





NOTA SOBRE LA REUNIÓN DE LA RED PARLAMENTARIA GLOBAL DE LA OCDE

TOKYO (JAPÓN), 10 a 14 de abril de 2016

Los días 10 a 14 de abril de 2016, con motivo de la reunión itinerante de la Red Parlamentaria Global de la OCDE, se trasladó a Tokio una delegación del Congreso de los Diputados presidida por Dª Alicia Sánchez-Camacho en representación de la Mesa del Congreso de los Diputados, Dª. María del Puerto Gallego Arriola, Vicepresidenta Primera en la Comisión de Economía y Competitividad; Dª. Irene Garrido Valenzuela, del Grupo Parlamentario Popular y D. Alberto Montero Soler, del Grupo Parlamentario Podemos, ambos portavoces en la Comisión de Economía y Competitividad; Dª. Lourdes Ciuró i Buldó y Dª. Marta Sorlí Fresquet, Secretarias Primera y Segunda, respectivamente, de la Comisión de Igualdad; Dª Marta González Vázquez, del Grupo Parlamentario Popular, Vocal de la Comisión de Igualdad; acompañados por la Letrada de la Comisión de Economía y Competitividad, Dª Mónica Moreno Fernández-Santa Cruz.

La Red Parlamentaria Global de la OCDE tiene por objeto poner en contacto a los legisladores de la OCDE con los de los países socios, así como ofrecerles un foro para debatir los retos comunes, intercambiar experiencias y aprender unos de otros y de la OCDE.

Las reuniones tuvieron lugar en la Dieta Nacional de Japón. A las 10.00 horas tuvo lugar la sesión inaugural de la Conferencia, tomando la palabra en primer lugar el Secretario General de la OCDE, Ángel Gurría, que introdujo los temas de trabajo de las distintas sesiones. Seguidamente intervino el Presidente de la Delegación japonesa, Toshihiro Nikai, que se refirió a la relación de los temas de la Conferencia con la situación actual de Japón.

A continuación, la Directora Adjunta de la OCDE para Asuntos Públicos y Comunicaciones, Catherine Candea, introdujo la primera sesión de trabajo, a cargo del Secretario General, Ángel Gurría, en torno al Global Economic Outlock (incluido el outlock sobre la economía asiática). Se refirió a las recesiones en exportaciones que están sufriendo China y Rusia y que han sido compensadas por la demanda interna. Los precios han bajado y están soportando el consumo interno, pero también tiene sus inconvenientes. Estamos ante las tasas de interés más bajas, incluso negativas, y sin embargo las inversiones y los salarios no se están incrementando. Al estar cómodos, de alguna manera, con los precios y la demanda interna, no estamos tomando las medidas y reformas estructurales necesarias. La productividad baja en China, EE.UU., Japón, Reino Unido... es un reto importante para el futuro. El crecimiento en India ha sido bueno, si bien las inundaciones han supuesto graves problemas. El crecimiento es más sólido en EE.UU., que ha creado trabajo pero no un incremento en los sueldos que es necesario para el



crecimiento económico estable. Algo similar sucede en Japón, con un desempleo bajísimo pero con los salarios estancados. Y lo mismo se puede decir de otros países, como España. En la Unión Europea el BCE está comprando deuda, ayudando a la actividad económica y con bajos tipos de interés para facilitar el crédito. Pero las inversiones no incrementan. No estamos viendo la reacción que esperábamos. Hay que recuperar el crecimiento. Ya se han bajado los tipos de interés, el sector público está gastando y no funciona. Hay que girar hacia educación, flexibilidad del mercado laboral y productividad, formación, I+D+i... y es más difícil porque estas medidas llevan más tiempo. Así ha pasado en Italia, España, Irlanda... pero funcionan. Este es el camino a seguir. No obstante la innovación no es suficiente si no preparamos a nuestros trabajadores para la era tecnológica. Hay que afrontar muchos problemas. El comercio debería ser una locomotora que creciera el doble que la economía y no lo hace, con inversiones y crédito débiles el comercio no puede crecer, la economía no recupera su senda. Europa necesita reforzar su mercado interno, Japón también. Y hacen falta más acuerdos como el TTIP con EE.UU., pero sobre todo hace falta uno aún más universal que integre a los anteriores, como un Lego. La OCDE intenta impulsar y asesorar en estos acuerdos para que redunden en favor de la economía, y este foro es un buen lugar para intercambiar buenas prácticas que nos permitan superar los retos y obstáculos del futuro y conseguir el tan necesario crecimiento económico.

Seguidamente intervino el señor Yamaguchi, de la delegación japonesa, que se refirió a la zona de libre comercio que está estableciéndose en Asia, en el noreste del Pacífico, para estimular la economía de las distintas regiones y fortalecer la economía. Ya no puede confiarse más en políticas económicas "fáciles". Hay que impulsar la innovación y hay que poner fin a las desigualdades. Todos deben tener una oportunidad, el crecimiento debe ser sostenible y también inclusivo. Debemos tender a la eliminación de las bolsas de pobreza, al pleno empleo, a una mejor vida para todos. Sin duda es la agenda política más importante de los próximos años.

El señor Gurría contestó señalando que las desigualdades son un freno para el crecimiento económico. Y el crecimiento inclusivo no debe implicar sólo redistribución, sino incremento de la productividad, hay que agrandar el pastel para repartirlo mejor. Productividad y crecimiento deben ir juntos, como el Green Growth, que cuando él asociaba al principio despertaba tantas dudas, mientras que ahora todo el mundo habla de él de forma habitual.

El señor Fujita, de la delegación japonesa, se refirió también a la disparidad de salarios, transferencias e impuestos. La educación y la seguridad social universales son tan importantes como la productividad y el crecimiento y no pueden disociarse.

Seguidamente se abrió un debate entre los asistentes. Se pusieron de relieve las cuestiones relacionadas con las medidas tomadas por Shinzo Abe en materia económica, las llamadas "abenómics", el Plan Juncker en la Unión Europea, la igualdad de género en



el mercado laboral, la educación o la situación de los refugiados, que deberían integrarse en el mercado laboral cuanto antes.

El señor Gurría señaló que en Europa hay una misma moneda y una diferente productividad y diferente fiscalidad. En el mundo hay una gran volatilidad en los mercados financieros. Cuando una moneda es fuerte, mueve las inversiones en torno a ella. Otras monedas son zonas de refugio, y otras no atraen las inversiones, independientemente de los tipos de interés. Lo importante es no manipular los sistemas de cambio y evitar devaluar para ganar competitividad. Señaló también que la igualdad de género es vital, y en cuanto a los refugiados, que eligen como primer destino Alemania y después Suecia, debe estudiarse como tratar su situación correctamente, evitando guetos, tratando de que haya una total integración y formación. Los sirios están más formados que otros refugiados, y hay que saber integrarlos en el mercado laboral. Y esta integración hay que hacerla evitando la alarma y la preocupación de los ciudadanos para que no vean a los inmigrantes como una amenaza. A este respecto, el señor Okamoto señaló que, no obstante, no todos los países pueden responder igual ante los refugiados o ante los flujos de inmigración porque hay que saber lo que éstos esperan de cada país y, concretamente Japón, lleva a cabo programas para estudiantes que después prefieren volver a sus países.

Se interrumpió la reunión con la comida ofrecida por el Ministro de Economía, Comercio e Industria de Japón, continuándose la segunda sesión a las 13:10 horas. Esta segunda sesión se refirió al Género (Igualdad), las mujeres como motor del crecimiento económico.

Intervino en primer lugar Catherine Candea, Directora Adjunta de la OCDE para Relaciones Públicas y Comunicación, que presentó el tema de debate "La mujer como motor del crecimiento económico". Las mujeres suelen tener menos confianza en sí mismas que los hombres, a la vez que, generalmente, la familia y el papel que se les inculca en ella suelen frenar su éxito en el mercado laboral. Hay diferencias salariales entre los mismos trabajos para hombres y mujeres, los permisos de paternidad y maternidad y la necesidad de reformar los moldes que restringen el desarrollo laboral pleno de las mujeres en el mercado laboral. También hay diferencias de igualdad en materia fiscal, como mayor carga fiscal para las familias en las que ambos progenitores trabajan (second earners), sobre todo para mujeres. Se trata de un problema intergeneracional, además las mujeres se retiran antes y sufren la brecha en las cotizaciones para las pensiones. La OCDE recomienda facilitar el acceso de las mujeres en el campo científico y que los hombres desempeñen empleos en el campo social, que los hombres utilicen sus permisos familiares sin complejos y que se facilite el acceso de las mujeres a puestos directivos. Aún estamos lejos de la verdadera igualdad y además es una cuestión que varía enormemente de un país a otro.

Intervino después Yumiko Murakami, Jefe del Centro de la OCDE en Tokio, que se refirió a la importancia del acceso de las mujeres a cargos públicos para servir de ejemplo a



otras mujeres, y dio la palabra a Seiko Noda, miembro de la Cámara de los representantes de Japón para describir el papel de la mujer en Japón. Desde que las mujeres obtuvieron el derecho de voto ha habido una escasa variación en el número de mujeres en el Parlamento. La educación de la mujer japonesa es de un alto nivel, pero las mujeres no acaban de acceder al ámbito profesional y tampoco al político, hay sólo un 8% de mujeres en el Parlamento. Hillary Clinton le dijo a Shinzo Abe que si las mujeres acceden al mercado laboral, se incrementará la productividad y el Primer Ministro le ha dado un gran impulso a la incorporación de la mujer al mercado laboral. También hay una falta de contacto entre las mujeres votantes y las representantes de su género, hay muchas medidas que tomar.

Mats Löfstrom, diputado del parlamento de Finlandia, resumió la experiencia de su país, el primero en ver a las mujeres llegar al Parlamento. Ochenta y tres de doscientos veinte diputados son mujeres, y la Presidenta del Parlamento es una mujer. La incorporación de la mujer al mercado laboral es fundamental para la productividad y el crecimiento económico. Finlandia ha trabajado en la igualdad en salarios, pero no siempre se consigue, por ello han aprobado un Plan Nacional para acabar con esa brecha salarial y tras tantos años se sigue trabajando por la igualdad. También se analizan todas las normas y el impacto en esta materia. Promocionar el acceso de la mujer al trabajo incrementa el PIB, así de simple, y así se animan el crecimiento económico y la productividad. Y debe facilitarse la maternidad y la paternidad. La igualdad de salarios es en este aspecto muy importante, porque si las mujeres ganan menos que los hombres, serán ellas las que dejen de trabajar. Debemos intercambiar las mejores prácticas en nuestros países para continuar en la lucha por la igualdad.

Sivert Bjørnstad, diputado del parlamento de Noruega, intervino señalando que el número de mujeres en el mercado laboral noruego es alto y que contribuye de modo importante al sistema social y a las pensiones. Las políticas de conciliación para permitir la coexistencia de maternidad y trabajo son muy necesarias y aún es más importante construir una cultura destinada a este objetivo, y esto es algo que lleva mucho tiempo.

Masako Mori, parlamentaria de la Dieta, se refirió a las desigualdades en materia de impuestos. Cuando las mujeres trabajan se incrementan los impuestos de la unidad familiar y esto es un motivo de expulsión de las mujeres del mercado laboral. Hay que luchar por una adecuada seguridad social y fiscalidad para las mujeres.

La parlamentaria francesa, Karine Berger, señaló que el alto acceso de la mujer al mercado laboral en Francia solo puede entenderse por el acceso al colegio de los niños desde muy pronto. Es una cuestión clave, una materia en la que Francia sigue trabajando. También es el único país donde los beneficios fiscales se calculan sobre el hogar en su conjunto y no sobre el contribuyente individual. Están estudiando poner una cuota en los consejos de administración de las empresas, un 30%, buscando el acuerdo entre empresarios y sindicatos, y esta será una medida muy importante para el fututo, así como hacer el permiso de paternidad más popular, habitual y utilizado.



Mónica Green, de Suecia, se refirió a la situación de la igualdad en su país y a cómo se ha ido consiguiendo en el tiempo con diferentes medidas.

Marta González, diputada del Grupo Popular y miembro de la Comisión de Igualdad del Congreso de los Diputados, celebró la utilidad de la Conferencia y habló de como se ha impulsado el papel de la mujer en España. Quiso reflejar la importancia de acabar con el papel absorbente de la mujer en la familia y la necesidad que hay de incrementar el permiso de paternidad, pero sin prolongar el permiso de la mujer, pues puede desconectarla del mercado laboral. Lo importante es un cambio educacional que lleve a una colaboración igual de hombres y mujeres en el hogar y el cuidado de los hijos y mayores. Se refirió también a la situación política en España y confió en que sea cual sea el resultado de unas posibles elecciones se siga trabajando en este tema tan importante.

Lourdes Ciuró, diputada del Grupo Democràcia i Llibertat y portavoz en la Comisión de Igualdad, señaló que en España hay un 40% de mujeres en el Parlamento, pero en las 17 comisiones de la Cámara sólo hay una mujer Presidenta, y esto demuestra que pese a lo que se ha avanzado, los puestos más importantes del Parlamento aún pertenecen a los hombres. Por la crisis no se ha podido incrementar el permiso de paternidad, pero lo importante es hacer de este permiso algo natural.

A continuación, a las 15.00 horas, se interrumpió la reunión para que las delegaciones tuvieran la oportunidad de reunirse con el Primer Ministro Shinzo Abe, reanudándose la sesión de trabajo a las 16.00 horas.

Tras un repaso de la Sesión de Igualdad, la señora Candea abrió la 3ª Sesión, sobre Gestión del Riesgo de Catástrofes, dando la palabra a Rolf Alter, Director de Gobernanza Pública y Desarrollo Territorial de la OCDE. Las buenas prácticas de gestión de riesgos deben extenderse lo antes posible. En 2011 Japón sufrió la concentración de un terremoto y un tsunami y sus consecuencias sociales y económicas. El cambio climático está causando desastres naturales y Asia está especialmente expuesta. Los países con menos muertes debidas a desastres son los de más altos ingresos, pero en estos países se producen pérdidas debido a los desastres que suceden en otros países en los que tienen infraestructuras o inversiones. Algunas economías se ven fuertemente perjudicadas por los desastres naturales. Intervinieron los representantes de Japón y Filipinas, Teru Fukui y Aquilino "Koko" Pimentel III.

La pérdida de vidas y las pérdidas económicas son las durísimas consecuencias de los desastres naturales. A veces los desastres provienen de obras del hombre contra la naturaleza y hay que aprender las lecciones obtenidas de las desgracias. Hay que tratar de comunicar con premura las medidas de seguridad, por vía sms, satélite... medidas educativas sobre cómo evitar o reducir el riesgo. La coordinación es fundamental. Los



gobiernos deben tener información y reaccionar correctamente para reducir los riesgos. Seguidamente comenzó un debate entre los asistentes.

A las 17.30 se suspendió la reunión. La Dieta ofreció una cena en el Hotel Imperial.

El miércoles 13 de abril, a las 9.30 horas, se reanudó la Conferencia con la 4ª y última Sesión, Cambios Regionales-La perspectiva Asiática, los retos de las distintas regiones desde la perspectiva de Asia. Intervino en primer lugar Randall Jones, Jefe de la Oficina de Japón y Corea de la OCDE. Se refirió a la ralentización del crecimiento del comercio a nivel global en los últimos años. Esto se debe a la situación de decrecimiento de China donde el crecimiento en manufacturas se ha desequilibrado respecto al relativo a servicios, al descenso de las inversiones desde la crisis de 2008, al comercio dentro de la zona euro, de muy lenta recuperación desde 2008, los complejos acuerdos comerciales dentro la Región Asia-Pacífico y la necesidad de su integración a nivel global en otros acuerdos, eliminando determinadas barreras proteccionistas. Se refirió también a la situación de Corea del Norte frente a Corea del Sur y el resto de la Región Asia-Pacífico.

En cuanto a las causas de la ralentización del comercio a nivel mundial, se refirió a los costes de la deslocalización, la especialización de la producción en lugar del total de la cadena de producción y otros factores facilitados por los acuerdos regionales y la protección de la propiedad industrial.

Asia ha firmado numerosos acuerdos comerciales con EE.UU. y la Unión Europea, México, Canadá y otros países, pero en muchos casos de modo unilateral según los distintos países o en diferentes acuerdos regionales de distinto alcance, dando lugar a un entramado de acuerdos comerciales muy complejo (ASEAN, AFTA, CEPT, TPP, FTAPP).

Por eso es necesario firmar el acuerdo Transpacífico y este TPP otorgaría ciertas ventajas comerciales, con mayor integración, flujo de inversiones, tecnología, bienes, servicios y personas, nuevos campos de actividad económica (comercio electrónico), expansión de la cadena de oferta y demanda. Corea, Taiwán, Taipei, Filipinas, Tailandia e Indonesia están interesadas, China se lo está pensando. Para Japón la firma en 2016 del TTP supondría reformar su sector agrícola, aprovechándose de nuevos procedimientos que permitirán reformar su envejecido procedimiento y fuerza laboral en el sector agrícola.

Concluyó destacando que cuanto más amplios sean los acuerdos comerciales mayores serán los beneficios, y pese a que Doha no ha cumplido todas las expectativas, no se puede renunciar a seguir trabajando por dicho objetivo.

Seguidamente intervino Mario Piezzini, Director del Centro de Desarrollo de la OCDE. Se refirió al Global Economic Outlook de la OCDE referente a China e India. En el Departamento de Desarrollo hay 51 miembros, todos muy diferentes entre sí. De los años 90 al siglo XXI el mundo ha cambiado sustancialmente, y esto ha sido así paulatinamente



para la zona ASEAN, China e India. Pero no todos los países crecen igual y muchos de ellos, como India y Vietnam tardarán casi 40 años en adquirir un nivel alto de ingresos, como Japón. Además se enfrentan a determinados cuellos de botella y dificultades que ponen en riesgo su crecimiento: el cambio climático, la limitación de materias primas y la productividad y cohesión social.

En Asia en general la productividad está decreciendo, principalmente por la especialización en el proceso de producción derivado de los acuerdos de comercio. Es el caso de China con África, Perú, Rusia o Brasil.

Se refirió a la preocupante aparición de bolsas de pobreza allí donde antes había clase media, y que desplazan a otras a la extrema pobreza. Esto causa una gran frustración y una masa de gran conflicto social, que está surgiendo en China y otros países. Se adoptan medidas como el "cast transfer" o subsidios que no solucionan el problema, que además provoca una caída de la demanda pro futuro que lastra el comercio y el crecimiento económico. Esto es un importante reto para el futuro, hay que integrar a la población en el mercado laboral.

A continuación intervino Nishimura, presidente de ERIA (Instituto para la Investigación Económica para ASEAN y este de Asia) - Economic Research Institute for ASEAN and East Asia (*ERIA*) y posteriormente Masahuro Nakogawa, miembro de la Cámara de Representantes de Japón, Toru Mikei, miembro de la Cámara Alta y Satit Chanjavana Kul, miembro del Parlamento de Tailandia, para exponer sus puntos de vista sobre la situación de la región Asia-Pacífico actual y las perspectivas de futuro.

A las 11.30 horas tuvieron lugar unas reflexiones finales a modo de conclusión a cargo del Secretario General de la OCDE, Ángel Gurría, Yosuke Tsuhuro, Vicepresidente de la Delegación Japonesa y Toshihiro Nikai, Presidente de la misma.

El señor Gurría destacó la importancia de los parlamentos y por ello de los parlamentarios presentes para impulsar legislativamente las reformas estructurales que la economía necesita para afrontar los retos de los años venideros, que son muchos, ya que trabajando en común se conseguirán mejores resultados. Es fundamental recuperar la confianza en las instituciones y por ende en las organizaciones multilaterales, con un crecimiento económico inclusivo que mantenga y promueva la sanidad, la educación y el bienestar social en beneficio de todos.

Tras sus palabras se puso fin a la reunión a las 11:50 horas, concluyéndose la Conferencia con una comida ofrecida a continuación por el Ministro de Asuntos Exteriores de Japón.



Se adjunta programa de la reunión y documentación sobre los temas tratados en la misma.

Palacio del Congreso de los Diputados, 15 de abril de 2016.

Mónica Moreno Fernández-Santa Cruz Letrada de la Comisión de Economía y Competitividad

Meeting of the OECD Global Parliamentary Network in Tokyo

National Diet of Japan

Venue: House of Representatives, International Conference Room

Tokyo

Tuesday 12 - Wednesday 13 April 2016

The next Meeting of the OECD Global Parliamentary Network "on the road" will be the first to be held in Asia. It will take place in Tokyo on 12–13 April 2016, organised jointly by the OECD and the National Diet of Japan at the International Conference Room of the House of Representatives.

The OECD Global Parliamentary Network aims to connect legislators from OECD and partner countries, and provide them with a forum to discuss common challenges, share experiences, and learn from each other and OECD

The event is open to Members of Parliament and parliamentary officials. If you are interested in joining or if you have any queries please contact parliamentarians@oecd.org.

Tuesday 12 April 2016

Tentative Schedule (subject to change)

Chair: Catherine Candea, OECD Deputy Director for Public Affairs and Communications

10.00 Welcoming session:

Angel Gurría, OECD Secretary-General

Representative of the Japanese Delegation (tbc)

Session 1 Global Economic Outlook (including Asian Economic Outlook)

Angel Gurría, OECD Secretary-General

Global GDP growth in 2016 is projected to be no higher than in 2015, itself the slowest pace in the past five years. Forecasts have again been revised down in light of disappointing recent data. Growth is slowing in many emerging economies with a very modest recovery in advanced economies and low prices depressing commodity exporters. Trade and investment remain weak. Sluggish demand is leading to low inflation and inadequate wage and employment growth. Growth rates in the Emerging Asian economies remain relatively robust, though future risks remain, associated with

the slowdown in China's economy, financial stability and slowing rates of productivity growth. According to forecasts in the Economic Outlook for Southeast Asia, China and India 2016, annual GDP growth in the region should moderate slightly to 6.4% in 2016 and 6.2% on average over 2016-20.

12.00-13.00 **Lunch** with remarks by *Motoo Hayashi*, Japanese Minister for the Ministry of Economy, Trade and Industry

13.20 Session 2

Gender - Women as the driver of economic growth

Catherine Candea, OECD Deputy Director for Public Affairs and Communications Yumiko Murakami, Head of OECD Tokyo Centre

Gender equality is not only about ensuring a fair society, it makes good economic sense. On average across the OECD, if female labour force participation rates converged to that of men by 2030, GDP would increase by 12%. G20 countries have committed to reduce gender gaps in labour force participation rates by 25% by 2025. Progress in female educational attainment and increases in women's employment are absolutely crucial for economic growth and for reducing income inequality, even more so in the context of ageing populations. However, significant disparities remain: women are less likely than men to work and more likely to work part-time; they remain severely under-represented in the science, technology, engineering and mathematics (STEM) fields of study and occupations; their representation in senior management positions is still far below par; and gender wage gaps persist, particularly at the top of the hierarchy. In many countries, tax and benefit systems still do not provides mothers and fathers with equal incentives to work, which can exacerbate existing gender inequalities. All these differences, accumulated throughout life, also lead to retirement income disparities.

Gender equality amongst policy makers has been recognised as important for achieving progress in gender equality and for improving the quality and responsiveness of public policy and services. But while the proportion of female leaders policy making is increasing, women still represent, on average, less than one-third of decision-making positions in all branches of power in OECD countries.

Session 3 Disaster Risk Management

Rolf Alter, OECD Director for Public Governance and Territorial Development

This session will cover the challenges critical risks pose for OECD as well as non-OECD countries, the implications of increasing economic losses from disasters and how these pose particular challenges for regional growth recovery. How well governments manage disasters is a key test for the trust of citizens in government. Drawing on successful country practices to manage risks and invest in a sustainable future, the session will explain the work of the OECD High Level Risk Forum to foster exchanges among countries with the aim to improve their resilience.

