

Unclassified

DCD/DAC/RD(2011)11/RD1



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

16-Sep-2011

English text only

**DEVELOPMENT CO-OPERATION DIRECTORATE
DEVELOPMENT ASSISTANCE COMMITTEE**

DCD/DAC/RD(2011)11/RD1
Unclassified

**OECD DEVELOPMENT STRATEGY
PRESENTATION BY JON LOMOY, DIRECTOR, DEVELOPMENT CO-OPERATION
DIRECTORATE**

Room Document 1

DAC Meeting, 19 September 2011

This Room Document is submitted for INFORMATION under Item 3 of the Draft Annotated DAC Agenda [DCD/DAC/A(2011)11].

This Room Document includes a presentation on the draft outline of the OECD Strategy on Development, and on key milestones in developing the Strategy. The document also includes the Draft Terms of Reference for the cross-directorate task teams that will work on the Strategy.

Contacts: Sara Fyson - Tel: +33 (0)1 45 24 96 78 - Email: sara.fyson@oecd.org and Felix Zimmermann - Tel: +33 (0)1 45 24 95 85 - Email: felix.zimmermann@oecd.org

JT03307129

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

English text only



OECD Development Strategy

Elaborating an analytical framework

Jon Lomoy, Director, DCD

September 19, 2011



OECD Development Strategy Outline

1. **Part I.** Why a Development Strategy? What's changed?
2. **Part II.** What is OECD's Comparative Advantage?
3. **Part III.** What are the main areas of focus? (4 areas identified by the MCM)
4. **Part IV.** How are we going to implement (the Roadmap)?

1. Why a Development Strategy?

Responding to current development landscape
and new challenges

Main features:

- A new geography of the world economy
- A new geography of poverty
- Redefining policy paradigms

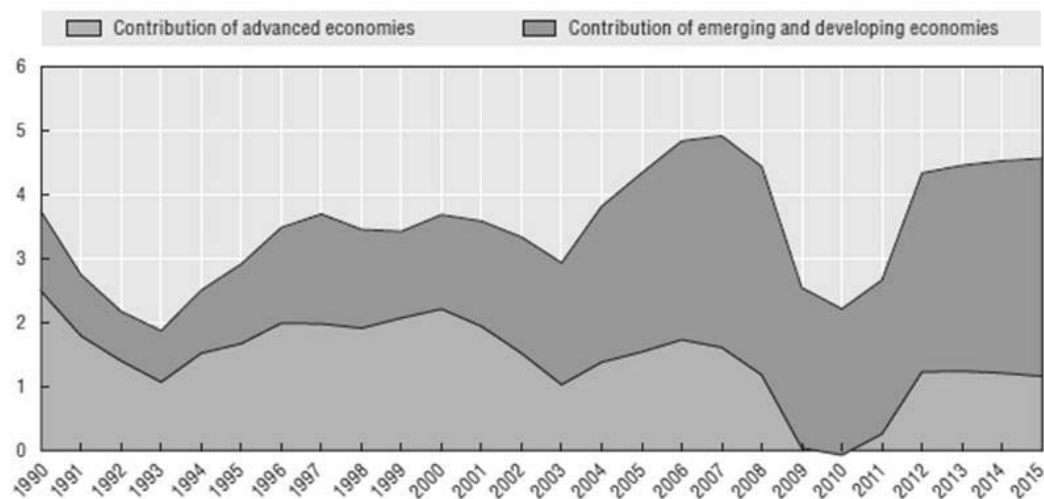
New challenges and opportunities:

- Sources of development knowledge and experience have diversified
- Sources for funding have also diversified
- Emerging economies and developing countries have strengthened their voice
- Measures of well-being and societal progress are evolving

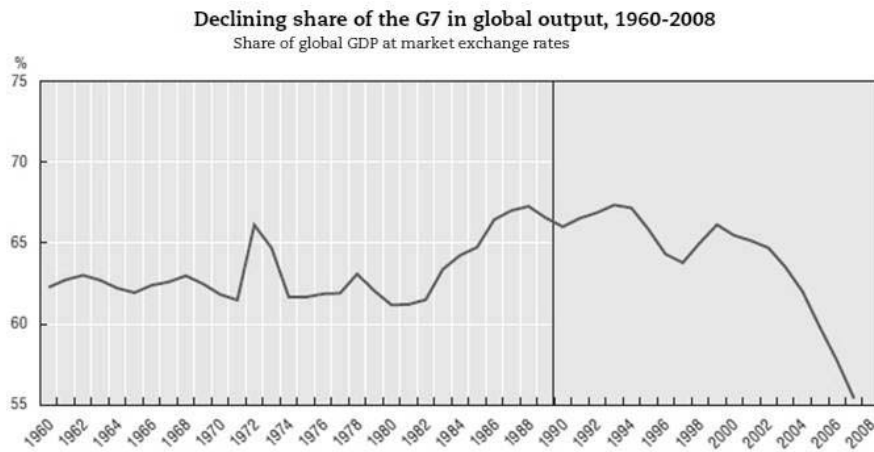
Illustrating the current development landscape

