	Ms. Florence HOURTOUAT Assistant	Tel. 33 1 45.24.93.49 Office. New Building 3217 E-Mail. florence.hourtouat@oecd.org

Trade Directorate (ECH)		
Outreach and Analysis (OA) Division		
Division Head	Mr. Hartmut SCHEELE Head of Division	Tel. 33 1 45.24.89.35 Office. New Building R.326 E-Mail. hartmut.scheele@oecd.org
Transition Economies	Ms. Blanka KALINOVA Principal Administrator	Tel. 33 1 45.24.89.23 Office. New Building R. 17 E-Mail. blanka.kalinova@oecd.org
Transition Economies	Mr. George HOLLIDAY Principal Administrator	Tel. 33 1 45.24.95.30 Office. New Building R.323 E-Mail. george.holliday@oecd.org
Non-member Economies, Except Transition Economies	Mr. Raed SAFADI Principal Administrator	Tel. 33 1 45.24.19.09 Office. New Building R.286 E-Mail. raed.safadi@oecd.org
---	Ms. Sally WILKINSON- DECARSIN Assistant	Tel. 33 1 45.24.89.12 Office. New Building R.330 E-Mail. sally.wilkinson-decarsin@oecd.org
---	Ms. Roisin NI MAOLEARCA Assistant	Tel. 33 1 45.24.89.12 Office. New Building R.330 E-Mail. Roisin.nimaolearca@oecd.org
Export Credits Division		
Division Head	Ms. Janet WEST Head of Division	Tel. 33 1 45.24.89.10 Office. New Building R. 25 E-Mail. janet.west@oecd.org
Principal Administrator	Mr. Jean LE COGUIC	Tel. 33 1 45.24.17.41 Office: New Building R. 21 E-mail: jean.lecoguic@oecd.org
---	Ms. Barbara OFFE Assistant	Tel. 33 1 45.24.89.11 Office. New Building R. 27 E-Mail. barbara.offe@oecd.org

Economics Department (ECO)		
Non-Member Economies Division (NMED)		
Macroeconomic Policy	Ms. Silvana MALLE Head of Division	Tel. 33 1 45.24.87.70 Office. New Building 3029 E-Mail. silvana.malle@oecd.org
Macroeconomic Policy (NIS, Russia)	Mr. John LITWACK Principal Administrator	Tel. 33 1 45.24.90.38 Office. New Building 3015 E-Mail. john.litwack@oecd.org
Macroeconomic Policy (Brazil, Argentina, South America)	Mr. Joaquim OLIVEIRA MARTINS Principal Administrator	Tel. 33 1 45.24.88.53 Office. New Building 3023 E-Mail. joaquim.oliveira@oecd.org
Macroeconomic Policy (China, East- and South-East Asia)	Mr. Charles PIGOTT Principal Administrator	Tel. 33 1 45.24.18.94 Office. New Building 3017 E-Mail. charles.pigott@oecd.org
Macroeconomic Policy (China, East- and South-East Asia)	Ms. Young-Sook NAM Administrator	Tel. 33 1 45.24.19.81 Office. New Building 3025 E-Mail. young-sook.nam@oecd.org
Macroeconomic Policy (Baltics, South East Europe, Brazil)	Mr. Tristan PRICE Administrator	Tel. 33 1 45.24.15.76 Office. New Building 3021 E-Mail. tristan.price@oecd.org
Macroeconomic Policy (Brazil, Argentina, South America)	Ms. Teresa SANTERO Administrator	Tel. 33 1 45.24.17.68 Office. New Building 3024 E-Mail. teresa.santero@oecd.org
Macroeconomic Policy (NIS, Russia)	Mr. Douglas SUTHERLAND Administrator	Tel. 33 1 45.24.15.65 Office. New Building 3027 E-Mail. douglas.sutherland@oecd.org
Investment Compact for South East Europe	Mr. Vladimir GLIGOROV Consultant	Tel. 33 1 45 24 19 17 Office. New Building 3021 E-Mail. vladimir.gligorov@oecd.org
---	Ms. Anne LEGENDRE Statistical Assistant	Tel. 33 1 45.24.88.24 Office. New Building 3022 E-Mail. anne.legendre@oecd.org
---	Ms. CorinneCHANTELOUP Statistical Assistant	Tel. 33 1 45.24.84.62 Office. New Building 3022 E-Mail. corinne.chanteloup@oecd.org