18.30-20.15 Reception hosted by the National Diet of Japan

Wednesday 13 April 2016

09.15-11.30 Session 4 Regional Challenges - a view from Asia

Mario Pezzini, Director of OECD Development Centre Randall Jones, Head of Japan/Korea Desk, Economics Department

World trade growth slowed to around 2% in 2015 as world output growth fell to 3%, its slowest rate in five years. International trade, which used to be a driver of economic growth, is now lagging behind. Looking ahead, world trade growth is projected to remain well below the 7% annual rate recorded during the two decades prior to the 2008 crisis, reflecting both cyclical and structural factors. Changes in trade policy, such as protectionism or a slower pace of trade liberalisation than in the past, may be one factor explaining weaker world trade growth.

While the growth of trade in emerging and developing economies in Asia remain relatively robust, the slowdown in world trade poses a risk to Asian economic growth. The region is particularly sensitive to the slowdown in China, the world's largest exporter, and its rebalancing away from investment and manufacturing toward consumption and services. Trade in Asia will also be influenced by regional free trade agreements, notably the Trans-Pacific Partnership (TPP) signed in February 2016 and the Regional Comprehensive Economic Partnership (RCEP), which launched negotiations in 2012. While the RCEP includes all ten ASEAN countries, the TPP excludes six, which has implications for ASEAN solidarity and its ability to achieve closer economic co-operation and integration. In addition, regional trade agreements will also impact global value chains (GVCs) of specific industries, with significant implications for countries, including those not belonging to the new regional agreements.

11.30-11.50 Concluding remarks:

Angel Gurría, OECD Secretary-General

Representative of the Japanese Delegation (tbc)

12.00-13.00 Lunch hosted by the Japanese Ministry of Foreign Affairs

OECD Global Parliamentary Network Meeting in Tokyo

House of Representatives, International Conference Room

Chair:

Catherine Candea, Deputy Director, OECD Directorate for Public Affairs and Communications

Tuesday, 12 April 2016

10:00-10:15 Welcoming session

Angel Gurría, OECD Secretary-General

Toshihiro Nikai, Chair of the Japanese Delegation

Family Photo

10:25-11:45 Session 1: Global Economic Outlook (including Asian Economic Outlook)

Angel Gurría, OECD Secretary-General

Tsuyoshi Yamaguchi, Member of the House of Representatives

Yukihisa Fujita, Member of the House of Councillors

12:00-13:00 Lunch with remarks by Motoo Hayashi, Japanese Minister for the Ministry of

Economy, Trade and Industry

Venue - Ballroom "Ho' oh", 1st Floor, The Capitol Hotel Tokyu

13:10-14:30 Session 2: Gender session- Women as the driver of economic growth

Catherine Candea, OECD Deputy Director of Public Affairs and Communications

Yumiko Murakami, Head of OECD Tokyo Centre

Seiko Noda, Member of the House of Representatives (Japan)

Mats Löfström, MP (Finland) Sivert Bjørnstad, MP (Norway)

Masako Mori, Member of the House of Councillors (Japan)

Karine Berger, MP (France)

15:00-15:30 Courtesy call and photo session with the Prime Minister of Japan, Shinzo Abe

(MP only)

Venue - Prime Minister's Office

16:00-17:30 Session 3: Disaster Risk Management

Rolf Alter, OECD Director for Public Governance and Territorial Development

Teru Fukui, Member of the House of Representatives (Japan)

Aquilino "Koko" Pimentel III, MP (Philippines)

18:30-20:15 Reception hosted by the National Diet of Japan

Venue - Imperial Hotel, 4th Floor Main Building, Sakura Room

Wednesday, 13 April 2016

9:15-11:30 Session4: Regional Challenges - A view from Asia

Randall Jones, Head of Japan/Korea Desk, Economics Department, OECD

Mario Pezzini, Director of OECD Development Centre

Hidetoshi Nishimura, President of ERIA

Masaharu Nakagawa, Member of the House of Representatives (Japan)

Toru Miki, Member of the House of Councillors (Japan)

Satit Chanjavanakul, MP (Thailand)

11:30-11:50 Concluding remarks

Angel Gurría, OECD Secretary-General

Yosuke Tsuruho, Deputy Chair of the Japanese Delegation

Toshihiro Nikai, Chair of the Japanese Delegation

12:00-13:00 Lunch hosted by the Japanese Ministry of Foreign Affairs

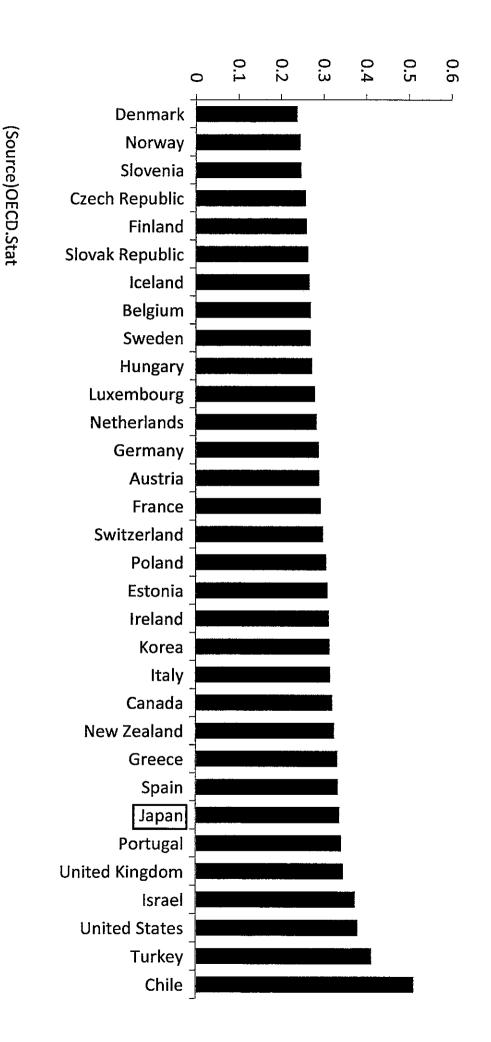
Venue - Multipurpose Hall (First floor, First members' office Building of the House of

Representatives)

The OECD Global Parliamentary Network Meeting in Tokyo

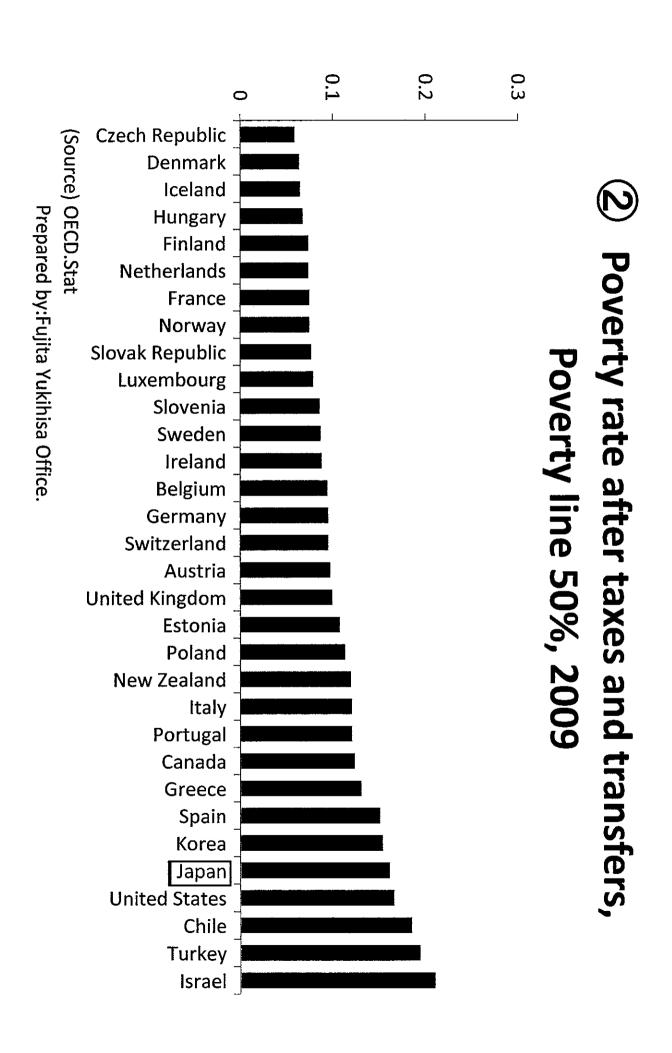
Session 1: Global Economic Outlook (including Asian Economic Outlook)

Yukihisa Fujita (Member, House of Councillors, Japan) Handout



Prepared by:Fujita Yukihisa Office.

(1) Gini coefficient
 (disposable income, post taxes and transfers, 2009)



8 Japan (Note) Primary to tertiary Slovak Republic as a Percentage of GDP, from Public Source of Funding, 2012 Hungary Italy Luxembourg Spain Turkey Chile **Expenditure on Educational Institutions** Czech Republic Germany Australia **Poland** Mexico **OECD** average Canada Estonia Korea Slovenia **United States** France Switzerland Austria Netherlands Portugal Israel Sweden Ireland **United Kingdom New Zealand Finland** Belgium Iceland

G

9

0

Norway

(Source) OECD

Prepared by:Fujita Yukihisa Office.

"Education at a Glance 2015"

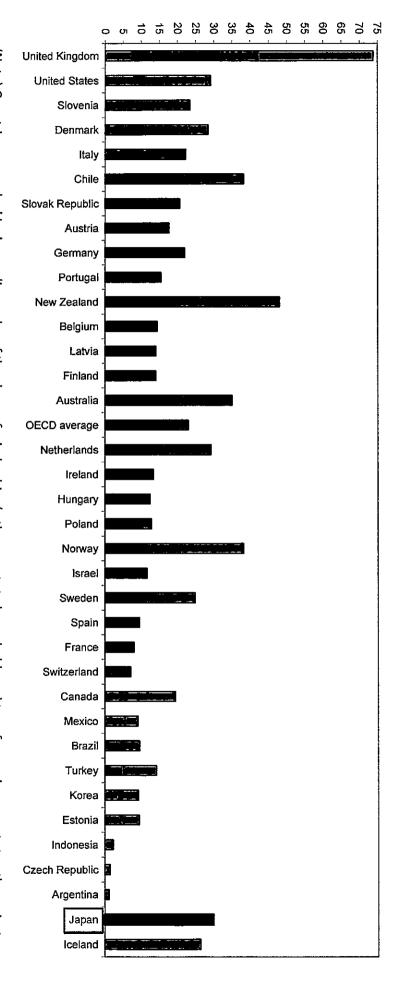
Public support for tertiary education (2011)

Public support for education to households and other private entities as a percentage of total public expenditure on tertiary education, by type of subsidy

% of total public expenditure on tertiary education

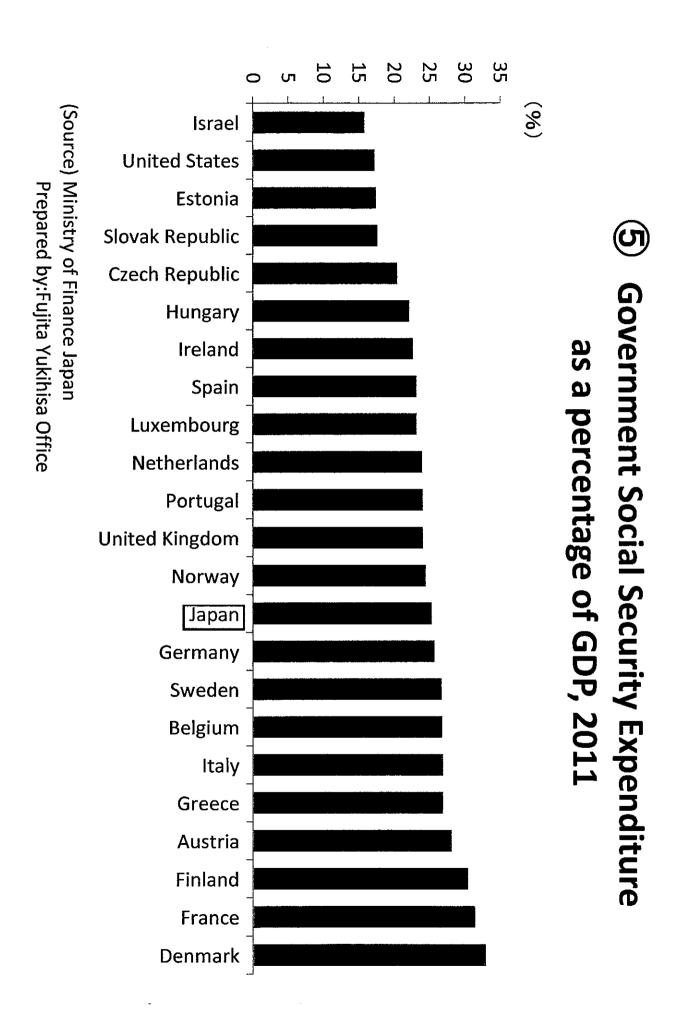
■ Student loans ■Transfers and payments to other private entities

Scholarships/ other grants to households



entities in total public expenditure on education. (Note) Countries are ranked in descending order of the share of scholarships/ other grants to households and transfers and payments to other private

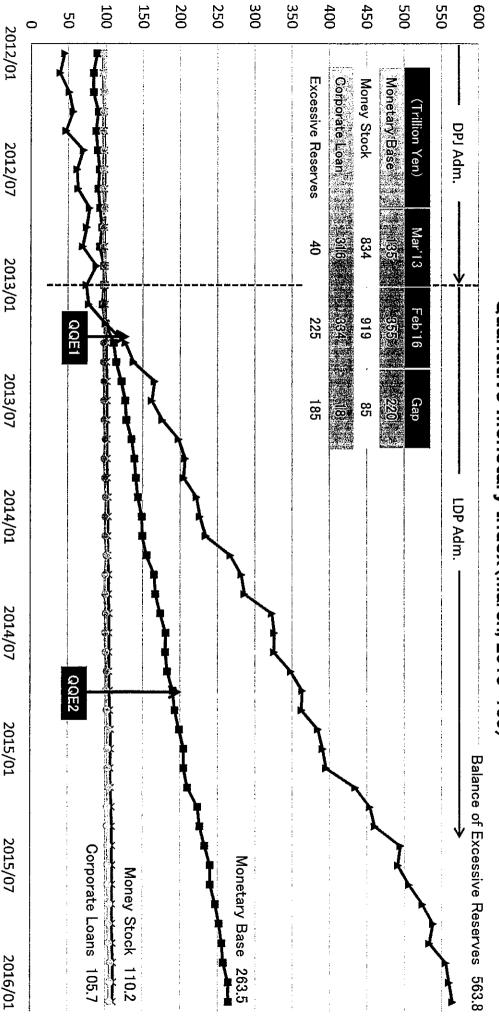
(Source) OECD "Education at a Glance 2014" Prepared by:Fujita Yukihisa Office





${\sf Monetary\ Easing\ /\ Corporate\ loan\ remains\ sluggish.\ Excessive\ reserves\ are\ growing\ wastefully.}$

Quantitive Monetary Index (March, 2013=100)



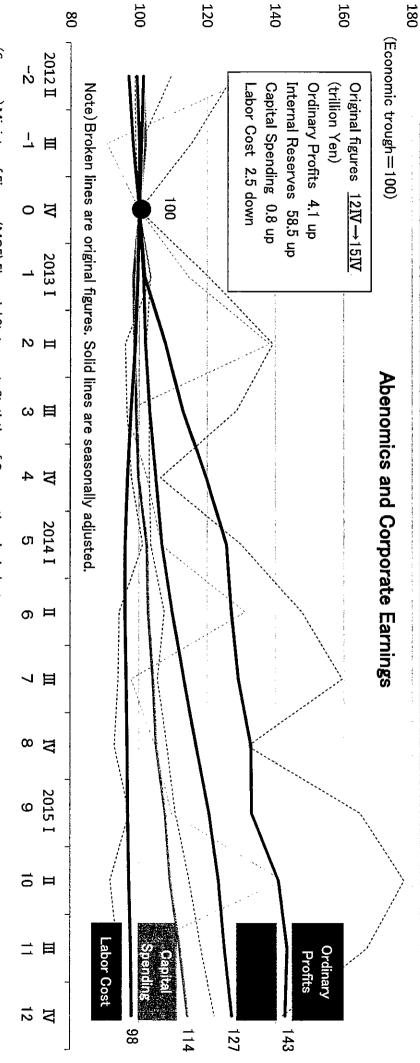
(Sources) Bank of Japan, Monetary Base, Money Stock and other BOJ documents.

Prepared by:Fujita Yukihisa Office.



Corporate Earnings / What have they spent the unprecedented profits for?

gluarien, 2012. Luca esta any tancamat reserves diast are increasing, whille capital spending slighaly have seed Labor cost is, if anything, downwend, Corporate profit was an and the climated for the launch of Abonomics in 4th

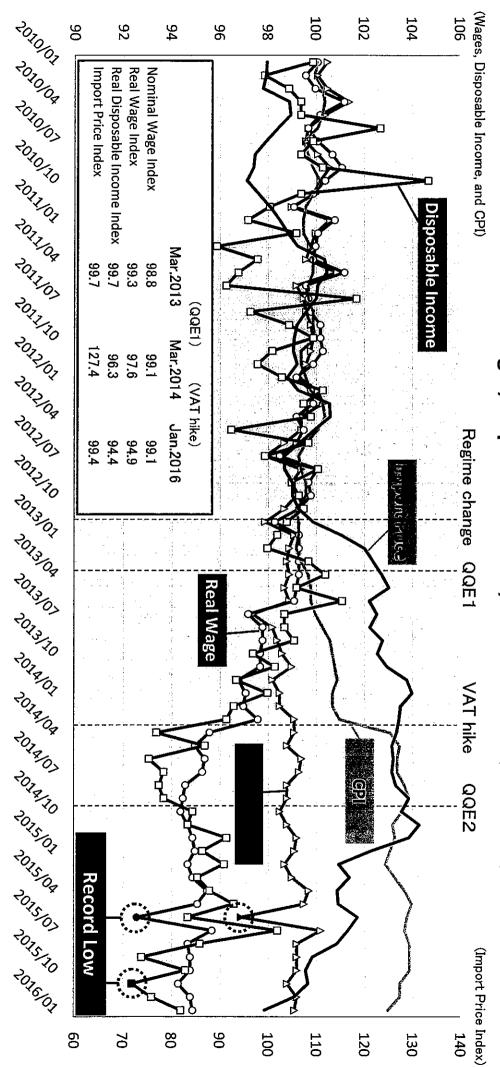


(Sources) Ministry of Finance(MOF), Financial Statements Statistics of Corporations by industry Prepared by:Fujita Yukihisa Office.



Transition of Wages and Disposable Income

Transition of Wages, Disposable Income, and Price Level (2010=100)



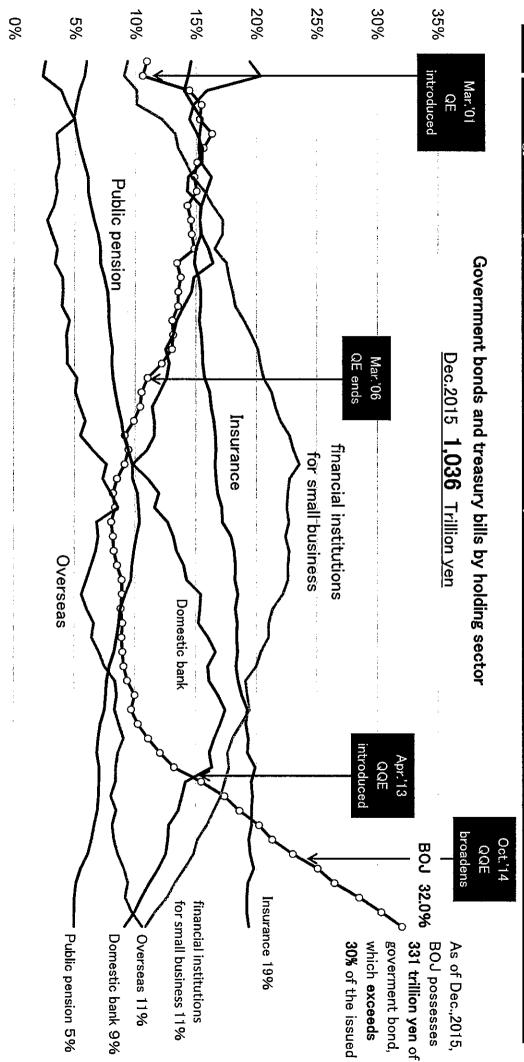
(Sources) Bank of Japan Import Price Index and other official sources.

Prepared by:Fujita Yukihisa Office.



Adverse Effects of Monetary Easing

Financing[Monetiation], Goverment Bond Market, Substainability, Exit



(Sources) Bank of Japan, Flow of Funds and other BOJ documents. Prepared by: Fujita Yukihisa Office.

00.12

01.12

02.12

03.12

04.12

05.12

06.12

07.12

08.12

09.12

10.12

11.12

12.12

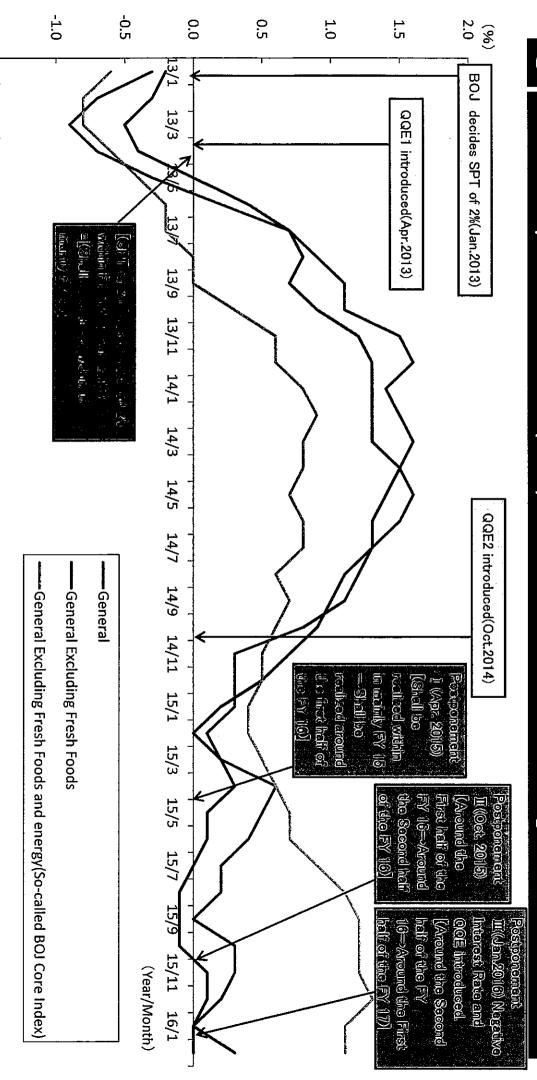
13.12

14.12

15.12



How many times did BOJ postpone the Stable Price Target of 2%?



-1.5

(Sources) Ministry of Internal Affairs and Communications 'Consumer Price Index' and other BOJ documents

Prepared by: Fujita Yukihisa Office.

(1) Review of the monetary policy after three years

Unprecedent Monetary Easing and Stock Prices



Retarded Real Economy



(source: Bank of Japan, Family Income and Expenditure Survey Ministry of Internal Affairs and Communications)

Prepared by:Fujita Yukihisa Office

No Benefit to the public



Economic Research Institute for ASEAN and East Asia

12 April 2016

ERIA-OECD Cooperation in 2016 and Beyond

The Economic Research Institute for ASEAN and East Asia (ERIA) and the Organisation for Economic Co-operation and Development (OECD) signed a Memorandum of Understanding for Co-operative Activities in May 2014. Since then, both organisations have jointly collaborated on multiple projects.

One of the flagship cooperation projects between ERIA and OECD is the ASEAN SME Policy Index. In 2016 and 2017, ERIA and OECD planned to upgrade the Index in line with the ASEAN Strategic Action Plan for SME Development 2016–2025, which was developed under the support of Japan and was adopted in 2015 at the ASEAN Summit.

ERIA and OECD will jointly organise several important events. The OECD-ERIA Joint Regional Symposium on 'Making Global Value Chains Work for ASEAN' will be held on 13 June 2016 in Ha Noi, Viet Nam. In the field of national resilience, the OECD-ERIA-Vienna University of Technology Joint International Workshop on 'Vulnerability of Production Networks and Global Value Chains due to Natural Disasters' will take place on 20–24 June 2016 in Vienna, Austria. Seven members of ERIA's working group will attend this workshop per invitation by OECD.