A. Emerging poles of growth

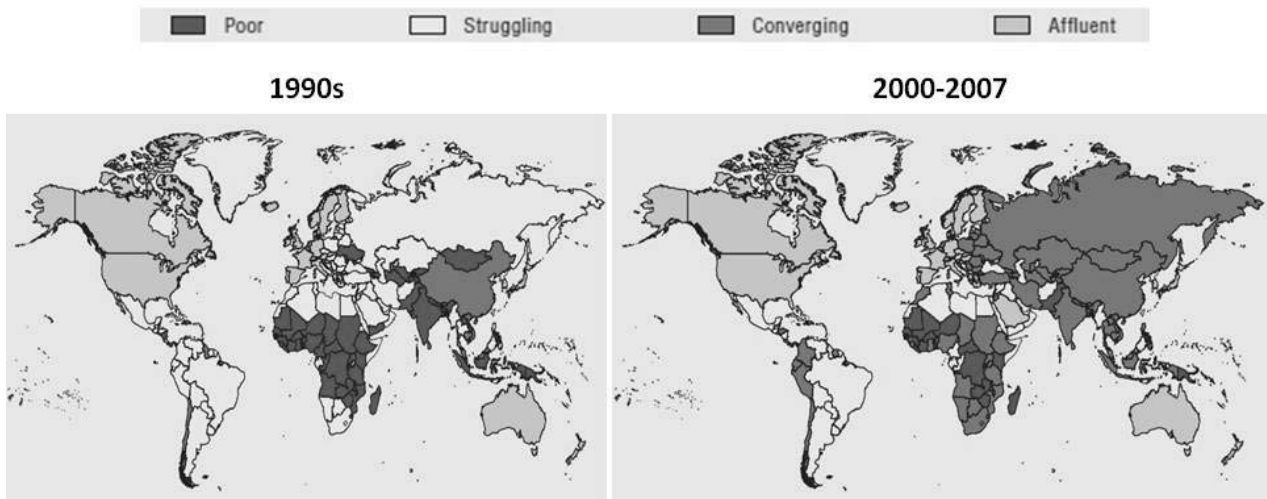
Figure 1.4. **Contribution to world GDP/PPP growth**
Annual global GDP-PPP growth rate (based on a 3-year moving average)



B. Non-OECD economies have strengthened their voice, demanding to be treated as equal partners



C. More heterogeneity in the developing world =
No “one-size-fits-all” development strategies



1. Why a Development Strategy?

- Leveraging the OECD's multi-disciplinary expertise
- Consolidating the OECD's role as an open and inclusive forum for policy dialogue
- Promoting coherent policies for development
- Responding to requests and priorities of emerging and developing countries
- Focusing on core competences and where OECD can add value

2. What is OECD's comparative advantage?

- Arm's length diagnostics, the OECD as an 'honest broker', multidisciplinary analysis and integrated approaches
- Combining our development expertise with thematic expertise across the OECD in areas that are important to development
- A variety of tools and approaches (peer reviews, policy reviews, standards, data)
- Access to a network of policy communities and in house analytical expertise
- Policy sharing and dialogue platforms (WP-EFF, APF, SWAC, Global Forum, DAC Networks, Enhanced Engagement programmes)
- Facilitating a space for developing countries to share knowledge and create a "network of influence"

3. Four main areas of focus

- I. Innovative and Sustainable Sources of Growth
- II. Mobilising Resources for Development
- III. Governance for Development
- IV. Measuring Progress

- 4 Cross-Directorate Task Teams to set out content and modalities for each of the 4 main areas of focus
- Each working group co-led by Directorates responsible for related substantive areas and by DCD/DEV/ECO

Guiding questions for the Task Teams

In each of the areas of focus, the task teams will consider:

- Policy content
- OECD's value added
- OECD instruments which could be relevant to and/or adapted for developing countries
- Dialogue and knowledge sharing
- Monitoring and measuring the OECD's impact

4. How are we going to implement? Timeline for the Task Teams

- Mid-September: directorates to comment on draft outline
- End September: drafting teams in place for 4 major focus areas
- Ongoing consultation with members and non-members through informal working group, existing committees, etc.
- Mid-November: deadline for each focus area

Milestones

The OECD Strategy on Development is being elaborated for endorsement at the 2012 MCM. Listed below are key meetings for taking the process forward.