Economics Department (ECO)		
Non-Member Economies Division (NMED)		
(South East Europe)	Ms. Marie HANCOCK Statistical Assistant	Tel. 33 1 45 24 14 05 Office. New Building 3027 E-Mail. marie.hancock@oecd.org
---	Ms. Hazel RHODES Assistant	Tel. 33 1 45.24.87.91 Office. New Building 3026 E-Mail. hazel.rhodes@oecd.org
---	Ms. Colombe BRAESCH Assistant	Tel. 33 1 45.24.88.27 Office. New Building 3026 E-Mail. colombe.braesch@oecd.org

Environment Directorate (ENV)		
Non-Member Countries Branch (NMC)		
Branch Head	Mr. Brendan GILLESPIE Head of Branch	Tel. 33 1 45.24.93.02 Office. Maillot 5005 E-Mail. brendan.gillespie@oecd.org
Environmental Policy China	Mr. Krzysztof MICHALAK Administrator	Tel. 33 1 45.24.96.00 Office. Maillot 5004 E-Mail. krzysztof.michalak@oecd.org
Russia, NIS - EAP Task Force	Ms. Eija KIISKINEN Administrator	Tel. 33 1 45.24.18.40 Office. Maillot 5006 E-Mail. eija.kiiskinen@oecd.org
Environmental Financing	Mr. Grzegorz PESZKO Administrator	Tel. 33 1 45.24.19.47 Office. Maillot 2007 E-Mail. grzegorz.peszko@oecd.org
Environmental Enforcement and Compliance	Ms. Angela BULARGA Consultant	Tel: 33 1 45.24.98.63 Office. Maillot 5004 E-Mail angela.bularga@oecd.org
Environmental Management in Enterprises, EMEF	Mr. Peter BÖRKEY Consultant	Tel. 33 1 45.24.13.85 Office. Maillot 2017 E-Mail. peter.borkey@oecd.org
Environmental Policies	Ms. Olga SAVRAN Consultant	Tel. 33 1 45.24.13.81 Office. Maillot 5008 E-Mail. olga.savran@oecd.org
Environmental Financing	Ms. Nelly PETKOVA Consultant	Tel. 33 1 45.24.17.66 Office. Maillot 2017 E-Mail. nelly.petkova@oecd.org
Statistics	Ms. Carla BERTUZZI Statistical Assistant	Tel. 33 1 45.24.19.13 Office. Maillot 2005 E-Mail. carla.bertuzzi@oecd.org
Budget and Administration	Ms. Anne CARIOU Assistant	Tel. 33 1 45.24.87.21 Office. Maillot 5016 E-Mail. anne.cariou@oecd.org

Nuclear Energy Agency (NEA)		
---	Mr. Jacques DE LA FERTE Head, External Relations and Public Affairs	Tel. 33 1 45.24.10.10 Office. Issy les Moulineaux 806 E-Mail. jacques.delaferte@oecd.org

Public Management Service (PUMA)		
Direction and Co-ordination		
Outreach	Mr. Albrecht Stockmayer Head of Programme	Tel. 33 1 45.24.90.64 Office. New Building 2017 E-Mail. albrecht.stockmayer@oecd.org
Administrative Officer	Ms. Julie Grant Principal Assistant	Tel. 33 1 45.24.80.22 Office. New Building 2015 E-Mail. julie.grant@oecd.org
Assistant	Ms. Anna McCready Assistant	Tel. 33 1 45.24.94.09 Office. New Building 2087 E-Mail. anna.mccready@oecd.org
Governance and the Role of the State		
Ethics, Anticorruption, Trust in Government Brazil Global Forum Conf.	Mr. Janos Bertok Administrator	Tel. 33 1 45.24.90.75 Office. New Building 2026 E-Mail. janos.bertok@oecd.org
Assistant	Ms. Anna Dériot Assistant	Tel. 33 1 45.24.89.54 Office. New Building 2037 E-Mail. anna.deriot@oecd.org
Budgeting and Management		
Budgeting China, Indonesia	Mr. Jon Blondal Principal Administrator	Tel. 33 1 45.24.76.59 Office. New Building 2041 E-Mail. jon.blondal@oecd.org
Financial Management South Africa Global Forum Conf.	Mr. Jens Kristensen Administrator	Tel. 33 1 45.24.18.35 Office: New Building 2095 E-mail. jens.kristensen@oecd.org
Agency Governance Eastern Europe Global Forum Conf.	Ms. Elsa Pilichowski Administrator	Tel. 33 1 45.24.76.12 Office: New Building 2099 E-mail. elsa.pilichowski@oecd.org
Assistant	Ms. Jennifer Gardner Assistant	Tel. 33 1 45.24.85.60 Office. New Building 2051 E-Mail. jennifer.gardner@oecd.org