ERIA and OECD will enhance their cooperation on the following new policy areas, where OECD has substantial accumulation of knowledge, and demand for policy inputs in the ASEAN and East Asia region has been increasing.

- i) Innovation and technology transfer in East Asia, firstly focusing on the analysis on intellectual property rights
- ii) Increasing the fiscal capacity of emerging economies in East Asia to accelerate development of their infrastructure.

ERIA is grateful for the support of the Ministry of Economy, Trade and Industry of Japan that made this collaboration possible.



東アジア・アセアン経済研究センター 2016 年 4 月 12 日

2016 年及び今後の ERIA と OECD との協力について

東アジア・アセアン経済研究センター (ERIA) と経済協力開発機構 (OECD) は、2014年5月に覚書 (MOU) に署名しました。以降、両機関は様々な事業を共同で実施してきています。

ERIA と OECD との最も主要なものの 1 つが「アセアン中小企業政策指標に関する共同研究」です。ERIA と OECD は 2015 年にアセアン首脳会議で承認された「中小企業振興に関するアセアン戦略行動計画 2016-2025」に合わせ、2016年及び 2017 年に、同指標を改訂することとしています。

また、ERIA と OECD はいくつかの重要な事業を行う予定です。1つは、2016年6月にハノイ(ベトナム)において「アセアンのためのグローバル・バリューチェーンの形成に関する地域シンポジウム」を開催する予定です。さらに国土強靭化の分野において、2016年6月にウィーン(オーストリア)において、ERIA、OECD 及びウィーン工科大学による「自然災害に対する生産ネットワークとグローバル・バリューチェーンの脆弱性に関する地域ワークショップ」を開催する予定です。各会合に7名のERIAのワーキンググループメンバーがOECDから招待を受け、出席します。

ERIA と OECD は、次に述べるように、OECD に豊富な知見があり、かつ、アセアン及び東アジア地域における政策インプットの要請が高まりつつある新しい政策分野の協力を推進していくこととしています。

- i) 東アジア地域におけるイノベーションと技術移転(まずは知的財産権に 係る政策研究に焦点を当てる予定)
- ii) 東アジアの新興経済国のインフラ開発を加速するための公的ファイナ ンスの強化

ERIA は、この新たな分野の協力の実現にあたっては、経済産業省のご尽力を 賜り、ここに改めて感謝申し上げます。



OECD Global Parliamentary Network Meeting in Tokyo

Regional Challenges - A View from Asia

13 April 2016

Randall S. Jones
Head, Japan/Korea Desk, OECD





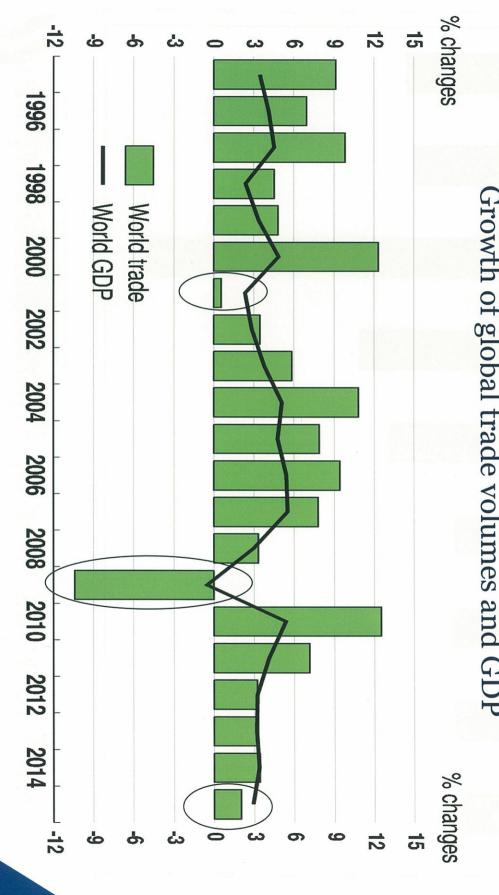
Outline of presentation

- The slowdown in world trade: what is causing it?
- 2. Cost and benefits of regional integration.
- 3. Asian integration was initially driven by value chains. trade and investment, creating global
- 4. The number of free trade agreements in Asia have risen sharply in recent years.
- 5. Challenges to promote Asian regional integration.



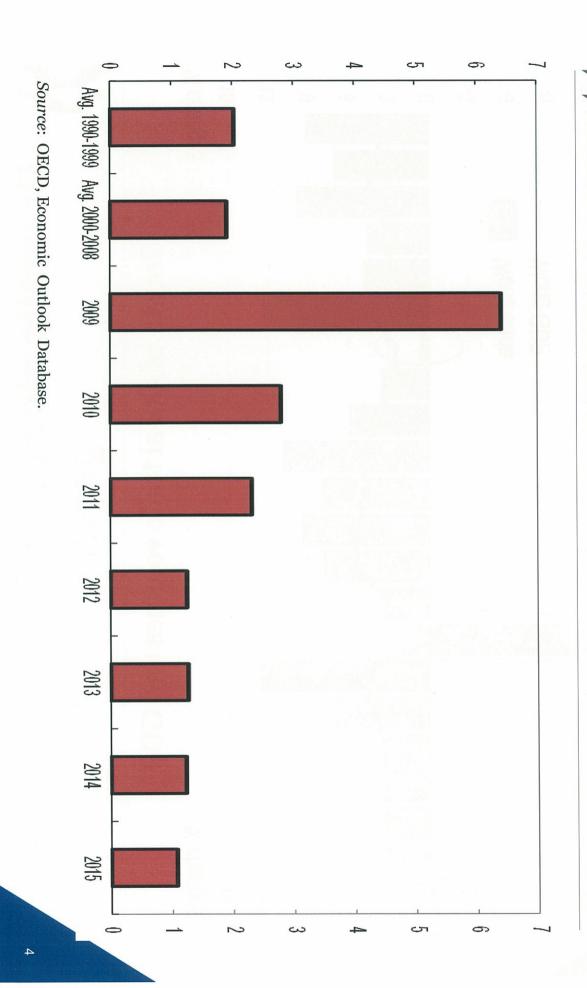
Dramatic slowdown in global trade growth

Growth of global trade volumes and GDP



Source: OECD Economic Outlook Database. Note: World trade is the volume of goods plus services. World GDP growth is measured at purchasing power parities.

e ratio of world trade growth to GDP growth has been unusually low in recent years



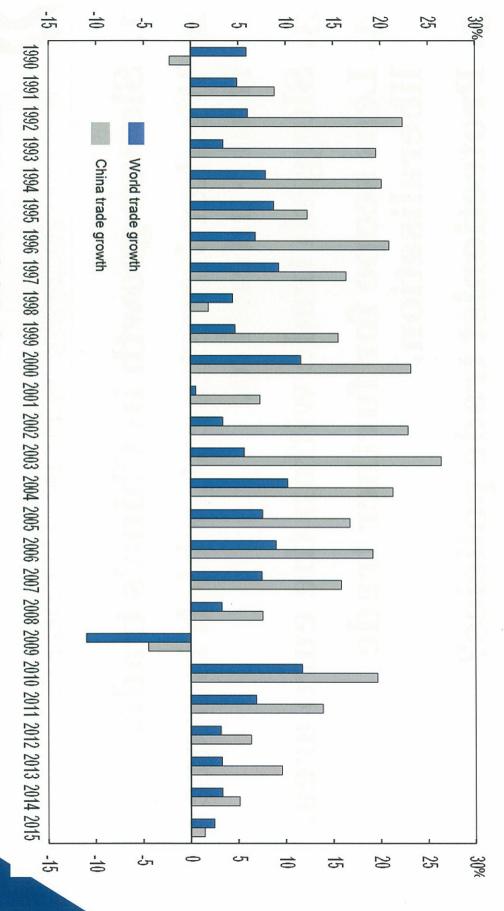


Reasons for the slowdown in world trade growth

- 1. Slower growth in China's trade.
- 2. Weaker investment, which is more trade-intensive.
- 3. Sluggish trade within the euro area.
- 4. Less scope for further trade liberalisation.
- 5. Protectionist trade policies?
- 6. The rise of 3-D printing?



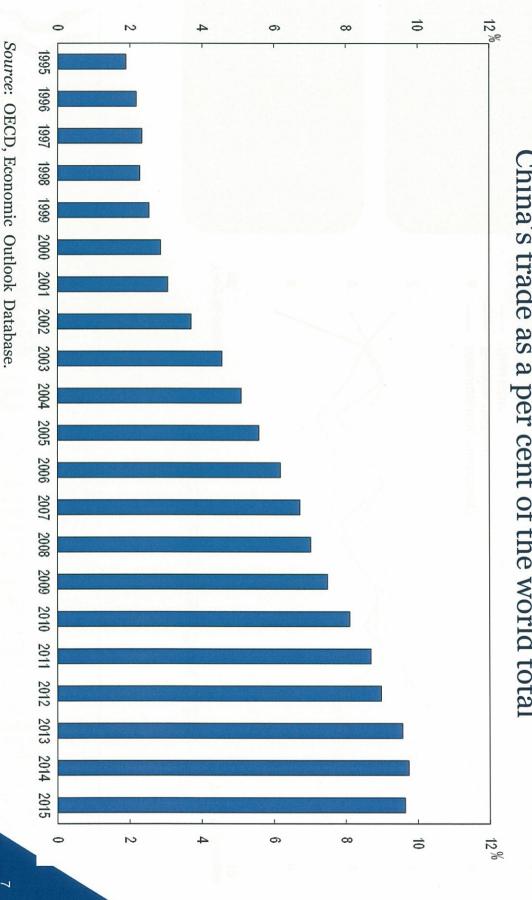
China's world trade growth has slowed sharply since 2011





China's share of world trade volume edged down in 2015







Rebalancing in China is dragging on global demand

In China, growth is slowing and rebalancing from manufacturing to services

This is proving to be challenging, along with managing financial risks

Manufacturing (secondary)

Real GDP

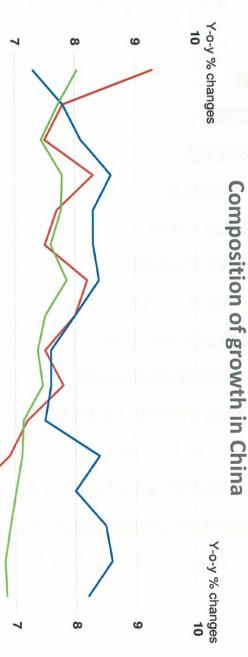
2012

2013

2014

2015

Services (tertiary)

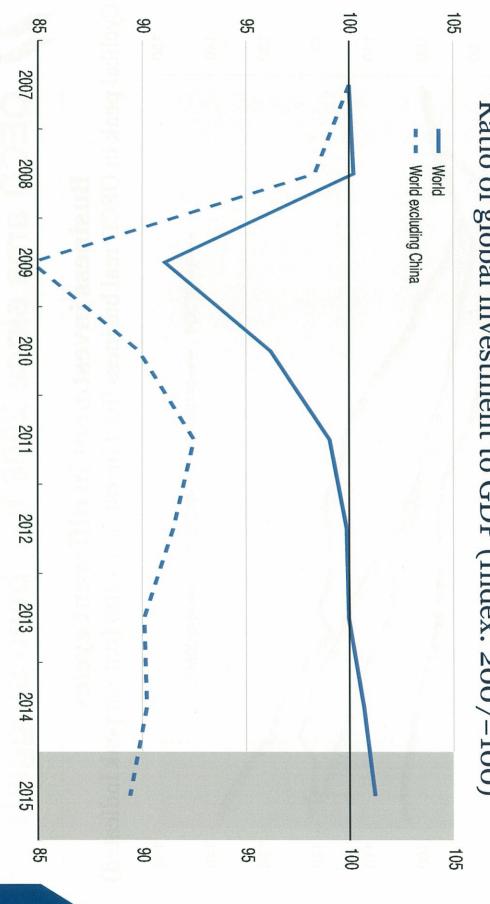


Note: Manufacturing (secondary) includes construction. Source: Chinese National Bureau of Statistics.



Global investment has been weak since the 2008 crisis



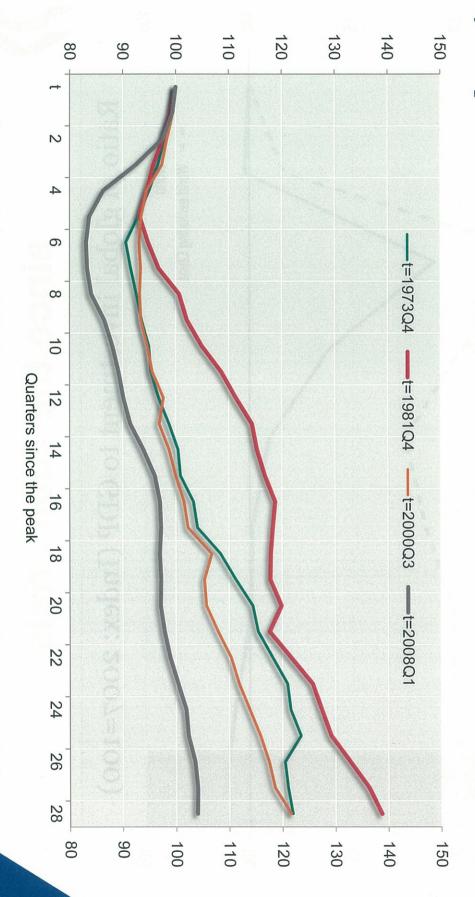




The rebound in business investment in the OECD area since 2008 has been sluggish

Business investment in different cycles

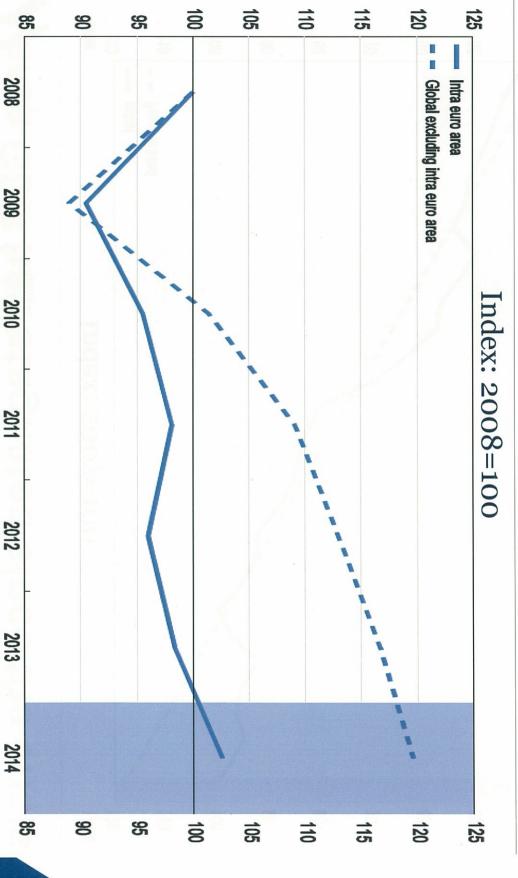
Cyclical peak in OECD real business fixed investment=100 (date of peak indicated)



Source: OECD, Economic Outlook database.

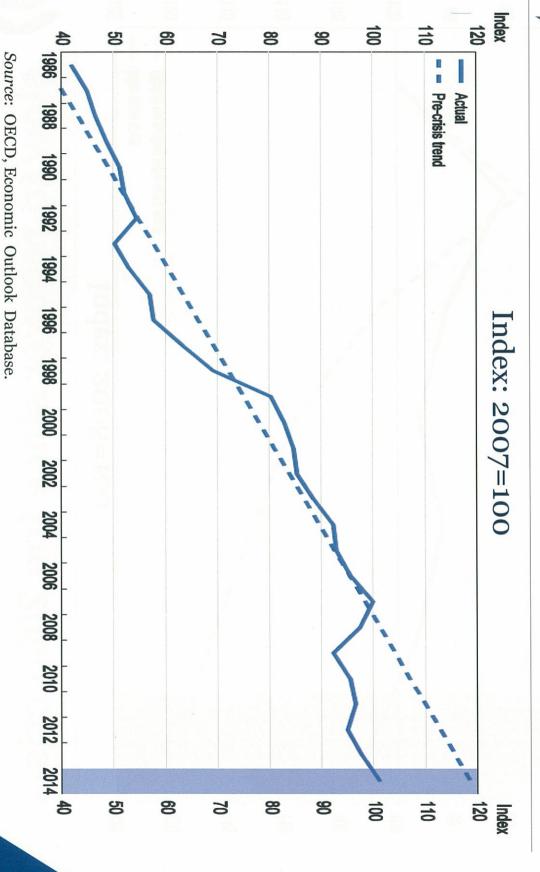


slow to recover since the 2008 crisis Trade within the euro area has been



Source: OECD, Economic Outlook Database.

area GDP has stagnated since the crisis The ratio of intra-euro imports to euro







Benefits and costs of integration in the Asia-Pacific region

Benefits from connectivity & wider opportunities

- Gains from freer and less costly movements of goods, services, capital, information and people
- Efficiency gains from comparative advantage
- Gains from scale economies and network externalities

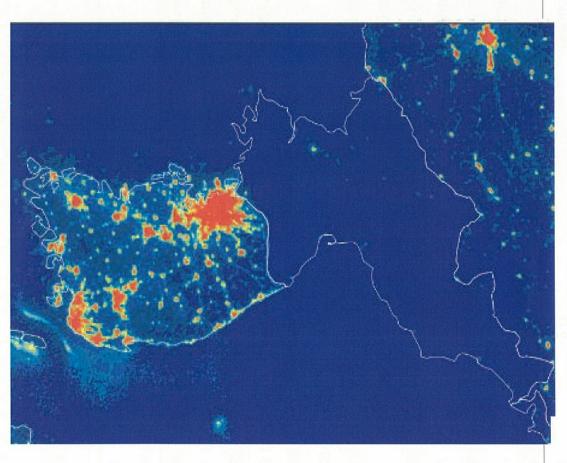
Managing costs of regional integration

- Costs of industrial adjustment (temporary unemployment)
- Negative spillovers and externalities

Promotion of regional peace and stability

Deeper economic integration does not guarantee political peace and security, but reduces the likelihood of conflict

The cost of isolation and autarky: **North Korea**





Comparison of North and South Korea in 2014

	(A)	(B)	Ratio (B/A)
	North Korea	South Korea	
Population (millions)	24.7	50.4	2.0
Gross National Income (trillion won)	34.2	1 496.6	43.7
Gross National Income per capita (million won)	1.4	29.7	21.4
Total trade (billion US\$)	7.6	1 098.2	144.3
Exports ¹	3.2	572.7	181.2
Imports	4.5	525.6	118.1
Of which: inter-Korean exports	1.2	1.1	0.9
Industrial statistics (2014)			
Power generation (billion kWh)	21.6	522.0	24.2
Steel production (million tonnes)	1.2	71.5	58.6
Cement production (million tonnes)	6.7	47.0	7.0
Agricultural production (2012)			
Rice (million tonnes)	2.2	4.2	2.0
Fertilizer (million tonnes)	0.5	2.3	4.6

Source: Statistics Korea. 1. North Korean exports to the South in Panel A, and South Korean exports to the North in Panel B.



Outline of presentation

- The slowdown in world trade: what is causing it?
- 2. Cost and benefits of regional integration.
- 3. Asian integration was initially driven by value chains. trade and investment, creating global
- The number of free trade agreements in Asia have risen sharply in recent years.
- 5. Challenges to promote Asian regional integration.

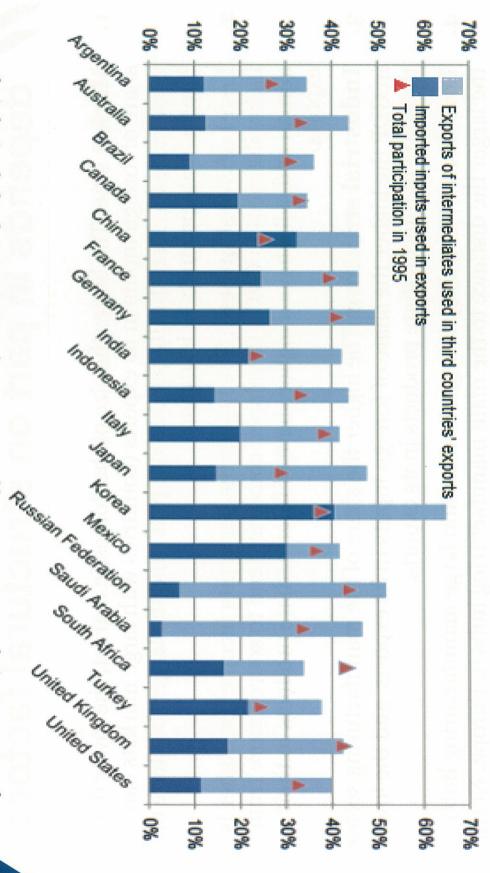


Global value chains (GVCs)

- International production, trade and investments are increasingly organised within so-called GVCs, where the different stages of the production process are located across different countries
- The growth of GVCs has increased the interconnectedness of economies and led to a growing specialisation in specific activities and stages in value chains, rather than in entire industries.
- . There are two types of linkages to GVCs:
- Using foreign inputs for export production (backward linkages).
- Providing inputs for foreign countries for their export production (forward
- capital goods. The income created within GVCs has doubled over the last 15 4. Over 70% of global trade is in intermediate goods and services and in
- and FDI patterns, as well as economic growth opportunities. 5. GVCs are becoming increasingly influential in determining future trade



countries participation in GVCs There is significant variation in



exports and exports of intermediate inputs used in third countries Note: The index is calculated as a percentage of gross exports and has two components: the import content of

Source: OECD (2013), Implications of Global Value Chains for Trade, Investment, Development and Jobs.



depends in part on structural factors Countries participation in GVCs

- share of foreign inputs in its exports (countries with large markets can Market size: The larger the size of the domestic market, the lower the intermediate products in its exports. draw more on domestically-produced inputs) and the larger the share of
- N abroad and sell a have a higher share of intermediate products in their its involvement in GVCs. Developed countries tend to source more from Level of development: The higher the per capita income the higher is exports
- ç in GDP the higher the share of foreign inputs in its exports and the lower the share of intermediate products in its exports **Industrial structure:** The higher the share of the manufacturing sector
- suggesting that there is a premium to locating close to large "headquarter" economies the larger the distance to the main manufacturing hubs in Europe, North **Location**: GVC activity is organised around large manufacturing hubs— America and Asia, the lower the share of foreign inputs in its exports.



depends on a countries' policies Involvement in GVC also

Factors that promote involvement in GVCs:

- Openness to inward FDI.
- High-quality logistics.
- Measures to facilitate trade
- Appropriate intellectual property protection
- Low import tariffs
- Engagement in regional trading agreements



Outline of presentation

- The slowdown in world trade: what is
- 2. Cost and benefits of regional integration. causing it?
- 3. Asian integration was initially driven by value chains trade and investment, creating global
- 4. The number of free trade agreements in Asia have risen sharply in recent years.
- 5. Challenges to promote Asian regional integration.

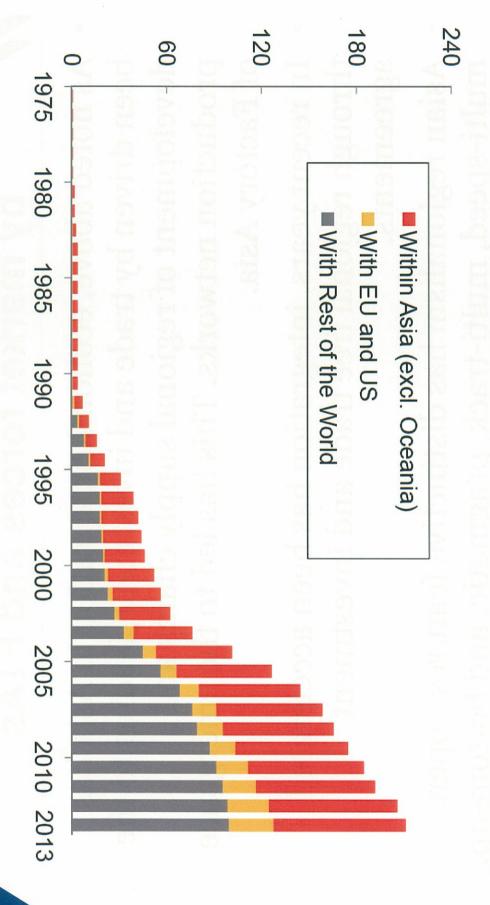


Economic integration in Asia driven by market forces and FTAs

- As noted above, economic integration in Asia has of Factory Asia production networks. This has led to the emergence development of regional supply chains and been driven by trade and investment, leading to the
- agreements through regional free trade and investment In recent years, integration has been accelerated
- Asian regionalism has distinctive features—open, multi-speed, multi-track, pragmatic, and bottom-up.



