



**PUBLIC GOVERNANCE AND TERRITORIAL DEVELOPMENT DIRECTORATE
TERRITORIAL DEVELOPMENT POLICY COMMITTEE**

GOV/TDPC(2010)2/REV1/ANN1
For Official Use

Draft TDPC Programme of Work 2011-12

Budget Template

**8-9 June 2010,
Room CC4, OECD Conference Centre,
2, rue André Pascal, 75016 Paris**

This draft budget template is an annex to the Draft TDPC Programme of Work 2011-12 [GOV/TDPC(2010)2/REV1], which is submitted to delegates for APPROVAL.

Please note that the budget is based on the assumption that there will be three new members from January 2011 (Estonia, Israel and Slovenia) and also takes account of the fact that Chile became a member of the organisation in May 2010.

For enquiries please contact Julie Grant, Head of Unit, Central Management Unit, Email:
Julie.Grant@oecd.org

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STRATEGIC OBJECTIVE:	4	Enhance Public and Private Sector Governance			
OUTPUT GROUP:	4.3	Effective and Efficient Government			
OUTPUT AREA:	4.3.4	Territorial Development Policies			
				2010	K EUR 2011
					2012
			Base Budget	-	1 662
					1 662

			Total Estimate of Voluntary Contributions Planned	-	3 275
					3 275

RESPONSIBLE MANAGER: Mr. Aart DE GEUS

RESPONSIBLE DIRECTOR: Mr. Rolf ALTER

COMMITTEE ACCOUNTABILITY:	MANDATE or SUNSET:
Territorial Development Policy Committee , Chaired by Dr. Mark DRABENSTOTT (United States) <i>Observers:</i> Morocco, South Africa	31/12/2014
Working Party on Territorial Policy in Rural Areas, Chaired by Mr. Richard WAKEFORD (United Kingdom)	31/12/2014
Working Party on Territorial Policy in Urban Areas, Chaired by Mr. Adam OSTRY (Canada)	31/12/2014
Working Party on Territorial Indicators, Chaired by Mr. Dev Virdee (United Kingdom)	31/12/2014

Policy Environment:

The work on territorial development policies for 2011-12 is being forged in a particularly challenging environment. A global social crisis is unfolding in the wake of the economic crisis and will worsen as unemployment rises in virtually all OECD countries. This shock will affect regions in a rather asymmetric way, with already vulnerable areas being the most dramatically affected. To address this dramatic juncture, OECD countries need a quick return to robust growth. Regional policies have an important role to play in this context. National growth is strongest when each region realises its full potential—and has a robust innovation system that constantly seeks to build new and stronger competitive edge in global markets. This puts the focus on innovation; jobs, wealth creation, and broad-based sustainable growth instead of the subsidies of the past. To reap the benefits of a regional development approach, central governments need to structure policies taking into account the regional dimension, and both central and regional governments need to invest in regional government capacity. Regional policy can have an important contribution to develop a new development paradigm. Indeed, regions are the locus where complementarities between the three dimensions of societal progress -- Efficiency, Equity and Environmental Sustainability -- are the most effectively managed. These positive interactions are well illustrated by the Green Growth agenda. When dealing with urban policies, for example, environmental quality and the economic attractiveness of cities are mutually reinforcing. The same case applies to a sound development strategy for rural areas, through the production of renewable energy sources and key environmental goods, such as air and water. When addressing the consequences of the crisis, national economic policies could benefit from targeted policy actions addressing the competitiveness of vulnerable and declining regions. The challenge for sub-national governments is to “do better with less.” This requires innovative regional public governance to mobilise social and human resources outside of conventional government sectors. Public private partnerships, outsourcing of public service delivery to civil society, and other innovative governance methods should be pursued. Synergies and complementarities should be used to enhance the impact of each individual policy.

Expected Outcomes:

- Better understanding of the factors to increase the resilience of regions, enabling the return to sustained growth
- Better understanding of the contribution of regions to the economy wide growth potential
- Increased awareness about the capacity needed at the regional level to implement regional policies in the most effective way
- Better understanding of the drivers of inter-regional migration of skilled and unskilled workers and the consequences of the ageing population on regional development strategies
- Improved governance mechanisms across different levels of government
- Greater use of regional governance indicators and evaluation of best practices for urban green economic growth and job creation
- Strengthened regional competitiveness by developing the innovation potential of regions and the shift towards a green growth development model
- Enhanced co-operation between OECD and non-OECD countries (such as Brazil, China and South Africa) on regional policy issues
- Evidence-based regional policy making through regional indicators and statistics, notably reflecting the objectives of efficiency, equity and environmental sustainability
- Increased awareness of the role of regional development and policies for a “stronger, cleaner and fairer global economy”.