Public Management Service (PUMA)		
Regulatory Reform		
Regulatory Reform OECD-APEC Global Forum Conf.	Mr. César Cordova-Novion Deputy Head of Programme	Tel. 33 1 45.24.89.47 Office: New Building 2030 e-mail cesar.cordova@oecd.org
Assistant	Mme. Catherine Airiaud- Maugendre (Outreach and Relations with CCNM)	Tel. 33 1 45.24.91.58 Office: New Building 2025 e-mail catherine.airiaud@oecd.org

Public Management Service (PUMA)		
Support for Improvement in Governance and Management (SIGMA) Central and Eastern European Countries: Candidate Countries		
General Management and Co-ordination		
SIGMA Programme -- Candidates	Mr. Bob BONWITT Head of Programme	Tel. 33 1 45.24.13.10 Office. Franqueville 562 E-Mail. bob.bonwitt@oecd.org
Assistant	Ms. Joan LEVINS Assistant	Tel. 33 1 45.24.13.21 Office. Franqueville 560 E-Mail. joan.levins@oecd.org
Reporting/project- management of assessments	Ms. Linda DUBOSCQ Principal Assistant (half-time)	Tel. 33 1 45.24.13.17 Office. Franqueville 557 E-Mail. linda.duboscq@oecd.org
Financial and Administrative Management		
Financial Management	Ms. Johanna STRANG Administrator	Tel. 33 1 45.24.13.02 Office. Franqueville 558 E-Mail. johanna.strang@oecd.org
Institution Building - Bulgaria and Romania		
Support mainly for Bulgaria and Romania in formulating institution needs and country co-ordination for Czech Republic and Latvia	Francis HÉNIN Principal Administrator Mr. Piotr-Nils.GORECKI Administrator	Tel. 33 1 45.24.13.20 Office. Franqueville 566 E-Mail. francis.henin@oecd.org Tel. 33 1 45.24.79.93 Office. Franqueville 535 E-Mail. piotr-nils.gorecki@oecd.org
Assistant	Ms. Jane FINLAY Assistant	Tel. 33 1 45.24.13.04 Office. Franqueville 570 E-mail. jane.finlay@oecd.org

Public Management Service (PUMA)		
Support for Improvement in Governance and Management (SIGMA) Central and Eastern European Countries: Candidate Countries		
Financial Control and External Audit		
Financial Control and External Audit and country co-ordination for Hungary	Mr. Nicolas John TREEN Principal Administrator	Tel. 33 1 45.24.83.56 Office. Franqueville 584 E-Mail. nicolasjohn.treen@oecd.org
Financial Control and External Audit and country co-ordination for Lithuania	Mr. François-Roger CAZALA Principal Administrator	Tel. 33 1 45.24.82.65 Office. Franqueville 573 E-Mail. francois-roger.cazala@oecd.org
Financial Control and External Audit	Mr. Bo SANDBERG Principal Administrator	Tel. 33 1 45.24.83.25 Office. Franqueville 568 E-Mail. bo.sandberg@oecd.org

Public Management Service (PUMA)		
Support for Improvement in Governance and Management (SIGMA)		
Central and Eastern European Countries: Candidate Countries		
Financial Control and External Audit and co-ordination for Poland	Mr. Lage OLOFSSON Consultant	Tel. 33 1 45.24.83. Office. Franqueville 580 E-mail. lage.olofsson@oecd.org
Financial Control and External Audit and country co-ordination for Slovakia	Mr. Johannes STENBAEK MADSEN Administrator	Tel. 33 1 45.24.83.68 Office. Franqueville 577 E-Mail. Johannes.stenbaek-madsen@oecd.org
Assistant	Ms. Esther BRIGHT Assistant	Tel. 33 1 45.24.84.30 Office. Franqueville 576 E-Mail. Esther.bright@oecd.org
Assistant	Ms. Mimi BESSARAT Assistant	Tel. 33 1 45.24.13.14 Office. Franqueville 574 E-Mail. mimi.bessararat@oecd.org
Public Service Management		
Public Service Management and country co-ordination for Slovenia	Mr. Francisco CARDONA Principal Administrator	Tel. 33 1 45.24.13.74 Office. Franqueville 539 E-Mail. francisco.cardona@oecd.org
Assistant	Ms. Susannah MEVEL Assistant	Tel. 33 1 45.24.1316 Office. Franqueville 555 E-Mail. susannah.mével@oecd.org
SIGMA Programme -- Western Balkans	Mr. Claude CORNUAU Head of Programme	Tel. 33 1 45.24.13.13 Office. Franqueville 531 E-Mail. claud.cornuau@oecd.org
Western Balkans	Ms. Anke FREIBERT Principal Administrator	Tel. 33 1 45.24.13.99 Office. Franqueville 585 E-Mail. anke.freibert@oecd.org
Assistant	Ms. Françoise LOCCI Assistant	Tel. 33 1 45.24. 13 11 Office. Franqueville 583 E-Mail. françoise.locci@oecd.org
Assistant	Ms. Jody KAYLOR Assistant	Tel. 33 1 45.24.83.65 Office. Franqueville 582 E-Mail. jody.kaylor@oecd.org
Financial and Administrative Management		
Financial Management	Ms. Johanna STRANG Administrator	Tel. 33 1 45.24.13.02 Office. Franqueville 558 E-Mail. johanna.strang@oecd.org