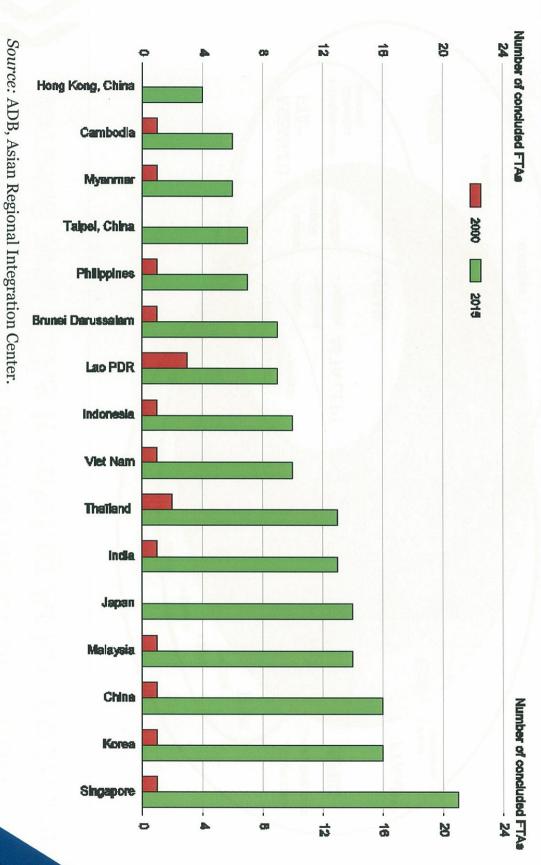
The number of FTAs in Asia has risen sharply



Source: ADB, Asia Regional Integration Center. effect, or in effect. Numbers are cumulative as of January 2013. Asia excludes Oceania (Australia and New Zealand) Note: Does not include FTA initiatives only proposed. Refers to FTAs either under negotiation, signed but not in

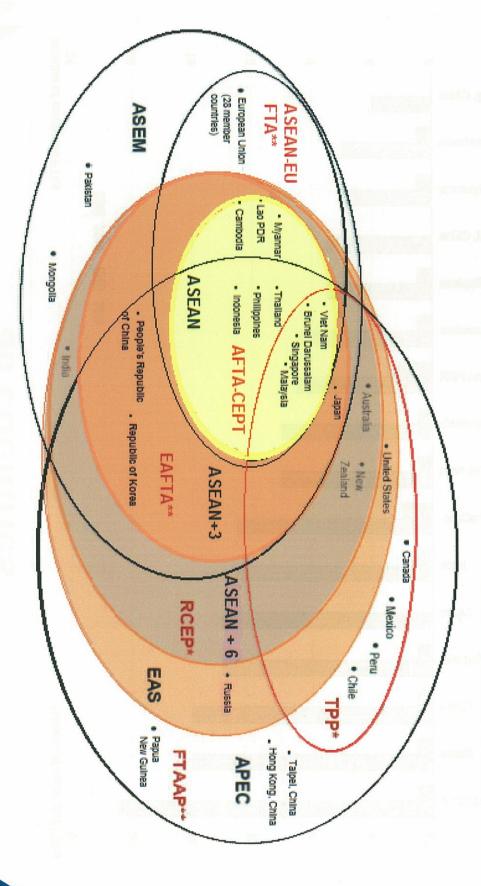


The number of FTAs has increased in all countries





forums and FTAs involving Asian countries Main regional economic cooperation

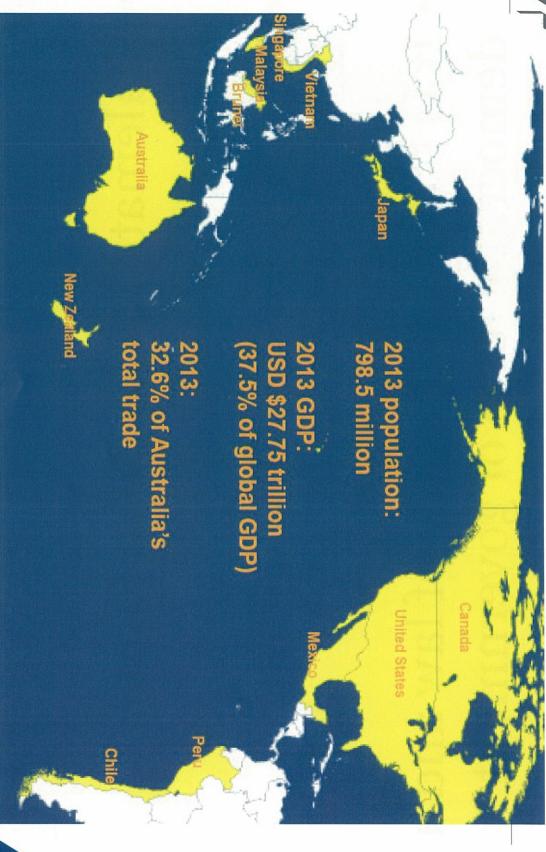


AFTA-ASEAN Free Trade Area, APEC--Asia-Pacific Economic Cooperation; ASEM--Asia Europe Meeting; CEPT--Common External Comprehensive Partnership; TPP =Trans-Pacific Partnership. Preferential Tariff; EAS-- East Asia Summit; FTAAP—Free Trade Area of Asia and the Pacific; RCEP—Regional Economic

Source: ADB, Asian Regional Integration Center. Notes: (*) Under Negotiation; (**) Proposed



Trans-Pacific Partnership



Source: http://dfat.gov.au/trade/agreements/tpp/Documents/tpp-overview.pdf.



Why the Trans-Pacific Partnership?

Stalemate in the Doha Round

It is a coalition of the willing

It is based on the rule of law and a democratic form of government

Source: The Government Headquarters for the TPP, Cabinet Secretariat, Tokyo.



Why the TPP now?

- Evolution of global economic integration.
- and people Flow of investment, technology, goods and services,
- New means of economic activity: Electronic commerce is now indispensable.
- economy caused by diminishing demand Expansion of global supply chain. Stagnant global
- Volatility and gloomy prospect of global economy
- population In case of Japan, aging society and shrinking

Source: The Government Headquarters for the TPP, Cabinet Secretariat, Tokyo.

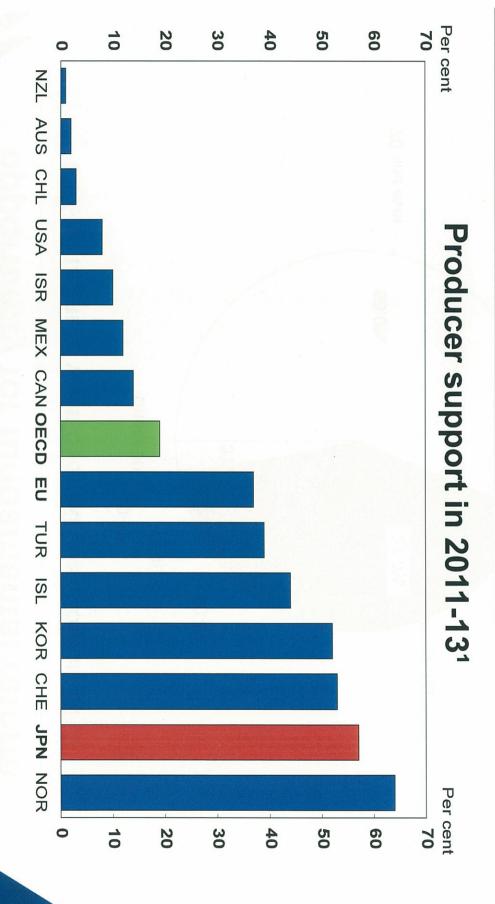


Details concerning the TPP

- Korea, Taiwan Taipei, the Philippines, indicating interest. I hailand, Indonesia and Columbia are
- 2. China?
- Two years since signature (February 2016) if all Parties complete necessary domestic procedures
- 4. If not, six countries comprising 85% of TPP economies, after two years.
- 5. U.S.?



The TPP will require gradual reform of Japan's agricultural sector



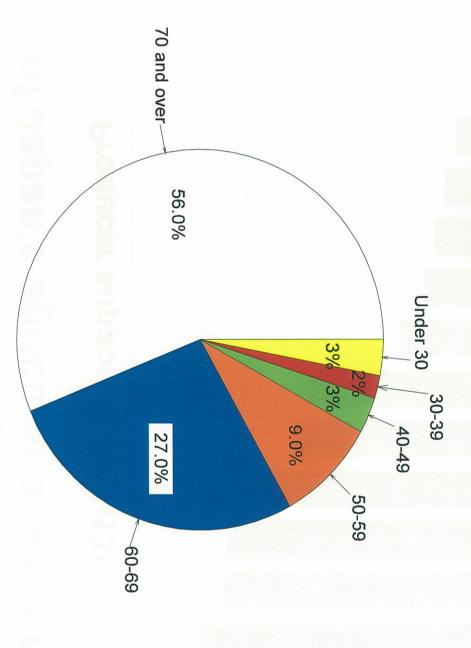
policies that support agriculture, regardless of their nature, as a per cent of the value of gross farm receipts. Producer support is the annual monetary value of gross transfers from consumers and taxpayers arising from

Source: OECD Economic Survey of Japan, 2015.



Japan's elderly farm workforce creates an opportunity for fundamental reform

83% of farmers were over 60 years old in 2010



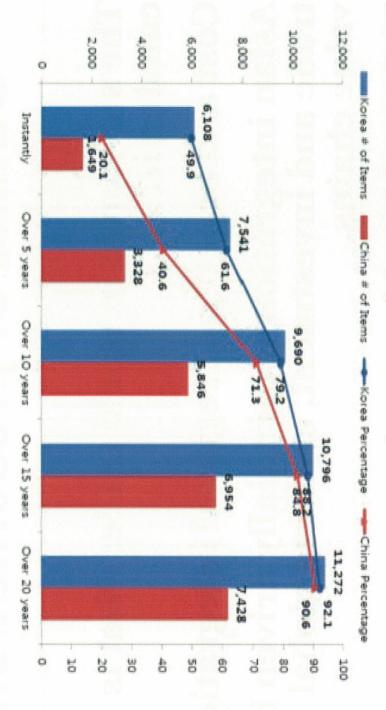
Source: Ministry of Agriculture, Forestry and Fisheries, 2010 Census of Agriculture and Forestry.



The Korea-China FTA was signed in 2015

Tariff Concession Schedule of Korea-China FTA

Korea to lift tariffs on 92.1% of traded goods over the next 20 years while China to lift tariffs on 90.6%



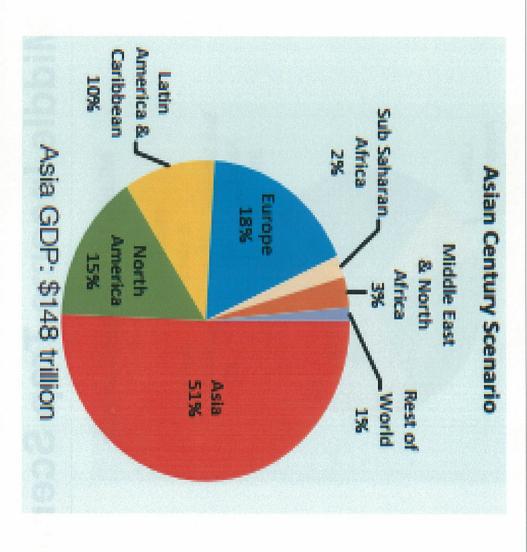


Outline of presentation

- The slowdown in world trade: what is causing it?
- 2. Cost and benefits of regional integration.
- 3. Asian integration was initially driven by value chains. trade and investment, creating global
- 4. The number of free trade agreements in Asia have risen sharply in recent years.
- 5. Challenges to promote Asian regional integration.



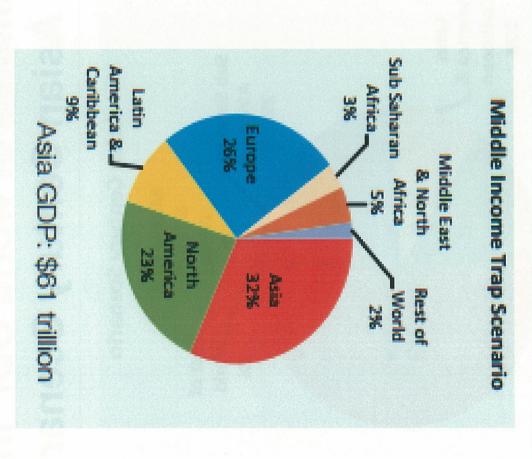
Estimates of world GDP in 2050: **Asian Century Scenario**



Source: Asia 2050: Realizing the Asian Century, Asia Development Bank.



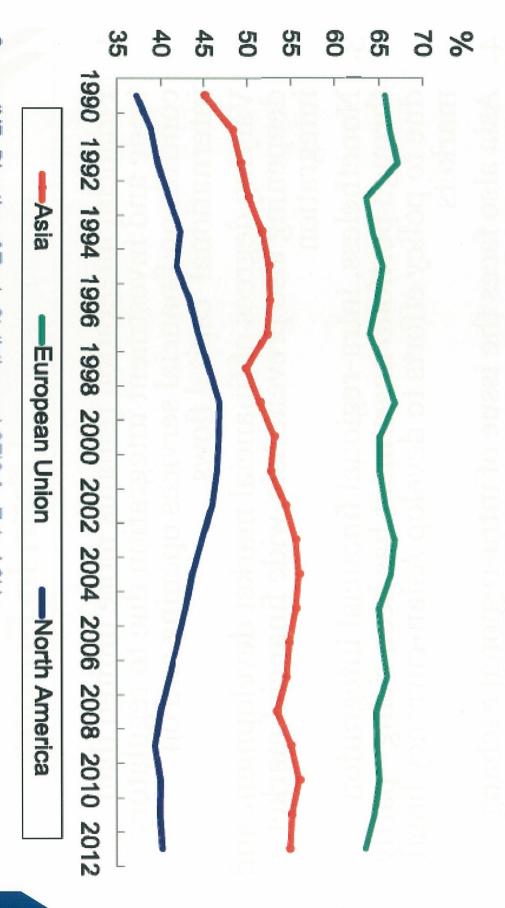
Estimates of world GDP in 2050: Middle Income Trap Scenario



Source: Asia 2050: Realizing the Asian Century, Asia Development Bank.



A comparison of intra-regional trade shares



Source: IMF, Direction of Trade Statistics; and CEIC for Taipei, China.

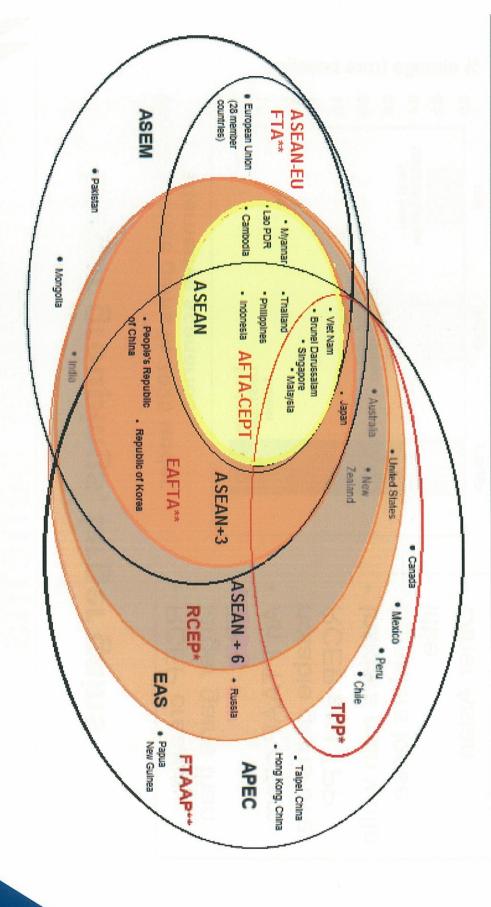


Financial integration in Asia is much more limited than in Europe

- international capital flows controls on financial services opening and on trade and investment integration due to regulatory Financial integration remains more limited than
- deepening also prevent Asia-wide financial market Varying degrees of financial market development and ıntegration
- through portfolio investment has been rising—partly Nonetheless, intra-regional financial integration markets due to policy efforts to develop Asian-currency bonc
- Asia also faces the issue of intra-regional exchange rate variability



forums and FTAs involving Asian countries Main regional economic cooperation



Comprehensive Partnership; TPP =Trans-Pacific Partnership. Preferential Tariff; EAS-- East Asia Summit; FTAAP—Free Trade Area of Asia and the Pacific; RCEP—Regional Economic AFTA-ASEAN Free Trade Area, APEC--Asia-Pacific Economic Cooperation; ASEM--Asia Europe Meeting; CEPT--Common External

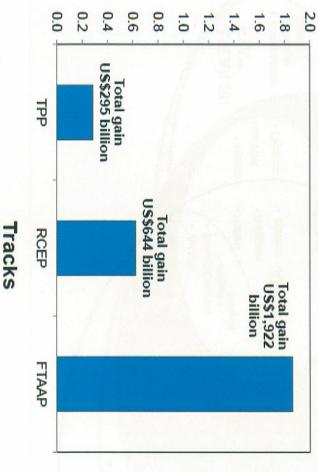
Source: ADB, Asian Regional Integration Center. Notes: (*) Under Negotiation; (**) Proposed.



_arger regional FTAs lead to larger benefits

Larger groupings, larger gains





% change from baseline

RCEP creates
 larger gains than

TPP

- An FTAAP offers notable gains over RCEP and TPP
- Insiders gain while outsiders loose little
- Other Asian countries need to be brought in

Source: Petri, Plummer and Zhai (2011) and their updates



Two tracks in Asia: RCEP and TPP

- RCEP: ASEAN+6 initiative with ASEAN centrality; special & differential treatment for LDCs; US excluded
- io TPP: APEC initiative; US-driven; high-standard liberalisation; China excluded for now
- Both RCEP and TPP are open to new members
- can join TPP at a later stage Developing or emerging economies ready for a certain degree of liberalization can join RCEP first; those that can liberalize more
- ښ An Asia-Pacific FTA (FTAAP) can be forged by (1) combining draw other Asian developing countries) advanced members of RCEP by TPP (while RCEP may continue to RCEP and TPP, (2) convergence of the two, or (3) absorption of



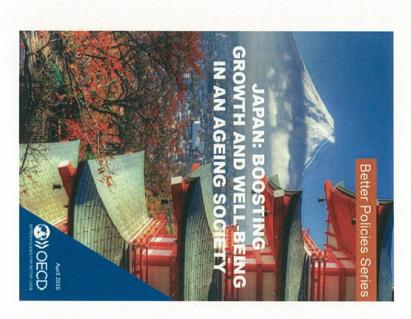
Multilateralising regionalism

- Mega regionals (RCEP, TPP, etc) and the global coexist for the foreseeable future multilateral system (WTO) are likely to continue to
- The key is how best to pursue coherence between them, creating a path towards multilateralization
- A step is needed to make regional trade rules in megamultilateral trade rules under the WTO regionals and mega cross-regionals compatible with
- Though FTAs discriminate against third parties and teatures, for instance in anti-dumping, SPS and TBT diverge from one another, they do have some common
- Ultimately, common rules in mega regionals should be established through multilateral harmonization

Source: Richard Baldwin and Masahiro Kawai. "Multilateralizing Asian Regionalism." ADBI Working Paper No. 431



OECD Better Policies Series: Japan 2016



http://www.oecd.org/japan/japan-boosting-growth-and-well-being-in-an-ageing-society-9789264256507-en.htm





sclaimers:

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusal settlements in the West Bank under the terms of international law.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory

city or area

and ls48

DRIVERS OF ECONOMIC GROWTH GENDER - WOMEN AS

Catherine Candea, OECD Deputy Director for Public Affairs and Communications Yumiko Murakami, Head of OECD Tokyo Centre

OECD Global Parliamentary Network Meeting in Tokyo (12 April 2016)





Gender equality as a driver of progress







O ECONOMIC GROWTH







3 CLIMATE ACTION

14 LIFE BELOW WATER



G CLEAN WATER AND SANITATION







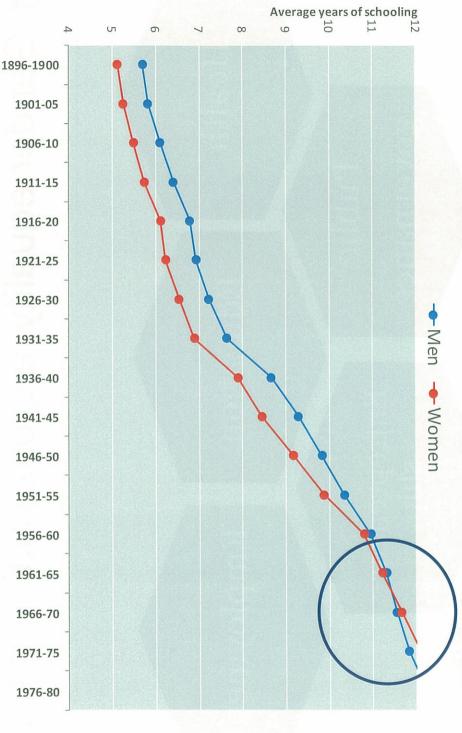
Gender equality, a cross-cutting issue

Health governance Public Education Entrepreneurship Employment Taxation



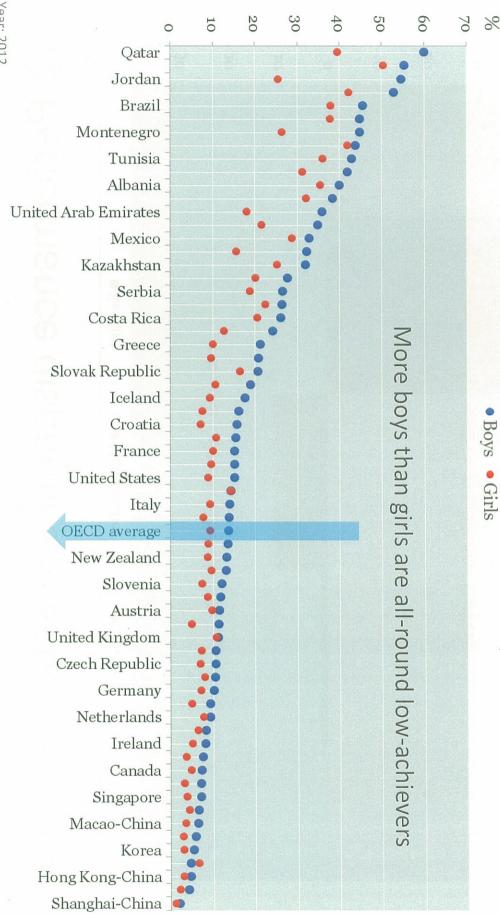
Women and men's access to education has converged