MEETINGS	CONSULTATIONS
<p>2011</p> <ul style="list-style-type: none"> ▪ 1st meeting of the IWG on the OECD Strategy on Development (4 October). ▪ 2nd meeting of the IWG on the OECD Strategy on Development (mid-November). ▪ Executive Committee in Special Session (2nd half of November 2011). <p>2012</p> <ul style="list-style-type: none"> ▪ Development Council (12 January) ▪ 3rd meeting of the IWG on the OECD Strategy on Development (mid-March) ▪ Executive Committee in Special Session (April) ▪ Ministerial Council Meeting (May) 	<p>2011</p> <ul style="list-style-type: none"> ▪ IMF/WB Annual meetings (22-23 September). ▪ Public web-based Consultation (September 2011 – April 2012). ▪ DAC, DEV Governing Board, OECD Committees. ▪ Side Event at the HLF4 in Busan (29 November – 01 December 2011). <p>2012</p> <ul style="list-style-type: none"> ▪ The Global Forum on Development (17 January) ▪ DEV 50th Anniversary (April 2012) ▪ Event within the context of the 2012 MCM/OECD Forum (May 2012)



For more information
www.oecd.org/dac



OECD STRATEGY ON DEVELOPMENT

DRAFT TERMS OF REFERENCE FOR CROSS-DIRECTORATE TASK TEAMS

Background

At the 2011 MCM, the OECD received a strong mandate from Ministers to adopt a comprehensive approach to development across the Organisation. To fulfil this mandate, a Strategy will be prepared based on the *Framework for an OECD Strategy on Development* [C/MIN(2011)8] endorsed by Ministers. This will involve a collective, “whole of OECD” exercise, greater horizontal collaboration and a broad consultation process led by Deputy Secretary-General Tamaki. As stated in the Framework, the Strategy will also build on the experience of the DevGoals exercise to articulate a more coherent approach to development at the OECD.

Criteria

The *Framework* sets out the *criteria* to be applied in order to strengthen OECD’s development work. The strategy will focus on areas where OECD: *a)* responds to demands and needs from developing and emerging economies; *b)* has core competence and demonstrates the value added of its work vis-à-vis other international organizations; and *c)* leverages its inter-disciplinary expertise.

Strategic Areas

It also identifies four *important areas* that will be considered as relevant pillars of the Strategy:

- 1) Innovative and sustainable sources of growth;
- 2) Mobilization of resources for development;
- 3) Governance for development, and
- 4) Measuring progress for development.

Working method and timeline

For each of the four substantive pillars, an OECD-wide task team will be created to elaborate substantive priorities and approaches in each area. They should prepare and submit a draft of their reports to DCD (Jon Lomoy), DEV (Mario Pezzini), and SGE PCD (Ebba Dohlman) **by 27 October**. The reports should contribute to the analytical framework for the Strategy, which will be led by DCD, DEV, ECO and the PCD Unit.

Directorates are requested to nominate a co-chair corresponding to their respective areas of expertise as well as a focal point for each of the pillars.

An initial meeting will be held on **27 September, 9h-10h** (room to be confirmed) to clarify the Task Teams’ objectives, timelines and tasks.

A distribution list/clearspace site will be created for communication and coordination purposes.

The task teams will be encouraged to continue to provide comments and inputs to subsequent drafts of the analytical framework, and indeed to participate along with any interested OECD staff, in the elaboration of the strategy as a whole. Inputs to the draft reports should be based on the preparedness of directorates to contribute to a more comprehensive, cross-sectoral approach to development and implementation of the strategy in the longer term.

Tasks

In drafting its report, each cross-directorate task team will cover the following topics as relevant to its respective strategic area.

Policy content

- In relation to the current context of a rapidly changing global economic landscape and prospects in a contracted global economy, set out the priority policy issues for development.
- In each strategic area, identify key medium term challenges for developing countries to realise their full potential to generate growth and economic and social well-being.
- What are the gaps in developing countries themselves – and in international responses – to addressing these challenges?
- Discuss the extent to which countries will/need to follow separate trajectories, given their respective endowments and institutional environments.

OECD's value added

- What is the OECD's niche in policy advice in each strategic area? Set out policy areas where the OECD can leverage its expertise to add value to ongoing development efforts.
- Examine the framework for collaboration with international and regional institutions in the different policy areas covered in each substantive area.
- How should OECD perspectives, advice and knowledge be adapted to take into account the realities on the ground?

OECD instruments which could be relevant to and/or adapted for developing countries

- Assess existing OECD instruments, tools and recommendations. Discuss the mechanisms through which demands from developing countries are received and channelled; identify particular challenges, and provide options to address them.
- Identify lessons learned from positive and negative experiences in promoting policy outcomes in developing countries for more effective, well coordinated and coherent approaches to development.
- Determine which instruments are relevant to the specific institutional settings of developing countries at different stages of development, and which instruments could be adapted to these settings.

Dialogue and knowledge sharing

- Identify the existing policy sharing mechanisms that could ensure mutual and continuous learning with developing countries and dialogue with key stakeholders, including the private sector and civil society.
- Consider an appropriate methodology by which to engage with and dialogue with developing countries to determine their needs as aligned with the OECD's capacity; and identify opportunities to share experiences and deepening understanding on developing countries needs and perspectives, through existing OECD forums, mechanisms and networks.

Monitoring and measuring the OECD's impact

- How can we work more effectively and enhance impact? Propose ways and means to measure the OECD's progress and impact on development in each substantive area.