Statistics Directorate (STD)		
Division for Non-Members (DNM)		
Division Head	Mr. Derek BLADES Head of Division	Tel. 33 1 45.24.88.19 Office. New Building 4002 E-Mail. derek.blades@oecd.org
Short-term economic indicators; non-observed economy	Mr. Michael COLLEDGE Principal Administrator	Tel. 33 1 45.24.88.25 Office. New Building 4008 E-Mail. michael.colledge@oecd.org
South East Europe Regional Programme; purchasing power parities; national accounts; <i>Main Economic Indicators</i> .	Mr. David ROBERTS Principal Administrator	Tel. 33 1 45.24.88.44 Office. New Building 4006 E-Mail. david.roberts@oecd.org
Baltic Regional Programme; national accounts; prices	Ms. Fenella MAITLAND-SMITH Principal Administrator	Tel. 33 1 45.24.95.07 Office. New Building 4355 E-Mail. fenella.maitland-smith@oecd.org
Business tendency surveys; cyclical analysis; composite leading indicators; <i>"Transition at a Glance"</i> .	Mr. Ronny NILSSON Administrator	Tel. 33 1 45.24.76.88 Office. New Building 4010 E-Mail. ronny.nilsson@oecd.org
Short term economic indicators; national accounts.	Mr. Kil-Hyo AHN Consultant	Tel. 33 1 45.24.87.73 Office. New Building 4329 E-Mail. kil-hyo.ahn@oecd.org
<i>Main Economic Indicators</i> .	Mr Olivier BRUNET Statistical Assistant	Tel. 33 1 45.24.78.77 Office. New Building 4340 E-Mail. olivier.brunet@oecd.org
<i>"Main Economic Indicators"</i> .	Mr. Philippe HERVE Statistical Assistant	Tel. 33 1 45.24.93.44 Office. New Building 4338 E-Mail. philippe.herve@oecd.org
---	Ms. Enza DOMINGO Assistant	Tel. 33 1 45.24.16.93 Office. New Building 4004 E-Mail. enza.domingo@oecd.org

Territorial Development Service (TDS)		
China, EMEF	Mr. Bernard HUGONNIER Director	Tel. 33 1 45.24.16.20 Office. Maillot 3083 E-Mail. bernard.hugonnier@oecd.org
---	Ms. Suzanne LEPRINCE Assistant	Tel. 33 1 45.24.81.72 Office. Maillot 3081 E-Mail. suzanne-nicola.leprince@oecd.org
Territorial Development Policies and Prospects (TDPP)		
China, EMEF	Mr. Toshi Hayata Head of Division	Tel. 33 1 45.24.76.94 Office. Maillot 3102 E-Mail. toshihiro.hayata@oecd.org
---	Ms. Valérie FORGES Assistant	Tel. 33 1 45.24.97.46 Office. Maillot 3092 E-Mail. valerie.forges@oecd.org
Local Economic and Employment Programme (LEED)		
Russia, Central Europe Initiative (CEI), Latin America, Euro-Mediterranean Co-operation.	Mr. Sergio ARZENI Head of Division	Tel. 33 1 45 24 91 96 Office. Maillot 3084 E-Mail. sergio.arzeni@oecd.org
---	Ms. Françoise VIERRON Assistant	Tel. 33 1 45 24 91 88 Office. Maillot 3076 E-Mail. francoise.vierron@oecd.org
---	Ms. Dina IONESCU Administrator	Tel. 33 1 45 24 85 62 Office. Maillot 3072 E-mail. dina.ionescu@oecd.org
---	Mr. Alistair NOLAN Administrator	Tel. . 33 1 45 24 13 86 Office. Maillot 3072 E-mail. alistair.nolan@oecd.org
LEED - Forum for Entrepreneurship and Enterprise Development (FEED)	Mr. Martin FORST Administrator	Tel. 33 1 45.24.91.70 Office. Ingres R. 45 E-Mail. martin.forst@oecd.org