Years of schooling over the 20th century - OECD average

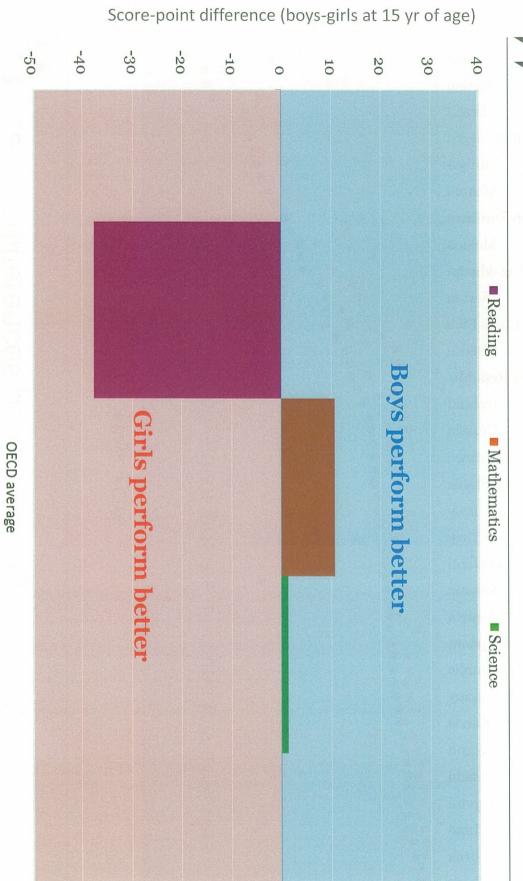


%

Gender differences persist among low achievers









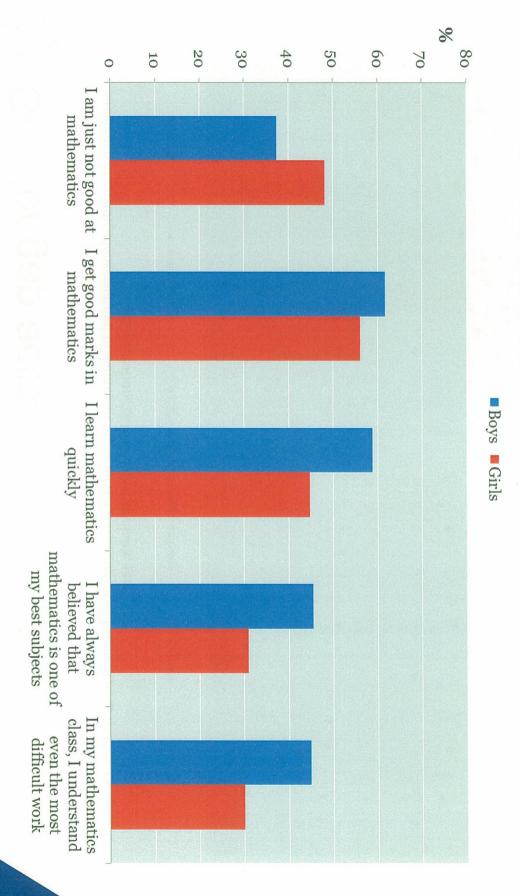
Gender gap across fields of study

Percentage of qualifications awarded to women in tertiary-type A and advanced research programmes, by field of education, 2010 or latest available year





mathematics than boys.... (OECD average) Girls are generally less confident in their ability in



Year: 2012 Source: OECD, 2015

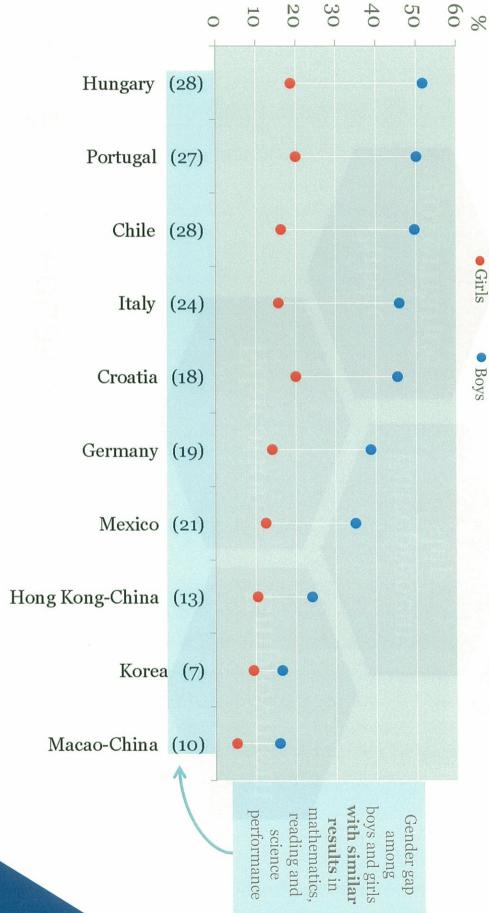


equally well in school STEM career – even when boys and girls perform Parents are more likely to expect their sons to enter a

Percentage of students whose parents expect that they will work in STEM occupations, 2012

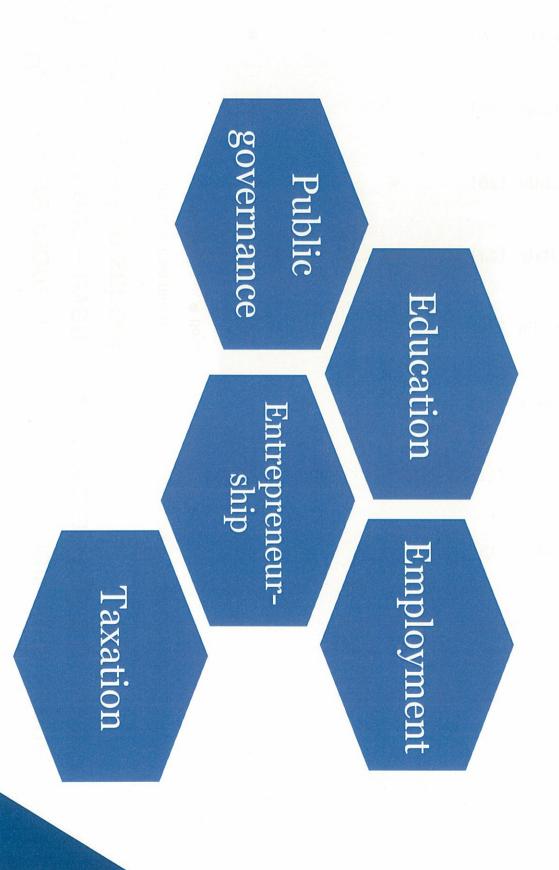
• Girls

Boys





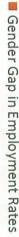
Gender equality, a cross-cutting issue...



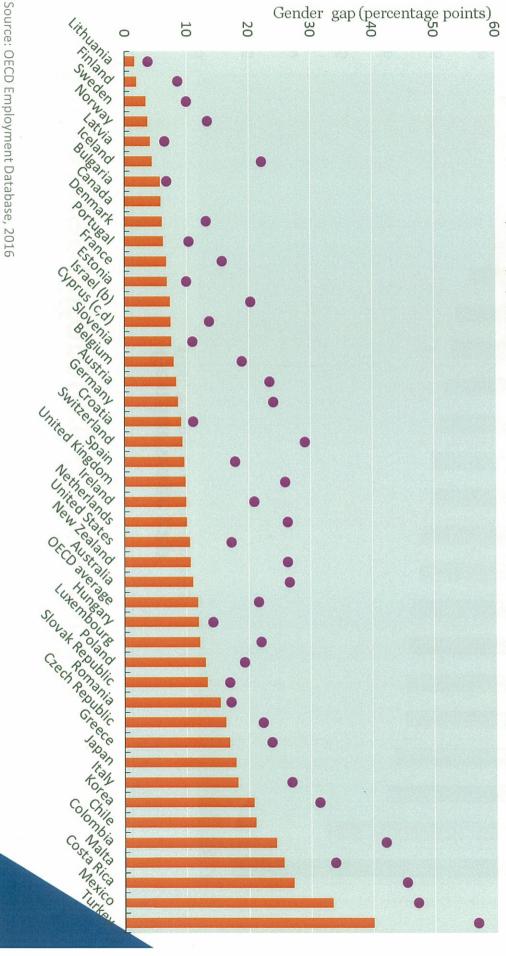


Gender differences in employment rates

Gender gaps in employment rates and full-time equivalent employment rates, 2014

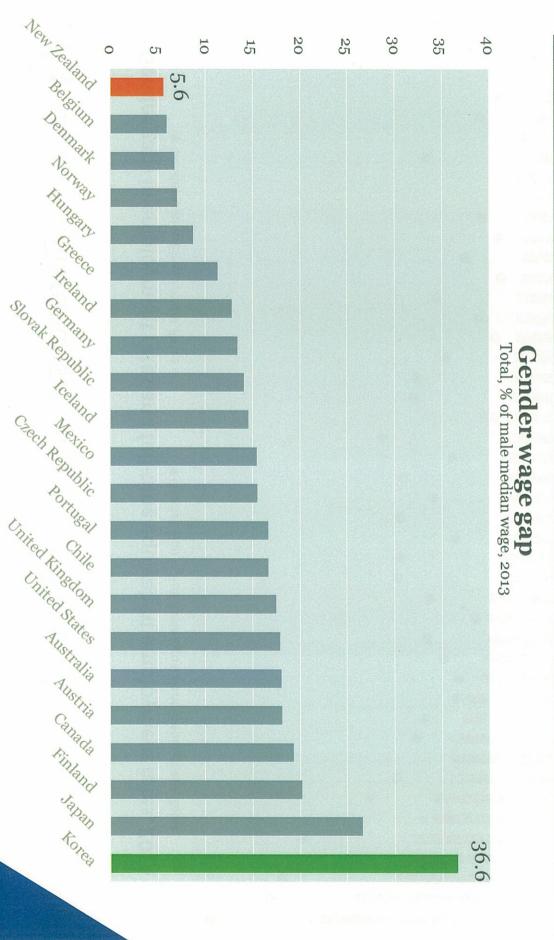








Gender differences in earnings



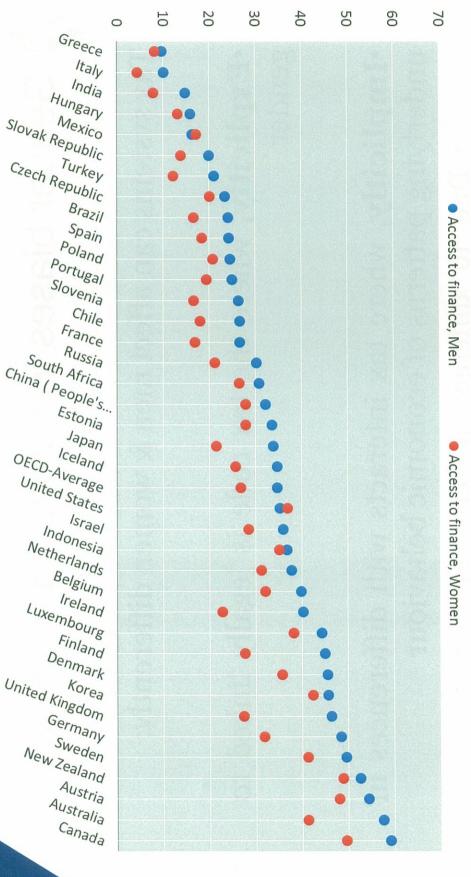
Source: OECD (2016), Gender wage gap (indicator).



Gender differences in access to finance

Starting a business

Access to finance, men/access to finance, women, percentage 2013





Gender biases in taxation dynamics

Tax systems can affect men & women differently:

gender • Explicitly, where the tax code is legally linked to

underlying patterns of economic behaviour ·Implicitly, where tax interacts with differences in

Due to different patterns of behaviour, an otherwise neutral tax system may have different impacts upon men and women



Implicit gender differences in taxation

participation Labour market



High taxes on second earners discourage

extra hours worked Under-taxation of



Lower taxes on extra hours worked typically labour participation, especially women



induces men to work more



private pension savings Men likely benefit more from tax privileges for



capital income at household level? Who benefits the most from lower taxes on

Consumption

Company car taxation



income they control on fuel, alcohol & tobacco Men typically spend a higher proportion of the

Tax evasion

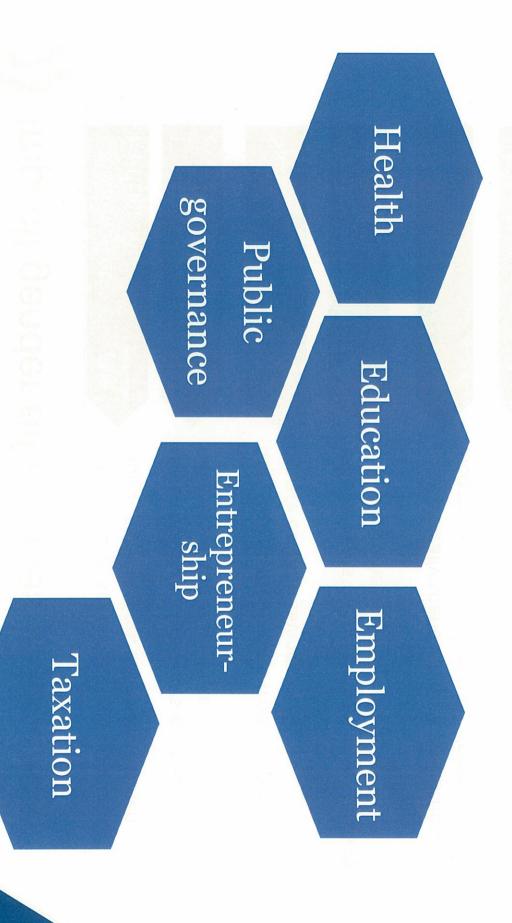


Company cars are predominantly used by men (70% in Belgium, 80-90% in the Netherlands)

than men Women tend to be more compliant



Gender equality, a cross-cutting issue





.. and a inter-generational issue

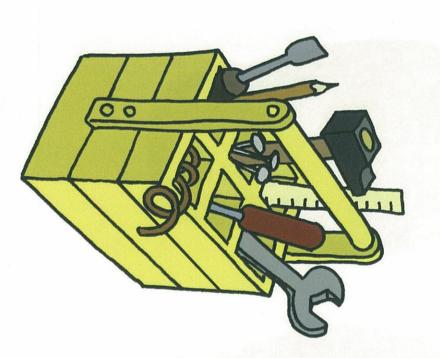








Which policies should we adopt to promote gender equality?





Some policy recommendations...

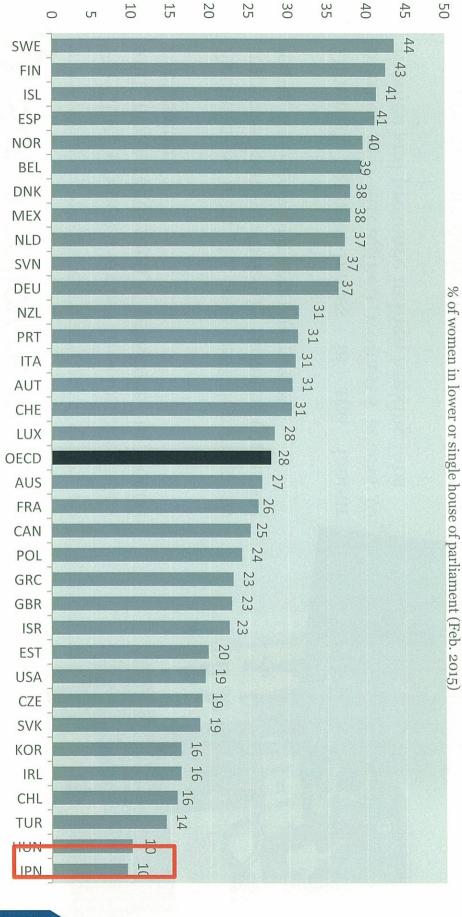
- Facilitate women's access to scientific fields and encourage men's presence in social professions
- Encourage men to use entitlements to improve family/work-life balance (parental leave, flexible work arrangements)
- Diminish gender-biases in the labour market and strengthen women's access to finance and presence in high ranking jobs
- Ensure that tax design does not exacerbate existing gender disparities
- Mainstream gender equality in the design, implementation and evaluation of relevant public policies and budgets





Gender equality in policy making

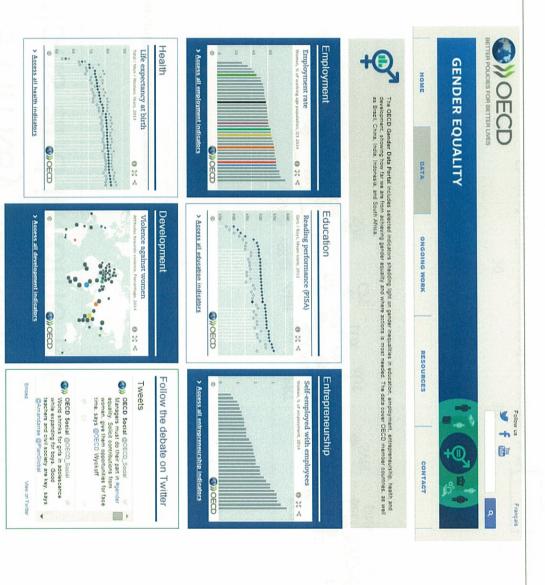
Women in parliament



Source: Inter-Parliamentary Union (IPU) and IDEA Quota Project in Government at a Glance (2015)



OECD work on gender equality

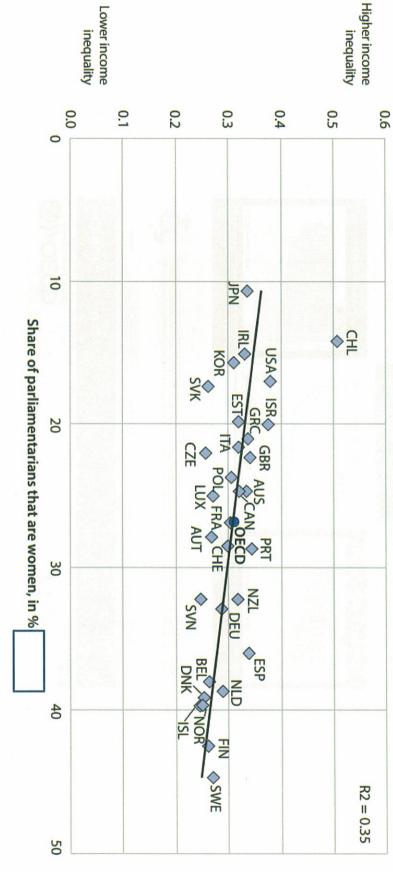


https://www.oecd.org/gender/data/

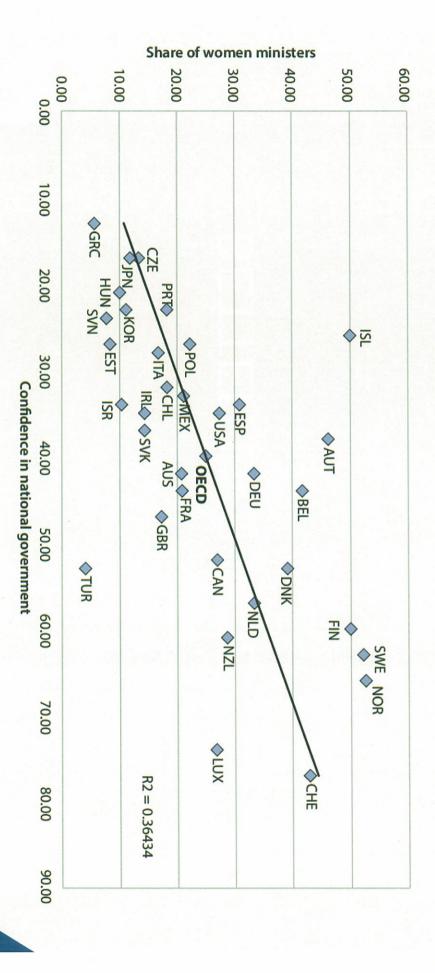


Women in key decision-making positions and income inequality

Gini coefficient after government taxes and transfers



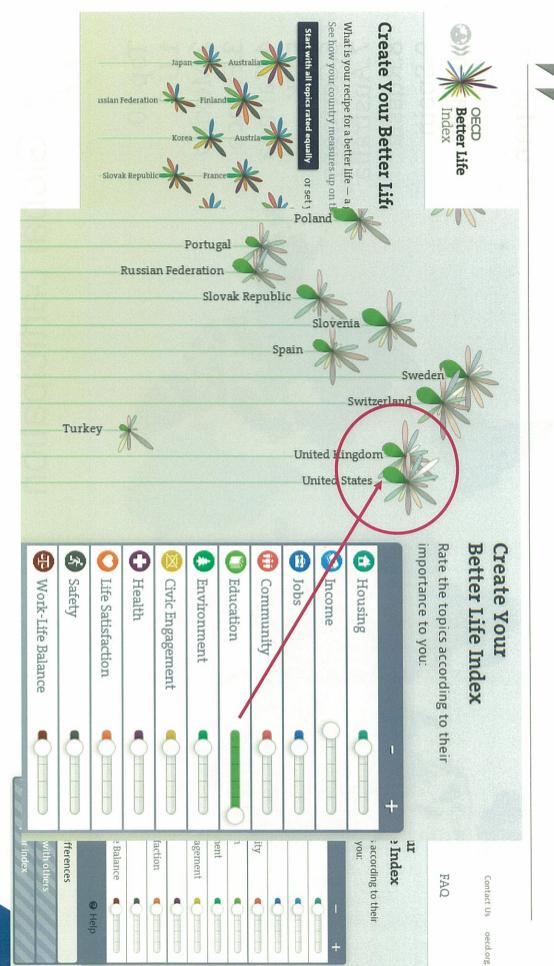




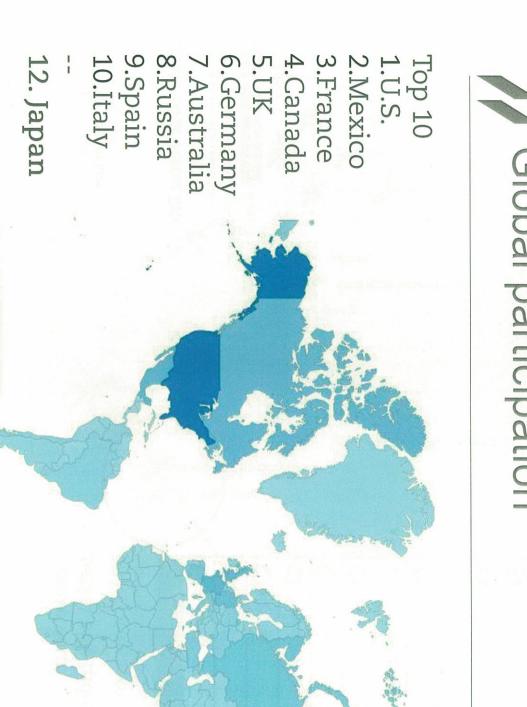


BETTER LIFE INDEX

Better Life Index





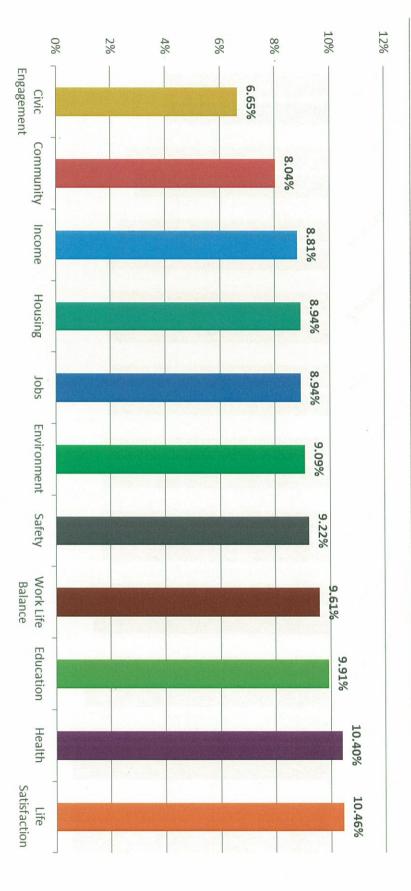


Over 8 million visits from over 180 countries

1,658,152



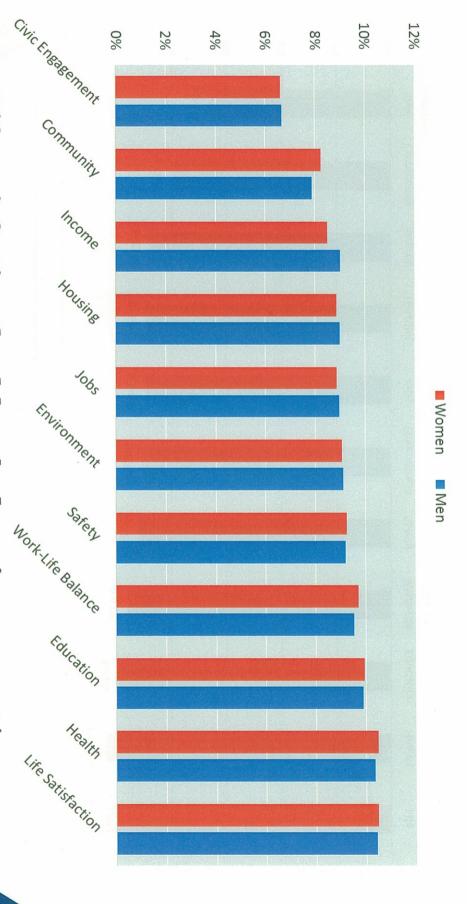
Global well-being priorities



Based on over 104,000 indexes submitted by users between May 2011 and December 2015.