2011-12 Expected Output Results in Priority Order	Accountable Committee/ Subsidiary Body/ Global Forum	Ongoing/ Time Bound (end-date)	2011 (K EUR)				2012 (K EUR)			
			Total Estimated Cost (TEC)(1)	Part I Budget	CPF(2)	VCs in Hand	New VCs	Total Estimated Cost (TEC)(1)	Part I Budget	CPF(2)
1. Building resilient regions and the return to sustained growth: One Regional Outlook, six analytical reports and two to four peer reviews on Regional Policy	TDPC, TI, WPRUR, WPURB	Time Bound Q4 2012	2 736	986	540	1 210	2 737	987		1 750
1.1. Regional Outlook	TDPC, TI, WPRUR, WPURB	Time Bound Q2 2011	690	640		50	463	413		50
1.2. Analytical reports on regional policy issues: <ul style="list-style-type: none"> Regional policy & institutional indicators Sources of regional growth Governance of public services & investment: the case of water Regional Policy Evaluation across a network of regions Sub-national government capacities: measurement and policies Rural policy trends 	TDPC, TI, WPURB, WPRUR	Time Bound Q4 2012	1 208	308	140	760	1 436	536		900
1.3. Peer reviews of Regional Policy of Member and non-Member countries (national, urban, metropolitan, regional and rural)	TDPC, WPURB, WPRUR	Ongoing	637	37	400	200	637	37		600
1.4. Conference on Rural Development policies and Urban Roundtable of Mayors and Ministers	TDPC, WPRUR, WPURB	Ongoing	200			200	200			200

2011-12 Expected Output Results in Priority Order	Accountable Committee/ Subsidiary Body/ Global Forum	Ongoing/ Time Bound (end-date)	2011 (K EUR)				2012 (K EUR)					
			Total Estimated Cost (TEC)(1)	Part I Budget	CPF(2)	VCs in Hand	New VCs	Total Estimated Cost (TEC)(1)	Part I Budget	CPF(2)	VCs in Hand	New VCs
2.The key role of regions to innovation and green growth: Five analytical reports and one to three peer reviews on regional innovation policy	TDPC, WPRUR, WPURB, TI	Time Bound Q4 2012	1 681	281		200	1 200	1 681	281			1 400
2.1.Analytical reports on Innovation and Green Growth: <ul style="list-style-type: none"> • Regional Innovation Networks • Cities and Green Growth • Rural Development and Renewable energy • Cross-border Regional Innovation Policies • Compact cities 	TDPC, WPRUR, WPURB, TI	Time Bound Q4 2012	1 160	210		150	800	1 160	210			950
2.2.Reviews of Regional Innovation	TDPC	Ongoing	424	24		50	350	424	24			400
2.3.Roundtable on Regional Innovation	TDPC, TI	Ongoing	97	47			50	97	47			50
3.The contribution of regions to addressing global issues: Two reports on Regional migration and Ageing in cities	TDPC, TI, WPRUR, WPURB	Time Bound Q4 2012	123	48			75	123	48			75
3.1.Analytical report on "The impact of regional migration flows"	TDPC, TI, WPRUR, WPURB	Time Bound Q4 2011	123	48			75					
3.2.Analytical report on "Ageing cities"	TDPC, WPURB	Time Bound Q4 2012						123	48			75

2011-12 Expected Output Results in Priority Order	Accountable Committee/ Subsidiary Body/ Global Forum	Ongoing/ Time Bound (end-date)	2011 (K EUR)				2012 (K EUR)			
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4.Regional Statistics and Indicators: a publication on Regions at a Glance	TDPC, TI	Ongoing	397	347		50	397	347		50
4.1.Regional database	TDPC, TI	Ongoing	215	215			216	216		
4.2.Regions at a Glance	TDPC, TI	Ongoing	181	131		50	182	132		50

[1] TEC is equal to the sum of the Part I funds (Part I Budget and 'Other funding' proposals), Voluntary Contributions in Hand and New Voluntary Contributions.

[2] Secretary-General's proposed estimates of CPF allocations

End-users:

Policy makers

Stakeholders:

BIAC, Business associations, Economic development professionals in public, semi-public and private organisations, Entrepreneurs, Local, regional and national policy makers and policy advisors, NGOs, Trade unions, TUAC

Expected Contributions from other OECD Output Areas:

2.3.2 Climate Change and Natural Resource Management, 2.3.5 Horizontal Project on Sustainable Development (and Green Growth), 4.3.1 Public Sector Effectiveness, 6.2.1 Statistics Co-ordination (OECD Statistical Work Programme)

Co-ordination with Other International Organisations:

Name:	Planned Co-ordination:
UN Economic Commission for Latin America and the Caribbean (UNECLAC)	Co-ordination and conference on Latin America
European Investment Bank (EIB)	Collaboration on urban policies
Inter-American Development Bank (IDB)	Collaboration on regional urban policies in Latin America
UN Development Programme (UNDP)	Dialogue between OECD and non-OECD regions on Rural Policies
World Bank	Collaboration on urban policies

Gender Mainstreaming:

Data collection on population by age, employment rate and participation rate by gender at the regional level.

Global Relations Summary:

Regional policy is high on the agenda of an increasing number of non-member countries. For example, Chinese authorities see finding the right regional balance and avoiding uncontrollable urbanisation as a major development challenge, to be addressed with the aid of rural development policies. Indeed, as the pace of economic development accelerates, the risk of economic and social imbalances related to regional dimensions also increases. Developing countries are looking to the experience of OECD members on regional policies to ensure balanced development while avoiding constraining growth in the core regions. This includes improving co-ordination across levels of government and making progress with decentralization and fiscal reform. This reform agenda will be supported by peer-reviews in Non-Member countries (such as Brazil, China and South Africa). In addition, thematic work will be undertaken with the strategic objective of strengthening policy dialogue. The role of regional development policies in a new development model makes regional policy particularly relevant for the G20 global governance agenda.