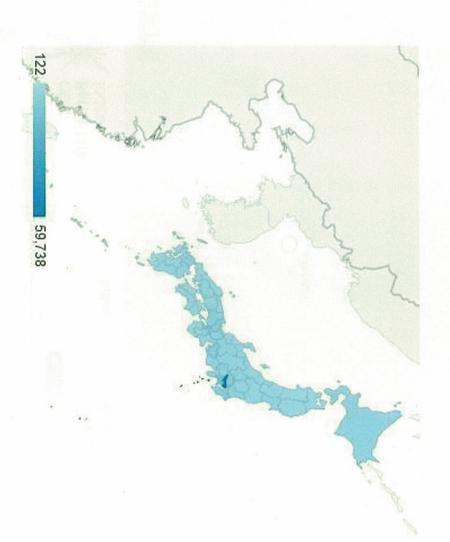
Global well-being priorities by gender



Life satisfaction, health and education are most impor tant well-being topics for female users globally.



Participation in Japan



Top 10 by # of visits

1.Tokyo
2.Kanagawa
3.Osaka
4.Aichi
5.Saitama
6.Chiba
7.Kyoto
8.Hyogo
9.Hokkaido

10.Fukuoka

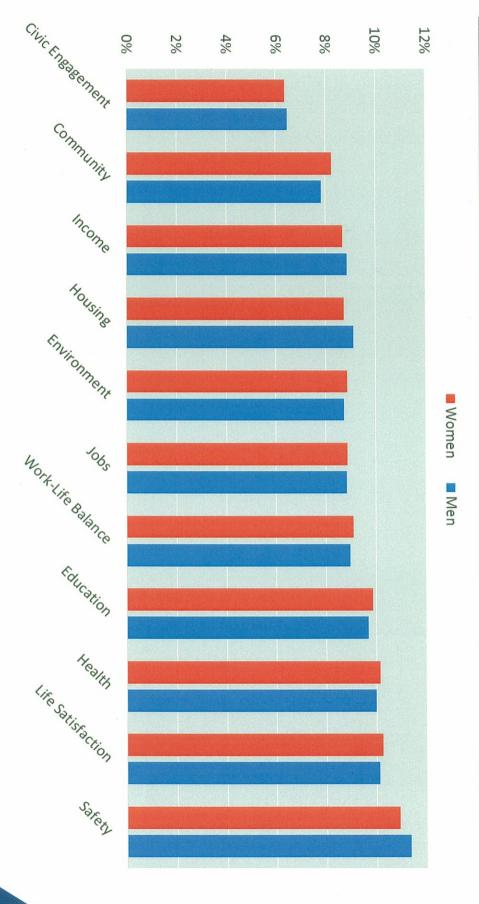




Safety, life satisfaction and health are most important for users based in Japan



Well-being priorities by gender in Japan



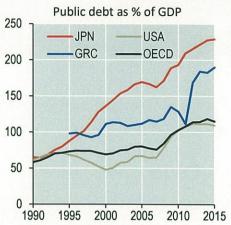
Safety, life satisfaction and health are most important well-being topics for female users based in Japan

JAPAN: BOOSTING GROWTH AND WELL-BEING IN AN AGEING SOCIETY



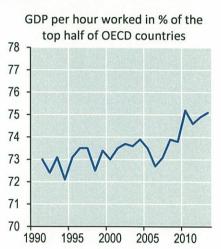
Japan's public debt continues to grow

Twenty-three consecutive years of budget deficits have raised gross government debt from around 70% of GDP in 1992 to nearly 230% in 2015. The deficits have been driven by rising public spending on account of population ageing combined with chronically weak nominal output growth that has limited revenue growth. Japan needs to maintain confidence in the fiscal situation by implementing a more detailed and concrete strategy to reduce spending and to raise revenues so as to achieve the government's target of a primary surplus by FY 2020, and by steadily reducing the public debt-to-GDP ratio over the medium-to-long term. The strategy should entail a pathway of gradual increases in the consumption tax rate, accompanied by a broadening of direct tax bases and an increase in environment-related taxes. Reform of public social programmes is also a priority to limit spending increases, particularly in the areas of health and long-term care as well as pensions.



Japan's level of productivity is well below leading OECD countries

Japan's GDP per capita grew by an average annual rate of 0.8% in real terms between 1990 and 2014, compared to 1.4% across the OECD. Revitalising Japan's growth will require broad-based policy measures to boost labour productivity. Despite recent improvements, GDP per hour worked is only about 75% of the average of the top half of OECD countries. Boosting productivity will require progress on the third arrow of Abenomics, including furthering Japan's trade integration through initiatives such as the Trans-Pacific Partnership, as well as making its corporate sector more dynamic through improved corporate governance and product market reform. Examples of the latter include streamlining procedures for starting a business and extending the reforms in the National Strategic Special Zones nationwide. Moreover, while Japan has a high level of R&D, the return on such investment should be improved by strengthening university-business linkages and encouraging greater mobility of researchers. Also, investment in other types of knowledge-

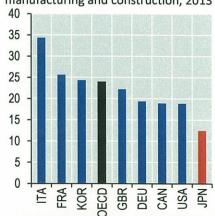


based capital such as organisational capabilities and human resources for science needs to be stepped up.

Japan's future prosperity depends on how it manages the demographic transition

Japan's population is shrinking and ageing rapidly. The total population is projected to decline by almost 25% between 2010 and 2050. Revitalising growth in this environment requires better using Japan's pool of talent. Japanese women are very well educated, but their employment rate is 18 percentage points below that of men as women shoulder the bulk of care for children and older family members. Policies that make it easier for both men and women to combine work and family life, particular in science and engineering careers, in part by changing Japan's culture of long working hours, can help address this problem. In addition, the employment opportunities for older people need to be improved, notably by enhancing their ICT skills and fostering lifelong learning. The demographic transition also has implications for spatial policy. Coordination between cities will become more important to offset the decline in agglomeration that is likely as the population declines.

Share of female graduates in engineering, manufacturing and construction, 2013









Managing Risks

- Boosting Resilience-

Rolf Alter,

Director

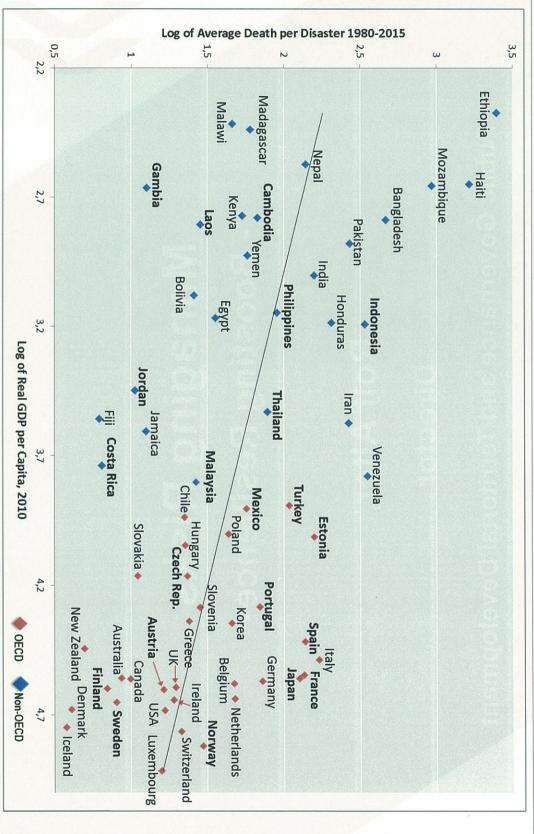
Public Governance and Territorial Development

Meeting of the OECD Global Parliamentary Network (12 April, 2016, Tokyo)





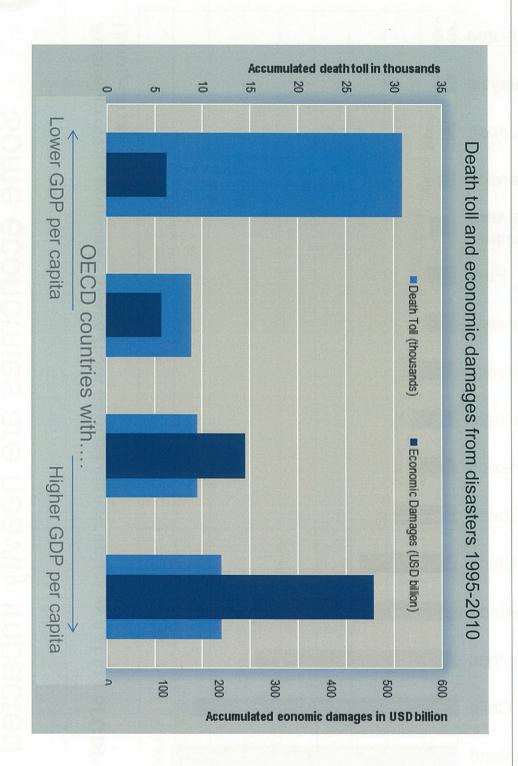
Relatively fewer deaths from disasters in high income countries



Source: EM-DAT Database



But significant economic losses high income countries

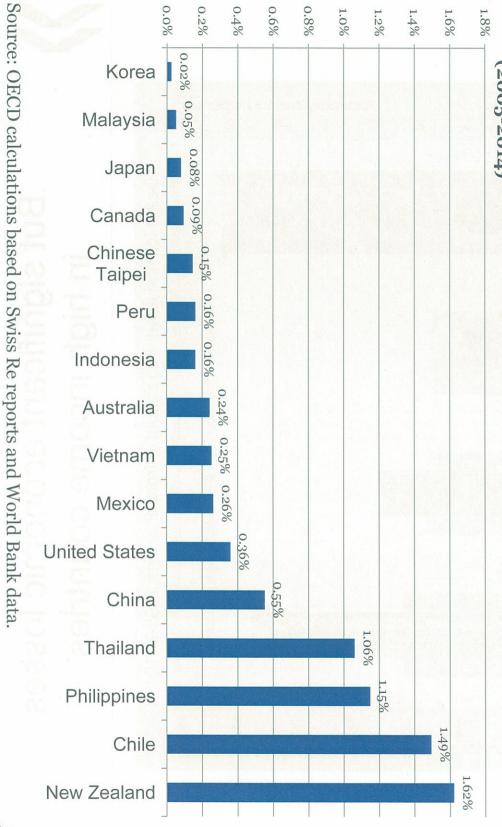


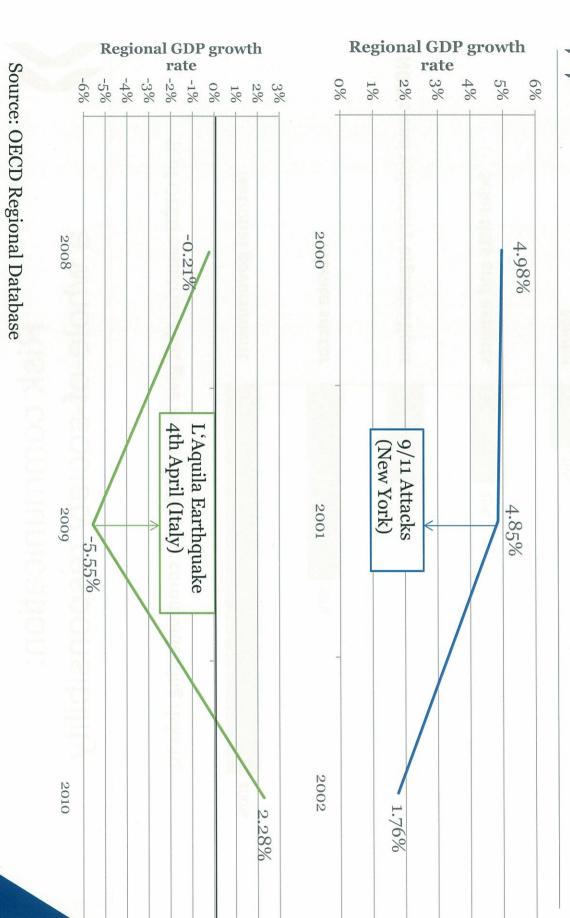
Source: EM-DAT Database



Some economies are heavily impacted







5

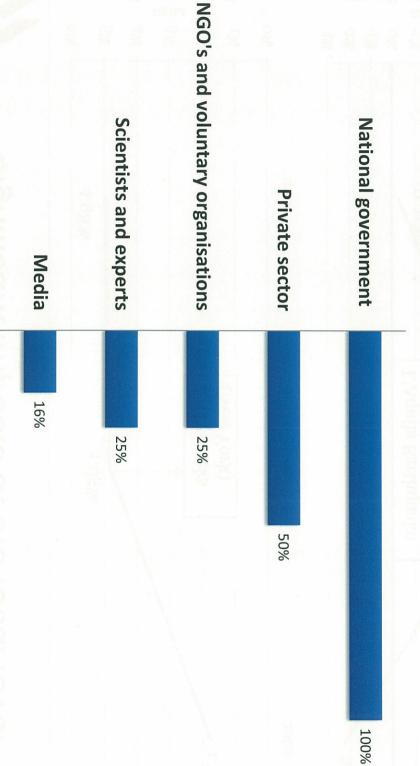


Significant impacts at the local level



Risk communication: a whole-of-society responsibility

% of OECD countries that give responsibility for communicating risks to:



Source: OECD survey on Risk Communication Policies and Practices (2015)



NATIONAL DIET OF JAPAN

House of Representatives House of Councillors

The Meeting of the OECD Global Parliamentary Network in

List of Participants (as of April 11, 2016)

Myanmar TIN TUN NAING MP p136 15 Norway Sivert Haugen Bjørnstad MP p68 16 Philippines Aquilino Martin III Dela Llana PIMENTEL MP p124 17 Portugal Fernando Virgílio Cabral da Cruz Macedo MP p110 18,19 Portugal Joao Galamba MP p84 18,19 Spain Alberto Montero MP p116 20,21,34~38 Spain Alicia Sánchez-Camacho MP p130 20,21,34~38 Spain Irene GARRIDO MP p86 20,21,34~38 Spain Lourdes CIURÓ MP p76 20,21,34~38 Spain María del Puerto GALLEGO MP p94 20,21,34~38 Spain Marta González Vázquez MP p94 20,21,34~38 Spain Marta SORLI MP p134 20,21,34~38 Sweden Monica Green MP p96 22 Thailand Satit CHANJAVANAKUL MP p72 <	Country	Name	職位	ĆV	Seat
Cambodia Chantara NIM MP p74 3 Czech Republic Petr Gazdík MP p88 4 Estonia Urmas Paet MP (EP) p122 5 Finland Mats Löfström MP p108 6 France Karine Berger MP p66 7 Indonesia Nurhayati Ali ASSEGAF MP p60 8 Jordan Falak Al Jama'ni MP p58 9 Laos Boungnong BOUPHA MP p70 10 Malaysia Anuar ABD MANAP MP p62 11 Mexico Carlos Manuel Merino Campos MP p114 12,13,25~33 Mexico Jorgia Gaxiola MP p106 12,13,25~33 Mexico Jorgina Gaxiola MP p128 12,13,25~33 Mexico Jorgina Gaxiola MP p128 12,13,25~33 Mexico Lauis Fernando Salazar Fernández MP p128 12,13,25~33 Mexico	Austria	Roman Haider	MP	p98	1
Czech Republic Petr Gazdík MP p88 4 Estonia Urmas Paet MP (EP) p122 5 Finland Mats Lófström MP p108 6 France Karine Berger MP p66 7 Indonesia Nurhayati Ali ASSEGAF MP p66 7 Jordan Falak Al Jama'ni MP p68 9 Laos Boungnong BOUPHA MP p70 10 Malaysia Anuar ABD MANAP MP p62 11 Mexico Carlos Manuel Merino Campos MP p114 12,13,25~33 Mexico Jorgina Gaxiola MP p12,13,25~33 Mexico Jorgina Gaxiola MP p12,13,25~33 Mexico Jorgina Gaxiola MP p12,13,25~33 Mexico Laura Plascencia MP p128 12,13,25~33 Mexico Laura Plascencia MP p128 12,13,25~33 Mexico Laura Plascencia MP p12 12,13,25~33	Brunei	King Chin PEHIN DATO GOH	MP	p90	2
Estonia Urmas Paet MP (EP) p122 5 Finland Mats Löfström MP p108 6 France Karine Berger MP p66 7 Indonesia Nurhayati Ali ASSEGAF MP p66 7 Jordan Falak AJ Jama'ni MP p58 9 Laos Boungnong BOUPHA MP p70 10 Malaysia Anuar ABD MANAP MP p62 11 Mexico Carlos Manuel Merino Campos MP p114 12,13,25~33 Mexico Berika Rodríguez MP p124 12,13,25~33 Mexico Jorgina Gaxiola MP p106 12,13,25~33 Mexico Jorgina Gaxiola MP p128 12,13,25~33 Mexico Laura Plascencia MP p128 12,13,25~33 Mexico Laura Plascencia MP p128 12,13,25~33 Mexico Mariana Gómez del Campo Gurza MP p92 12,13,25~33 M	Cambodia	Chantara NIM	MP	p74	3
Finland Mats Löfström MP p108 6 France Karine Berger MP p66 7 Indonesia Nurhayati Ali ASSEGAF MP p60 8 Jordan Falak Al Jama'ni MP p58 9 Laos Boungnong BOUPHA MP p70 10 Malaysia Anuar ABD MANAP MP p62 11 Mexico Carlos Manuel Merino Campos MP p114 12,13,25~33 Mexico Jorge Luis Lavalle Maury MP p106 12,13,25~33 Mexico Jorgina Gaxiola MP p128 12,13,25~33 Mexico Jorgina Gaxiola MP p128 12,13,25~33 Mexico Karina Padilla Avila MP p128 12,13,25~33 Mexico Luis Fernando Salzar Fernández MP p128 12,13,25~33 Mexico Mariana Gómez del Campo Gurza MP p92 12,13,25~33 Mexico Olga Catalan Padilla MP p101 12,13,25~	Czech Republic	Petr Gazdík	MP	p88	4
France Karine Berger MP p66 7 Indonesia Nurhayati Ali ASSEGAF MP p60 8 Jordan Falak Al Jama'ni MP p58 9 Laos Boungnong BOUPHA MP p70 10 Malaysia Anuar ABD MANAP MP p62 11 Mexico Carlos Manuel Merino Campos MP p114 12,13,25~33 Mexico Erika Rodríguez MP 12,13,25~33 Mexico Jorge Luis Lavalle Maury MP p106 12,13,25~33 Mexico Jorgina Gaxiola MP 12,13,25~33 Mexico Karina Padilla Avila MP 12,13,25~33 Mexico Laura Plascencia MP p128 12,13,25~33 Mexico Mariana Gómez del Campo Gurza MP p92 12,13,25~33 Mexico Mariana Gómez del Campo Gurza MP p92 12,13,25~33 Mexico Olga Catalan Padilla MP p10 12,13,25~33 Mexico Salvador Vega Casillas	Estonia	Urmas Paet	MP (EP)	p122	5
Indonesia Nurhayati Ali ASSEGAF MP p60 8 Jordan Falak Al Jama'ni MP p58 9 1 2 2 2 2 2 2 2 2 2	Finland	Mats Löfström	MP	p108	6
Jordan	France	Karine Berger	MP	p66	7
Laos Boungnong BOUPHA MP p70 10 Malaysia Anuar ABD MANAP MP p62 11 Mexico Carlos Manuel Merino Campos MP p114 12,13,25~33 Mexico Erika Rodríguez MP 12,13,25~33 Mexico Jorgina Gaxiola MP 12,13,25~33 Mexico Karina Padilla Avila MP 12,13,25~33 Mexico Laura Plascencia MP 12,13,25~33 Mexico Laura Plascencia MP 12,13,25~33 Mexico Luis Fernando Salazar Fernández MP p128 12,13,25~33 Mexico Mariana Gómez del Campo Gurza MP p92 12,13,25~33 Mexico Olga Catalan Padilla MP p124 12,13,25~33 Mexico Olga Catalan Padilla MP p140 12,13,25~33 Mexico Olga Catalan Padilla MP p140 12,13,25~33 Mexico Olga Catalan Padilla MP p140 12,13,25~33 Mexico Sa	Indonesia	Nurhayati Ali ASSEGAF	MP	p60	8
Malaysia Anuar ABD MANAP MP p62 11 Mexico Carlos Manuel Merino Campos MP p114 12,13,25~33 Mexico Erika Rodríguez MP 12,13,25~33 Mexico Jorge Luis Lavalle Maury MP p106 12,13,25~33 Mexico Jorgina Gaxiola MP 12,13,25~33 Mexico Karina Padilla Avila MP 12,13,25~33 Mexico Laura Plascencia MP 12,13,25~33 Mexico Luis Fernando Salazar Fernández MP p128 12,13,25~33 Mexico Mariana Gómez del Campo Gurza MP p92 12,13,25~33 Mexico Olga Catalan Padilla MP p140 12,13,25~33 Mexico Salvador Vega Casillas MP p140 12,13,25~33 Morocco Milouda Hazeb MP p140 14 Myanmar TIN TUN NAING MP p168 15 Norway Sivert Haugen Bjørnstad MP p168 16 Philippines <td>Jordan</td> <td>Falak Al Jama'ni</td> <td>MP</td> <td>p58</td> <td>9</td>	Jordan	Falak Al Jama'ni	MP	p58	9
Mexico Carlos Manuel Merino Campos MP p114 12,13,25~33 Mexico Erika Rodríguez MP 12,13,25~33 Mexico Jorge Luis Lavalle Maury MP p106 12,13,25~33 Mexico Jorgina Gaxiola MP 12,13,25~33 Mexico Karina Padilla Avila MP 12,13,25~33 Mexico Laura Plascencia MP 12,13,25~33 Mexico Luis Fernando Salazar Fernández MP p128 12,13,25~33 Mexico Mariana Gómez del Campo Gurza MP p129 12,13,25~33 Mexico Olga Catalan Padilla MP p140 12,13,25~33 Mexico Salvador Vega Casillas MP p140 12,1	Laos	Boungnong BOUPHA	MP	p70	10
Mexico Erika Rodríguez MP 12,13,25~33 Mexico Jorge Luis Lavalle Maury MP p106 12,13,25~33 Mexico Jorgina Gaxiola MP 12,13,25~33 Mexico Karina Padilla Avila MP 12,13,25~33 Mexico Laura Plascencia MP p128 12,13,25~33 Mexico Luis Fernando Salazar Fernández MP p92 12,13,25~33 Mexico Mariana Gómez del Campo Gurza MP p92 12,13,25~33 Mexico Olga Catalan Padilla MP p140 12,13,25~33 Mexico Salvador Vega Casillas MP p140 12,13,25~33 Mexico Milouda Hazeb MP p140 <t< td=""><td>Malaysia</td><td>Anuar ABD MANAP</td><td>МР</td><td>p62</td><td>11</td></t<>	Malaysia	Anuar ABD MANAP	МР	p62	11
Mexico Erika Rodríguez MP 12,13,25~33 Mexico Jorge Luis Lavalle Maury MP p106 12,13,25~33 Mexico Jorgina Gaxiola MP 12,13,25~33 Mexico Karina Padilla Avila MP 12,13,25~33 Mexico Laura Plascencia MP p128 12,13,25~33 Mexico Luis Fernando Salazar Fernández MP p92 12,13,25~33 Mexico Mariana Gómez del Campo Gurza MP p92 12,13,25~33 Mexico Olga Catalan Padilla MP p140 12,13,25~33 Mexico Olga Catalan Padilla MP p140 12,13,25~33 Mexico Olga Catalan Padilla MP p140 12,13,25~33 Mexico Salvador Vega Casillas MP p140	Mexico	Carlos Manuel Merino Campos	MP	p114	12,13,25~33
Mexico Jorge Luis Lavalle Maury MP p106 12,13,25~33 Mexico Jorgina Gaxiola MP 12,13,25~33 Mexico Karina Padilla Avila MP 12,13,25~33 Mexico Laura Plascencia MP 12,13,25~33 Mexico Luis Fernando Salazar Fernández MP p128 12,13,25~33 Mexico Mariana Gómez del Campo Gurza MP p92 12,13,25~33 Mexico Olga Catalan Padilla MP p140 12,13,25~33 Mexico Salvador Vega Casillas MP p140 12,13,25~33 Mexico Milouda Hazeb MP p104 14 Myammar TIN TUN NAING MP p136 15	Mexico	Erika Rodríguez	MP	-	
Mexico Jorgina Gaxiola MP 12,13,25~33 Mexico Karina Padilla Avila MP 12,13,25~33 Mexico Laura Plascencia MP 12,13,25~33 Mexico Luis Fernando Salazar Fernández MP p128 12,13,25~33 Mexico Mariana Gómez del Campo Gurza MP p92 12,13,25~33 Mexico Olga Catalan Padilla MP p140 12,13,25~33 Mexico Salvador Vega Casillas MP p140 12,13,25~33 Morocco Milouda Hazeb MP p104 14 Myanmar TIN TUN NAING MP p136 15 Norway Sivert Haugen Bjørnstad MP p68 16 Philippines Aquilino Martin III Dela Llana PIMENTEL MP p124 17 Portugal Fernando Virgílio Cabral da Cruz Macedo MP p110 18,19 Spain Alberto Montero MP p16 20,21,34~38 Spain Alicia Sánchez-Camacho MP p130 20,21,34~3	Mexico	Jorge Luis Lavalle Maury	MP	p106	
Mexico Karina Padilla Avila MP - 12,13,25~33 Mexico Laura Plascencia MP - 12,13,25~33 Mexico Luis Fernando Salazar Fernández MP p128 12,13,25~33 Mexico Mariana Gómez del Campo Gurza MP p92 12,13,25~33 Mexico Olga Catalan Padilla MP - 12,13,25~33 Mexico Salvador Vega Casillas MP p140 12,13,25~33 Morocco Milouda Hazeb MP p104 14 Myanmar TIN TUN NAING MP p136 15 Norway Sivert Haugen Bjørnstad MP p68 16 Philippines Aquilino Martin III Dela Llana PIMENTEL MP p124 17 Portugal Fernando Virgílio Cabral da Cruz Macedo MP p110 18,19 Spain Alberto Montero MP p16 20,21,34~38 Spain Alicia Sánchez-Camacho MP p16 20,21,34~38 Spain Lourdes CIURÓ MP p76 20,21,34~38	Mexico	Jorgina Gaxiola	MP	-	
Mexico Laura Plascencia MP 12,13,25~33 Mexico Luis Fernando Salazar Fernández MP p128 12,13,25~33 Mexico Mariana Gómez del Campo Gurza MP p92 12,13,25~33 Mexico Olga Catalan Padilla MP p140 12,13,25~33 Mexico Salvador Vega Casillas MP p104 12,13,25~33 Morocco Milouda Hazeb MP p104 12,13,25~33 MP p136 15 12 12,13,25~33 MP p136 20 12 12 12	Mexico	Karina Padilla Avila	MP	-	
Mexico Luis Fernando Salazar Fernández MP p128 12,13,25~33 Mexico Mariana Gómez del Campo Gurza MP p92 12,13,25~33 Mexico Olga Catalan Padilla MP - 12,13,25~33 Mexico Salvador Vega Casillas MP p140 12,13,25~33 Morocco Milouda Hazeb MP p104 14 Myanmar TIN TUN NAING MP p136 15 Norway Sivert Haugen Bjørnstad MP p68 16 Philippines Aquilino Martin III Dela Llana PIMENTEL MP p124 17 Portugal Fernando Virgílio Cabral da Cruz Macedo MP p110 18,19 Portugal Joao Galamba MP p84 18,19 Portugal Joao Galamba MP p110 20,21,34~38 Spain Alberto Montero MP p116 20,21,34~38 Spain Alicia Sánchez-Camacho MP p86 20,21,34~38 Spain Lourdes CIURÓ MP p76<	Mexico	Laura Plascencia		-	
Mexico Mariana Gómez del Campo Gurza MP p92 12,13,25~33 Mexico Olga Catalan Padilla MP 12,13,25~33 Mexico Salvador Vega Casillas MP p140 12,13,25~33 Morocco Milouda Hazeb MP p104 14 Myanmar TIN TUN NAING MP p136 15 Norway Sivert Haugen Bjørnstad MP p68 16 Philippines Aquilino Martin III Dela Llana PIMENTEL MP p124 17 Portugal Fernando Virgílio Cabral da Cruz Macedo MP p110 18,19 Portugal Joao Galamba MP p84 18,19 Spain Alberto Montero MP p116 20,21,34~38 Spain Alcia Sánchez-Camacho MP p130 20,21,34~38 Spain Irene GARRIDO MP p86 20,21,34~38 Spain María del Puerto GALLEGO MP p94 20,21,34~38 Spain Marta González Vázquez MP p94	Mexico	Luis Fernando Salazar Fernández	MP	p128	
Mexico Olga Catalan Padilla MP 12,13,25~33 Mexico Salvador Vega Casillas MP p140 12,13,25~33 Morocco Milouda Hazeb MP p104 14 Myanmar TIN TUN NAING MP p136 15 Norway Sivert Haugen Bjørnstad MP p68 16 Philippines Aquilino Martin III Dela Llana PIMENTEL MP p124 17 Portugal Fernando Virgílio Cabral da Cruz Macedo MP p110 18,19 Portugal Joao Galamba MP p84 18,19 Spain Alberto Montero MP p116 20,21,34~38 Spain Alcia Sánchez-Camacho MP p130 20,21,34~38 Spain Irene GARRIDO MP p86 20,21,34~38 Spain Lourdes CIURÓ MP p76 20,21,34~38 Spain María del Puerto GALLEGO MP p94 20,21,34~38 Spain Marta González Vázquez MP p94 20,21	Mexico	Mariana Gómez del Campo Gurza	MP	<u> </u>	******
Mexico Salvador Vega Casillas MP p140 12,13,25~33 Morocco Milouda Hazeb MP p104 14 Myanmar TIN TUN NAING MP p136 15 Norway Sivert Haugen Bjørnstad MP p68 16 Philippines Aquilino Martin III Dela Llana PIMENTEL MP p124 17 Portugal Fernando Virgílio Cabral da Cruz Macedo MP p110 18,19 Portugal Joao Galamba MP p84 18,19 Spain Alberto Montero MP p116 20,21,34~38 Spain Alicia Sánchez-Camacho MP p130 20,21,34~38 Spain Irene GARRIDO MP p86 20,21,34~38 Spain Lourdes CIURÓ MP p76 20,21,34~38 Spain María del Puerto GALLEGO MP p94 20,21,34~38 Spain Marta González Vázquez MP p94 20,21,34~38 Spain Marta González Vázquez MP p94	Mexico		MP	-	
Morocco Milouda Hazeb MP p104 14 Myanmar TIN TUN NAING MP p136 15 Norway Sivert Haugen Bjørnstad MP p68 16 Philippines Aquilino Martin III Dela Llana PIMENTEL MP p124 17 Portugal Fernando Virgílio Cabral da Cruz Macedo MP p110 18,19 Portugal Joao Galamba MP p84 18,19 Spain Alberto Montero MP p116 20,21,34~38 Spain Alicia Sánchez-Camacho MP p130 20,21,34~38 Spain Irene GARRIDO MP p86 20,21,34~38 Spain Lourdes CIURÓ MP p76 20,21,34~38 Spain María del Puerto GALLEGO MP - 20,21,34~38 Spain Marta González Vázquez MP p94 20,21,34~38 Spain Marta González Vázquez MP p94 20,21,34~38 Sweden Monica Green MP p96 22	Mexico	Salvador Vega Casillas	MP	p140	
Myanmar TIN TUN NAING MP p136 15 Norway Sivert Haugen Bjørnstad MP p68 16 Philippines Aquilino Martin III Dela Llana PIMENTEL MP p124 17 Portugal Fernando Virgílio Cabral da Cruz Macedo MP p110 18,19 Portugal Joao Galamba MP p84 18,19 Spain Alberto Montero MP p116 20,21,34~38 Spain Alicia Sánchez-Camacho MP p130 20,21,34~38 Spain Irene GARRIDO MP p86 20,21,34~38 Spain Lourdes CIURÓ MP p76 20,21,34~38 Spain María del Puerto GALLEGO MP p94 20,21,34~38 Spain Marta González Vázquez MP p94 20,21,34~38 Spain Marta González Vázquez MP p94 20,21,34~38 Sweden Monica Green MP p94 20,21,34~38 Sweden Monica Green MP p96	Morocco		MP		
Norway Sivert Haugen Bjørnstad MP p68 16 Philippines Aquilino Martin III Dela Llana PIMENTEL MP p124 17 Portugal Fernando Virgílio Cabral da Cruz Macedo MP p110 18,19 Portugal Joao Galamba MP p84 18,19 Spain Alberto Montero MP p116 20,21,34~38 Spain Alicia Sánchez-Camacho MP p130 20,21,34~38 Spain Irene GARRIDO MP p86 20,21,34~38 Spain Lourdes CIURÓ MP p76 20,21,34~38 Spain María del Puerto GALLEGO MP 20,21,34~38 Spain María González Vázquez MP p94 20,21,34~38 Spain Marta SORLI MP p134 20,21,34~38 Sweden Monica Green MP p96 22 Thailand Satit CHANJAVANAKUL MP p72 23 Turkey MEHMET AKIF HAMZACEBI MP p100 24 Jordan Hazem Hawamdeh Staff p102 Laos Nitkeo KHAMMY	Myanmar	TIN TUN NAING	MP		·
Philippines Aquilino Martin III Dela Llana PIMENTEL MP p124 17 Portugal Fernando Virgílio Cabral da Cruz Macedo MP p110 18,19 Portugal Joao Galamba MP p84 18,19 Spain Alberto Montero MP p116 20,21,34~38 Spain Alicia Sánchez-Camacho MP p130 20,21,34~38 Spain Irene GARRIDO MP p86 20,21,34~38 Spain Lourdes CIURÓ MP p76 20,21,34~38 Spain María del Puerto GALLEGO MP - 20,21,34~38 Spain Marta González Vázquez MP p94 20,21,34~38 Spain Marta SORLI MP p134 20,21,34~38 Sweden Monica Green MP p96 22 Thailand Satit CHANJAVANAKUL MP p72 23 Turkey MEHMET AKIF HAMZACEBI MP p100 24 Jordan Hazem Hawamdeh Staff - -	Norway	Sivert Haugen Bjørnstad	MP	+	
Portugal Fernando Virgílio Cabral da Cruz Macedo MP p110 18,19 Portugal Joao Galamba MP p84 18,19 Spain Alberto Montero MP p116 20,21,34~38 Spain Alicia Sánchez-Camacho MP p130 20,21,34~38 Spain Irene GARRIDO MP p86 20,21,34~38 Spain Lourdes CIURÓ MP p76 20,21,34~38 Spain María del Puerto GALLEGO MP p94 20,21,34~38 Spain Marta González Vázquez MP p94 20,21,34~38 Spain Marta SORLI MP p134 20,21,34~38 Sweden Monica Green MP p96 22 Thailand Satit CHANJAVANAKUL MP p72 23 Turkey MEHMET AKIF HAMZACEBI MP p100 24 Jordan Hazem Hawamdeh Staff p102 -	Philippines		MP	 	
PortugalJoao GalambaMPp8418,19SpainAlberto MonteroMPp11620,21,34~38SpainAlicia Sánchez-CamachoMPp13020,21,34~38SpainIrene GARRIDOMPp8620,21,34~38SpainLourdes CIURÓMPp7620,21,34~38SpainMaría del Puerto GALLEGOMP- 20,21,34~38SpainMarta González VázquezMPp9420,21,34~38SpainMarta SORLIMPp13420,21,34~38SwedenMonica GreenMPp9622ThailandSatit CHANJAVANAKULMPp7223TurkeyMEHMET AKIF HAMZACEBIMPp10024JordanHazem HawamdehStaffp102-LaosNitkeo KHAMMYStaff-	Portugal	Fernando Virgílio Cabral da Cruz Macedo	MP	 	
Spain Alberto Montero MP p116 20,21,34~38 Spain Alicia Sánchez-Camacho MP p130 20,21,34~38 Spain Irene GARRIDO MP p86 20,21,34~38 Spain Lourdes CIURÓ MP p76 20,21,34~38 Spain María del Puerto GALLEGO MP - 20,21,34~38 Spain Marta González Vázquez MP p94 20,21,34~38 Spain Marta SORLI MP p134 20,21,34~38 Sweden Monica Green MP p96 22 Thailand Satit CHANJAVANAKUL MP p72 23 Turkey MEHMET AKIF HAMZACEBI MP p100 24 Jordan Hazem Hawamdeh Staff p102 - Laos Nitkeo KHAMMY Staff - -	Portugal	Joao Galamba	MP	 	
SpainAlicia Sánchez-CamachoMPp13020,21,34~38SpainIrene GARRIDOMPp8620,21,34~38SpainLourdes CIURÓMPp7620,21,34~38SpainMaría del Puerto GALLEGOMP20,21,34~38SpainMarta González VázquezMPp9420,21,34~38SpainMarta SORLIMPp13420,21,34~38SwedenMonica GreenMPp9622ThailandSatit CHANJAVANAKULMPp7223TurkeyMEHMET AKIF HAMZACEBIMPp10024JordanHazem HawamdehStaffp102-LaosNitkeo KHAMMYStaff	Spain	Alberto Montero	MP	 	
Spain Irene GARRIDO MP p86 20,21,34~38 Spain Lourdes CIURÓ MP p76 20,21,34~38 Spain María del Puerto GALLEGO MP - 20,21,34~38 Spain Marta González Vázquez MP p94 20,21,34~38 Spain Marta SORLI MP p134 20,21,34~38 Sweden Monica Green MP p96 22 Thailand Satit CHANJAVANAKUL MP p72 23 Turkey MEHMET AKIF HAMZACEBI MP p100 24 Jordan Hazem Hawamdeh Staff p102 - Laos Nitkeo KHAMMY Staff - -	Spain	Alicia Sánchez-Camacho	MP		
SpainLourdes CIURÓMPp7620,21,34~38SpainMaría del Puerto GALLEGOMP- 20,21,34~38SpainMarta González VázquezMPp9420,21,34~38SpainMarta SORLIMPp13420,21,34~38SwedenMonica GreenMPp9622ThailandSatit CHANJAVANAKULMPp7223TurkeyMEHMET AKIF HAMZACEBIMPp10024JordanHazem HawamdehStaffp102-LaosNitkeo KHAMMYStaff	Spain	Irene GARRIDO	MP	1	
SpainMaría del Puerto GALLEGOMP- 20,21,34~38SpainMarta González VázquezMPp9420,21,34~38SpainMarta SORLIMPp13420,21,34~38SwedenMonica GreenMPp9622ThailandSatit CHANJAVANAKULMPp7223TurkeyMEHMET AKIF HAMZACEBIMPp10024JordanHazem HawamdehStaffp102-LaosNitkeo KHAMMYStaff	Spain	Lourdes CIURÓ	MP		
SpainMarta González VázquezMPp9420,21,34~38SpainMarta SORLIMPp13420,21,34~38SwedenMonica GreenMPp9622ThailandSatit CHANJAVANAKULMPp7223TurkeyMEHMET AKIF HAMZACEBIMPp10024JordanHazem HawamdehStaffp102-LaosNitkeo KHAMMYStaff	Spain	María del Puerto GALLEGO	MP	٠.	
SpainMarta SORLIMPp13420,21,34~38SwedenMonica GreenMPp9622ThailandSatit CHANJAVANAKULMPp7223TurkeyMEHMET AKIF HAMZACEBIMPp10024JordanHazem HawamdehStaffp102-LaosNitkeo KHAMMYStaff	Spain	Marta González Vázquez	MP	p94	
SwedenMonica GreenMPp9622ThailandSatit CHANJAVANAKULMPp7223TurkeyMEHMET AKIF HAMZACEBIMPp10024JordanHazem HawamdehStaffp102-LaosNitkeo KHAMMYStaff	Spain		MP	+	
ThailandSatit CHANJAVANAKULMPp7223TurkeyMEHMET AKIF HAMZACEBIMPp10024JordanHazem HawamdehStaffp102-LaosNitkeo KHAMMYStaff	Sweden	Monica Green	MP	1.5	
TurkeyMEHMET AKIF HAMZACEBIMPp10024JordanHazem HawamdehStaffp102-LaosNitkeo KHAMMYStaff	Thailand	Satit CHANJAVANAKUL	MP	! 	
JordanHazem HawamdehStaffp102-LaosNitkeo KHAMMYStaff	Turkey	MEHMET AKIF HAMZACEBI	MP		
Laos Nitkeo KHAMMY Staff	Jordan	Hazem Hawamdeh	Staff	+	
	Laos	Nitkeo KHAMMY		 	-
priesson priestra a value para a traditional properties in the priestra in the	Malaysia	Mohd Nazir bin Hashim	Staff	-	
Spain Carmen DOMÍNGUEZ Poza Staff p80				n80	_
Spain Mónica Moreno Staff p118					
Sweden Ann-Charlott Mari Tunved Staff p138	-			+	
Turkey Cemal ÇÖPÜRGENSLİ Staff p78				+	

The Japanese Delegation to the OECD Global Parliamentary Network Meeting

Delegates (24 Persons)

Leader

Mr. Toshihiro NIKAI H.R., Liberal Democratic Party

Deputy Leader

Mr. Yosuke TSURUHO H.C., Liberal Democratic Party

Mr. Takeo KAWAMURA H.R., Liberal Democratic Party

Mr. Teru FUKUI H.R., Liberal Democratic Party

Dr. Tsuyoshi YAMAGUCHI H.R., Liberal Democratic Party

Mr. Tadahiko ITO H.R., Liberal Democratic Party

Mr. Yohei MATSUMOTO H.R., Liberal Democratic Party

Mr. Hirofumi KADO H.R., Liberal Democratic Party

Mr. Shigeaki KATSUNUMA H.R., Liberal Democratic Party

Mr. Takayuki KOBAYASHI H.R., Liberal Democratic Party

Mr. Masaharu NAKAGAWA H.R., The Democratic Party and Club of Independents

Dr. Takashi SHINOHARA H.R., The Democratic Party and Club of Independents

Mr. Yoichiro AOYAGI H.R., The Democratic Party and Club of Independents

Mr. Mitsunari OKAMOTO H.R., Komeito

Mr. Yasufumi FUJINO H.R., Japanese Communist Party

Mr. Hodaka MARUYAMA H.R., Initiatives from Osaka

Mr. Kotaro NAGASAKI H.R., Independent

Mr. Masaji MATSUYAMA H.C., Liberal Democratic Party

Mr. Kenji NAKANISHI H.C., Liberal Democratic Party

Mr. Toru MIKI H.C., Liberal Democratic Party

Ms. Mieko KAMIMOTO H.C., The Democratic Party and The Shin-Ryokufukai

Mr. Yukihisa FUJITA H.C., The Democratic Party and The Shin-Ryokufukai

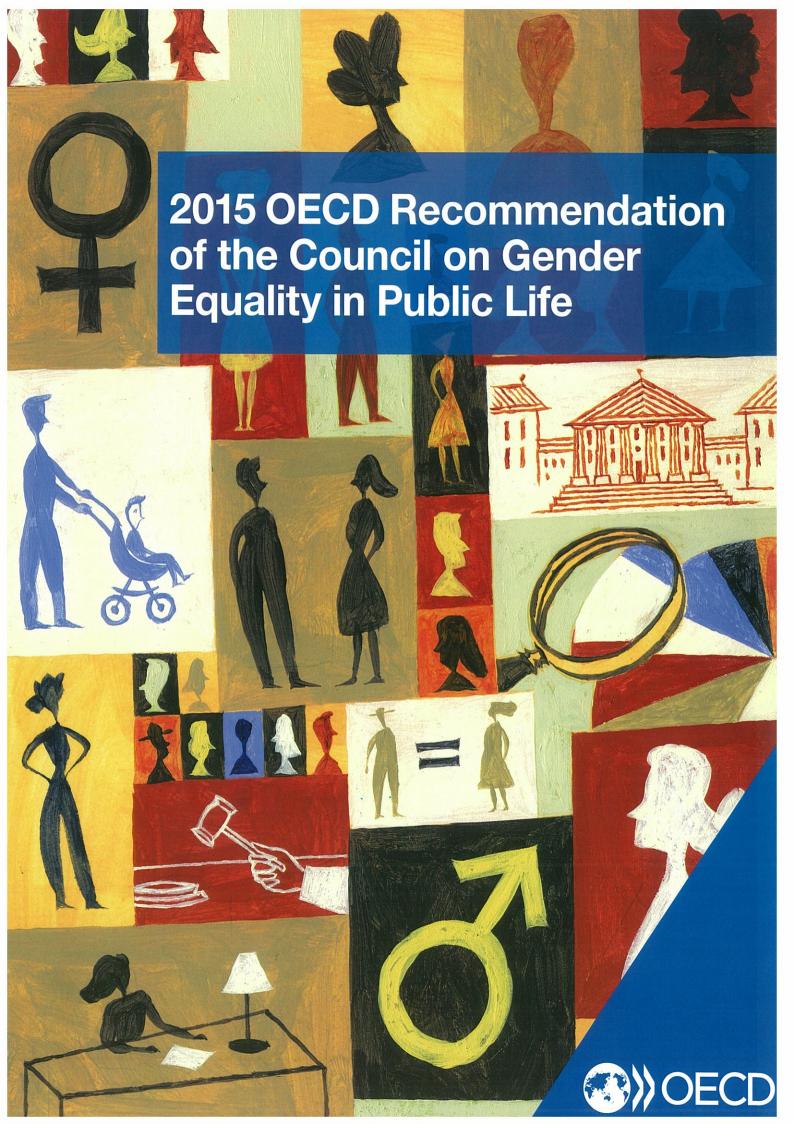
Mr. Hideki NIIZUMA H.C., Komeito

Mr. Satoshi INOUE H.C., Japanese Communist Party

(as of 5 April 2016)

*Abbreviation: H.R. = House of Representatives

H.C. = House of Councillors



2015 OECD Recommendation of the Council on Gender Equality in Public Life



This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

Please cite this publication as:

OECD (2016), 2015 OECD Recommendation of the Council on Gender Equality in Public Life, OECD Publishing, Paris.

http://dx.doi.org/10.1787/9789264252820-en

ISBN 978-92-64-25282-0 (PDF)

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

Photo credits: Cover © Jeffrey Fisher.

Corrigenda to OECD publications may be found on line at: www.oecd.org/about/publishing/corrigenda.htm. © OECD 2016

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgement of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to rights@oecd.org. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at info@copyright.com or the Centre français d'exploitation du droit de copie (CFC) at contact@cfcopies.com.

FOREWORD BY THE OECD SECRETARY-GENERAL

There is growing awareness among the global community that gender equality is a cornerstone of inclusive growth. Gender-balanced leadership and gender-responsive policy making are more likely to ensure that the benefits of growth are shared equally. Women's full involvement in decision-making and agenda-setting are crucial for adequately reflecting the priorities and needs of all members of society. It also contributes to generate greater trust of citizens in public institutions.

While governments are increasingly implementing gender equality initiatives, the pace of progress is slow and varies across countries and levels of government. Women's participation has been increasing in middle/senior management levels in many OECD countries. However, the disparities between men and women increase as one climbs the organizational ladder. Women still lag behind men in access to decision-making and leadership positions, while men continue to be underrepresented in caring professions such as nursing. While gender considerations are embedded in social sector initiatives, such goals are barely articulated when it comes to other sectors, such as transport, urban infrastructure or energy.

Governments also continue to face challenges in designing inclusive and gender-sensitive public policies, and in ensuring that gender equality initiatives are effectively implemented. These remaining gaps not only undermine the well-being of societies, but represent missed opportunities for achieving economic growth that benefits all. To be successful, governments need effective governance mechanisms, and sound public sector capacities to ensure effective implementation of gender equality initiatives.

In the framework of the OECD Gender Initiative, the path-breaking 2015 OECD Recommendation of the Council on Gender Equality in Public Life complements the 2013 OECD Recommendation on Gender Equality in Education, Employment and Entrepreneurship by focusing on the implementation mechanisms to ensure the policy impact. The 2015 Recommendation promotes a government-wide strategy for gender equality reform, sound mechanisms to ensure accountability and sustainability of gender initiatives, and tools and evidence to inform inclusive policy decisions. It also promotes a "whole-of-society" approach to reducing gender stereotypes, encouraging women to participate in politics and removing implicit and explicit barriers to gender equality.

This Recommendation is unique, as it provides not only governments, but also parliaments and judiciaries, with clear, timely and actionable guidelines for effectively implementing gender equality and gender mainstreaming initiatives, and for improving equal access to public leadership for women and men from diverse backgrounds.

This Recommendation was developed by the OECD Public Governance Committee, in cooperation with the OECD Employment, Labour and Social Affairs Committee, as a critical part of the Organisation's Inclusive Growth Initiative. This work builds on the extensive expertise developed by the Public Governance Committee and its policy communities, including the 2014 report Women, Government and Policy-Making in OECD Countries: Fostering Diversity for Inclusive Growth.

This Recommendation was developed through a global stakeholder consultation process with OECD Committees, government officials, parliamentarians, representatives of the judiciary, experts and civil society organisations. It represents the political will of OECD member countries to promote gender equality to achieve inclusive growth. I encourage adherents to use this Recommendation actively, and implement it to achieve fairer societies and foster inclusive economic growth.

Angel Gurría

OECD Secretary-General

2015 OECD RECOMMENDATION OF THE COUNCIL ON GENDER EQUALITY IN PUBLIC LIFE

THE COUNCIL,

HAVING REGARD to Article 5 b) of the Convention on the Organisation for Economic Cooperation and Development of 14 December 1960;

HAVING REGARD to the Recommendation of the Council on Gender Equality in Employment, Education and Entrepreneurship [C/MIN(2013)5/FINAL] which the present Recommendation builds on and aims to complement (Sections I/C, I and J of the above Recommendation);

HAVING REGARD to the report by the OECD Gender Initiative "Gender Equality in Education, Employment and Entrepreneurship: Final Report to the MCM 2012" [C/MIN(2012)5] and to the 2014 report by the Public Governance Committee "Women, Government and Policy-Making in OECD Countries: Fostering Diversity for Inclusive Growth" (OECD, 2014);

RECOGNISING the significant foundation already provided by several international instruments on various aspects of gender equality, notably the principles embodied in the 1979 United Nations Convention on the Elimination of all Forms of Discrimination against Women (CEDAW); the 1995 Beijing Declaration and Platform for Action of the Fourth UN World Conference on Women; the United Nations Millennium Development Goals (MDGs); and the "United Nations Sustainable Development Goals" (SDGs);

RECOGNISING that fostering gender diversity in public decision-making is critical for achieving inclusive growth at all levels of government, as well as anticipating current and future steps needed to increase citizen trust and well-being;

RECOGNISING that achieving gender balance in public leadership requires a deep cultural change at both societal and organisational levels;

RECOGNISING that a whole-of government approach, supported by effective institutions and robust accountability, is needed to ensure that gender equality efforts are sustainable and that achieving gender equality requires committed leadership, effective institutional frameworks, resources, tools and gender mainstreaming at appropriate levels of governments;

RECOGNISING that gender mainstreaming strategies should occur at appropriate levels of government and in relevant policy and governance areas thus creating a context of shared responsibility across all public institutions;

NOTING that, at the Public Governance Ministerial meeting on "Public Governance for Inclusive Growth: towards a new vision for the Public Sector" on 28 October 2015, Ministers agreed to strive for greater gender equality in public life and to support the development of gender mainstreaming in relevant public governance areas including through gender-based analysis of public policies and very much welcomed the draft Recommendation of the Council on Gender Equality in Public Life [Chair's Summary, see GOV/PGC/MIN(2015)5/FINAL].

On the proposal of the Public Governance Committee and in co-operation with the Employment, Labour and Social Affairs Committee:

- I. RECOMMENDS that Members and non-Members having adhered to the Recommendation (hereafter the "Adherents") mainstream gender equality in the design, development, implementation and evaluation of relevant public policies and budgets. To this effect, Adherents should:
- 1. Secure leadership and commit at the highest political level, at the appropriate level of government, to the development and implementation of a whole-of government strategy for effective gender equality and mainstreaming, which would enable:
 - setting a rationale, action plans, priorities, timelines, objectives, expected outcomes and/or targets, and effective policy planning across public institutions for promoting gender equality. These measures should be accompanied by information and awareness campaigns, media strategies and regular reviews;
 - ii) engaging relevant governmental and non-governmental stakeholders with a view to ensuring an inclusive and comprehensive coverage of gender equality issues; and
 - adopting a dual approach to narrowing equality gaps through both gender mainstreaming and specific targeted actions to promote gender equality.
- 2. Establish an institutional framework to ensure the effective implementation, co-ordination and sustainability of the gender equality and mainstreaming strategy, by:
 - i) establishing clear roles, responsibilities, mandates and lines of accountability of key governmental and oversight bodies in implementing gender equality and mainstreaming initiatives;
 - bolstering the capacities and resources of gender equality institutions to facilitate a consistent response at appropriate levels of government and to develop, implement and monitor gender-sensitive programmes and policies throughout the government, based on gender-disaggregated statistics and indicators. Effectiveness of gender equality institutions can also be strengthened by placing them at the highest possible level in the government (see also recommendations II.2 and III.2);
 - ensuring the capacity and resources of public institutions to integrate gender equality perspectives in their activities, for example, by identifying gender equality focal points across governmental bodies, by investing resources in training and promoting collaborative approaches with knowledge centres to produce gender-sensitive knowledge, leadership and communication, by ensuring the collection of gender and gender-disaggregated statistics in their areas of responsibility and by providing clear guidelines, tools, communication and expectations to public institutions in this area (see also recommendations II.2 and III.2); and
 - iv) strengthening vertical and horizontal co-ordination mechanisms for policy coherence across governmental bodies and levels of government that involve relevant non-governmental stakeholders to ensure synergies and effective implementation of gender equality initiatives.
- 3. Integrate evidence-based assessments of gender impacts and considerations into various dimensions of public governance (for example, public procurement, public consultation and service delivery management) and at early stages of all phases of the policy cycle (for example, by

- aligning *ex ante* assessments of gender impacts with broader government-wide policy development processes, such as regulatory impact assessment), as appropriate.
- 4. Consider integration of the gender perspective in all phases of the budget cycle, as appropriate, so that transparency regarding gender-relevant resource allocation decisions is maximised.
- II. RECOMMENDS that Adherents strengthen accountability and oversight mechanisms for gender equality and mainstreaming initiatives across and within government bodies. To this effect, Adherents should:
- 1. Consider establishing or strengthening capacity of independent institutions (such as Independent Commissions, Supreme Audit Institutions, Ombuds Offices), and advisory bodies (e.g., Government councils) to monitor the implementation of gender equality strategies, integrate gender issues in policy-making, and facilitate regular reporting, audits and measurement. To be effective, such oversight should be undertaken in a balanced manner and avoid prescriptive approaches to foster continuous improvement while enabling to track progress in gender equality.
- 2. Strengthen the evidence base and systematically measure progress towards gender equality performance, based on gender impact indicators and measurable outcomes, by:
 - developing and implementing evaluation, measurement and accountability frameworks and indicators and collecting data to regularly assess and report on performance of gender equality and mainstreaming strategies, initiatives, public policies and programmes at appropriate levels of government. Consider building capacity of public institutions based on these evaluations;
 - ii) actively promoting data dissemination and ensuring affordable, effective and timely access to performance information on gender equality and mainstreaming, that allows for tracking results against targets, monitoring progress towards socio-economic development and for comparison with international and other benchmarks; and
 - iii) increasing co-ordination among data collecting and producing bodies and collaboration with relevant stakeholders with a view to developing better gender impact indicators.
- 3. Encourage greater role of parliaments and parliamentary committees to support progress in gender equality, for example, by integrating gender perspectives in parliamentary practices, legislation and budgets, by promoting legislative initiatives focusing on gender equality and by providing oversight of the implementation of gender equality and mainstreaming strategies and initiatives.
- 4. Establish or maintain effective, independent, impartial and efficient complaint and appeal mechanisms to protect rights for gender equality and consider complaints in an efficient, competent and impartial manner.
- III. RECOMMENDS that Adherents consider measures to achieve gender balanced representation in decision making positions in public life by encouraging greater participation of women in government at all levels, as well as in parliaments, judiciaries and other public institutions. To this effect, Adherents should:
- 1. Embed a political commitment at the highest level to promote gender equality in public life, as appropriate, by developing a comprehensive framework to encourage balanced representation of women and men in public decision making positions by:

- i) considering comprehensive (transitional or correctional) regulatory or voluntary measures to promote gender diversity in parliamentary and executive bodies, including in parliamentary committees and leadership posts. For example, based on good practices and as appropriate, these measures can include disclosure requirements, quotas, voluntary targets, parity laws, alternating the sexes on the party list and linking gender ratios in political parties to their access to public funding. Considering penalties for non-compliance can be important to ensure the effectiveness of such measures;
- ii) introducing measures, as appropriate, to enable equal access to opportunities in senior public service and judicial appointments such as disclosure requirements, target setting or quotas, while ensuring a transparent and merit-based approach in judicial and senior public sector appointments through open competition, clear recruitment standards and wide vacancy advertisement;
- iii) mainstreaming work-life balance and family-friendly work practices at the top level in public institutions and promoting gender-sensitive working conditions, for example, by reviewing internal procedures of public institutions, reconsidering traditional working hours, developing schemes to support the reconciliation of family and professional obligations, providing incentives to men to take available care leave and flexible work entitlements; and
- iv) facilitating capacity and leadership development opportunities, mentoring, networking and other training programmes in public institutions, promoting female role models in public life and encouraging active engagement of men in promoting gender equality.
- 2. Systematically monitor gender balance in public institutions, including in leadership positions and different occupational groups, through regular data collection, such as the use of employee surveys, and reassess its alignment with overall gender equality objectives and priorities, taking into account the results of evaluations (see also recommendation II.2).
- 3. Consider measures to tackle the root causes of barriers to women's access to decision-making positions, and to improve women's image in society by developing information campaigns and awareness-raising programmes about gender stereotypes, conscious and unconscious biases and social and economic benefits of gender equality while addressing double or multiple discrimination.

IV. RECOMMENDS that Adherents take adequate measures to improve the gender equality in public employment. To this effect, Adherents should:

- 1. Promote the flexibility, transparency, and fairness of public employment systems and policies to ensure fair pay and equal opportunities for women and men with a mix of backgrounds and experience.
- 2. Develop both comprehensive and more cause-specific measures to address any gender pay gap in the public sector and horizontal occupational segregation, as appropriate through:
 - enacting pay equality and equity laws and regulations, tools and regular pay assessments in public sector institutions, including the identification of the predominantly female and male job classes in the public sector, and the evaluation of compensation differences among them and of the need for adjustments;

- ii) performing regular and objective desk audits, targeting low-paid and/or female-dominated sectors to ensure pay equality and equity, and implementing policy recommendations based on their results; and
- iii) ensuring effective channels of recourse for challenging the gender wage gap in the public sector as appropriate, for example by considering independent complaint and legal recourse mechanisms for non-compliance.
- 3. Promote merit-based recruitment; consider positive policies and practices to ensure a balanced representation of men and women in each occupational group in public sector employment; and, develop concrete measures to ensure the effective removal of the implicit barriers within hiring and staffing processes, where appropriate and necessary.
- 4. Establish clear institutional roles and responsibilities for promoting gender balance in the public sector, including independent recourse and appeal mechanisms, which should be adequately funded, resourced, and linked to executive teams to ensure their effectiveness.
- 5. Raise awareness of gender equality considerations among public sector managers and enhance management and executive accountability to ensure gender balance at all levels and occupational groups, and deal with gender equality issues in workplaces, including through performance management frameworks.
- V. RECOMMENDS that Adherents strengthen international co-operation through continuously sharing knowledge, lessons learned and good practices on gender equality and mainstreaming initiatives in public institutions.
- VI. INVITES the Secretary-General to disseminate the Recommendation.
- VII. INVITES Adherents to disseminate the Recommendation at all levels of government.
- VIII. INVITES non-Adherents to take due account of and adhere to the Recommendation.
- **IX. INSTRUCTS** the Public Governance Committee to monitor, in co-operation with the Employment, Labour and Social Affairs Committee, the implementation of this Recommendation, including through the development and use of benchmark indicators and country reviews and, report thereon to Council at the same time as the implementation of the Recommendation of the Council on Gender Equality in Employment, Education and Entrepreneurship [C/MIN(2013)5/FINAL] will be reported on and regularly, thereafter.

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

The OECD is a unique forum where governments work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

The OECD member countries are: Australia, Austria, Belgium, Canada, Chile, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The European Union takes part in the work of the OECD.

OECD Publishing disseminates widely the results of the Organisation's statistics gathering and research on economic, social and environmental issues, as well as the conventions, guidelines and standards agreed by its members.

経済協力開発機構 (OECD)

経済協力開発機構 (Organisation for Economic Co-operation and Development,OECD) は、グローバハ化の時代にあって各国政府が共に、経済、社会、環境の諸問題に取り組入でいる唯一の国際機関である。OECDにまた、コーポレート・ガバナンスや情報経済、高齢化等の新しい課題に先頭になって取り組み、各国政府のこれまた、コーポレート・ガバナンスや情報経済、高齢化等の新しい課題に先頭になって取り組み、各国政府のこれまたの新たな状況への対応を支援している。OECD は各国政府がこれまでの政策を相互に比較し、共通の課題がらの新たな状況への対応を支援している。OECD は各国政府が関係の関係を提案を模索し、優れた実績を明らかにし、国内及び国際政策の調和を実現する場を提供している。

OECD が収集した統計や、経済、社会、環境の諸問題に関する研究成果は、加盟各国の合意に基づく協定、指針、標準と同様にOECD 出版物として広く公開されている。

- i) 公共部門の機関における賃金平等と公平性に係る法律や規制、手法、定期的な賃金 の検証を策定する。これには、公共部門における男女それぞれが多数派となってい る検証を策定する。これには、公共部門における男女それぞれが多数派となってい る権務の特定、男女間の報酬の差異や調整の必要性の評価を含む;
- (iii) 必要に広じて、公共部門における男女の賃金格差に挑戦するための効果的な教務手 段を確保する、例えば、不遵守のための独立した不服申し立てや社的教済メカニズ なったを教討する。

- 5. 公共部門の管理職間のジェンダー平等における配慮の意識を高め、すべての段階及び職業集団においてジェンダーバランスを確保するため、管理職と執行部の説明責任を強化する。そして、業績管理枠組み等を通じて、職場におけるジェンダー平等の問題に対処する。
- V. 遵守国治、継続的に、公的機関におけるジェンダー平等や主流化の取組に関する知識、数 別及び好事例の共有を通じた国際協力を強化することを**勧告する**。
- 。る卡伽樊ふくこる図多及普の告慮本、J 校习 具総務事 IV

ξ.

- VII. 遵守国に対し、あらゆる段階の政府においてお勧告の告及を図ることを奨励する。
- 。るで佩槃でよるで書支き書儲本、ノ勳等习公十き書储本、J校习国守蔥未、IIIV
- IX. 公共が大ンス委員会に対し、雇用労働社会問題委員会と協力し、ベンチマーケ指標の策定及び対対 (2013)S/FINAL]の実施を通じる等により、本勧告の実施の監視を指示する。そして、教育、雇用及び設業におけるジェンダー平等に関する理事会制告[C / MIN(2013)S/FINAL]の実施が報告雇用及び経業におけるジェンダー工等に関する理事会制告[C / MIN(2013)S/FINAL]の支統が報告をお、その後定期的に報告されることと同時に、理事会に本勧告の実施について報告することを

Ί.

- iv) 公的機関内における、能力とリーダーシップ開発の機会、助言、ネットワーキング 及び他の研修プログラムを推進し、公的生活における女性の模範を促進し、ジェン ダー平等を促進する上で、男性の積極的な関与を奨励する。
- 2. 従業員調査の利用等の定期的なデータ収集を通じて、公的機関におけるジェンダーバランスを存み的に監視し、評価結果を考慮しつ、全体的なジェンダーバランスを体系的に監視し、評価結果を考慮しつ、全体的なジェンダーバランスを体がらいとなるを再評価をある。(制金II.2参照)。
- 告する。このため、遵守国は、水を行う: でする。このため、遵守国は、水を行う:
- 1. 様々な背景や経験を有する男女に対する公平な賃金及び平等の機会を確保するため、公的機関における雇用の仕組みと政策における柔軟性、透明性及び公平性を推進する。

- 一次の早期段階(例えば、ジェンダーの影響の事前評価を、規制影響評価等の政府全体にかたる店館囲の政策策定過程に統合する)に、必要に応じ統合する。
- 4. ジェンダー関連の予算配分についての意思決定の透明性が最大化するよう、必要に応じ、4. シェンダー関連の予算配格においてジェンダーの観点を含めることを検討するよう、必要に応じ、
- II. 遵守国は、政府機関全体や政府機関内のジェンダー平等と主流化の取り組みのために、記 明責任と監督メカニストを通化することを勧告する。このため、遵守国は、次を行う:
- 2. 水により、ジェンダー影響指標と計測可能な結果に基づき、証拠による根拠を強化し、体系的にジェンダー影響指標と計測可能な結果に基づき、証拠による根拠を強化し、体
- ii) 積極的にデータの普及を促進し、入手可能で効果的かつ適時なジェンダーで等と 流化の成果に関する情報の入手を確保することで、目標に対する結果を捕捉し、社会経済的発展に向けた進捗を監視し、国際的その他のペンチマークとの比較を可能 会経済的発展に向けた進捗を監視し、国際的その他のペンチマークとの比較を可能 でする;
- iii) データ収集と生成を行う組織間での連携及びより良いジェンダー影響指標の開発を 視野に入れた利害関係者との協力を向上させる。
- 3. 例えば、議会慣行、法律や予算にジェンダーの観点を組み込むこと、ジェンダー平等に焦点を追ってた立法の取り組みを促進すること、及び、ジェンダー平等の進捗を支援するため、議会や議会の政実のの実施の監督をすることによって、ジェンダー平等の進捗を支援するため、議会や議会の表の表の監督をすることによって、ジェンダーの報点を担当を受けませば、
- 4. ジェンダー平等のための権利を保護し、効率校、乙輩界を所幹のあれて等平一がくエジ は、 シャンメニンス中別不で活力を受けるため、効果的で、カコロが、カロロのでは、シャンスには、シャンスを受けるできます。
- III. 遵守国公、議会、司法、その他の公的機関だけではなく、あらゆる段階の政府への女性のより多くの参加を奨励することにより、公的生活において意思決定を担う地位のジェンダーバランスのとれた代表を実現するための措置を検討することを勧告する。このため、遵守国は、テンスのとれた代表を実現するための情置を検討することを勧告する。このため、遵守国は、テンスのとれて表を表する。

- 1. 政治の最高位、通知な段階の政府において、リーダーシップと責任を確保し、効果的なシェンダー工等と主流化に向けた政府全体による戦略を企画し実施する。これによって以下 を確保する:
- ii) 包摂的かつ包括的にジェンダー平等の課題が網羅されることを確保するために、関連する政府・非政府の利害関係者を巻き込む;
- iii) ジェンダーを主流化することと、特定の目的に限定した行動の双方により、ジェンダー格差を是正する二重の取り組みを採用する。
- 2. 水により、ジェンダー平等及び主流化難略の効果的な実施、連携及び持続可能性を確保するための組織的枠組みを設立する:
- i) ジェンダー平等を実施し、取り組みを主流化するために、明確な役割、責任、権限、 責任分担を主要な政府及び監督機関において確立する;

- 、知え例)面側な々熱のスペインな共公、含画精うや基式興謡の動婦心及響場の一やくエジ . £ エてるからあのハイトや策如 , 心奴 , (野管の典點スツーサ , 精路見意の月国 , 蜜鵬共公

2015年公的生活におけるジェンダー平等に関する OECD 理事会勧告

ガ会事更,

;43毫5/条(d2 策)殊条 對數簽開 大 故 赘 臵 ⊙ 日 4 I 月 2 I 辛 03 e I

本動告の関係 I/C,1 及び 1セクション参照) [C/MIN(2013)5/FINAL]に鑑み;事会動告(同動告 I/C,1 及び 1セクション参照) [C/MIN(2013)5/FINAL]に鑑み;

OECDジェンダー・イニシアティブ報告書「教育、雇用及び起業におけるジェンダー平

(OECD, 2014)に鑑み; 等:閣僚会議2012年に対する最終報告書」[C/MIN(2012)5]及び公共が、すい不委員会による2014 年報告書「OECDが翌207年に対する最終報告書」[C/MIN(2012)5]及び公共が、すい不委員会による2014 「C/MIN(2012)5]及び公共が、すいでは、2014)に鑑み;

1979年国連によるようたみずるあらゆるおものもの条条に関する条約(CEDAW)、1995年第4 日連盟の及(SDGs)及ではこめ、回連をはこめ、では、1995年第4 日間後にはいて、では、1995年第4 日間後には、1995年第4 日間後には、1995年第4 日間後には、1995年第10年 日間後には、1995年第10年 日間後には、1995年第10年 日間後には、1995年第10年 日間後には、1995年第10年 日間後には、1995年第10年 日間をは、1995年 日間に、1995年 日

全ての段階の政府において包摂的成長を達成し、市民の信頼と暮らしやすさを向上させるために必要な現在及び将来の段階を見越すためには、公的意思決定においてジェンダー多様性が保護されていることが重要であることを**理解し**;

な的郷邸の及会社、おいめろるや放置をスソマバーやくよぐアいないでしゃく一ドーリ内公

段階での深い文化的変革が必要であることを**理解し**;

会へくすべたもの乗費を含め重関アバは31所地の割毀なเし 、おいる選出が新生の一をくよぐ ・、 1 種重ならこるれちなな財役計費アバは31関機的公全アでよるれた 、とこきへるれな行ブ31種

: 0.1 以案界の会員委太く十六次共公、十の六路の会員委題問会が働渋用国

Sim C | 露長総括参照 GOV/PGC/MIN(2015)5/FINAL」.

7012 在不均圧はにおけるシェンダー本番に関する OECD 理事会創告 © OECD 2016

は、遵守国がこの新しい制告を積極的に活用し、より公平な社会を実現し、包摂的な経済成長は、進守国がこの新しい制告を積極的に活用し、より公平な社会を実現し、包摂的な経済を促進するために勧告を実施することを奨励する。



OECD事務総長 アンヘル・グ

文前るよ习曼絲務事

OECDジェンダー・イニンアティブの枠組みのなかで、公的生活におけるジェンダー平 等に関するOECD勧告は先駆的なものであり、政策効果を確保するための実施体制に重点を置ってとにより、2013年OECD教育、雇用及び起業におけるジェンダー平等に関するを働告を補完する。本2015年勧告は、政府全体でのジェンダー平等のための改革、ジェンダーに関する敵党、部みの説明責任及び持続可能性を確保するための適切なメカニズム並びに包摂的な政策決定を組みの説明責任及び持続可能性を確保するための適切なメカニズム並びに包摂的な政策決定を組みの説明責任及び持続可能性を確保するための適切なメカニズム並びに包摂的な政策決定を経済のの同様を合うための手法や記拠を促進する。まだジェンダー平等に関する暗默及び明示の障壁を除外するための手法や記拠を促進する。まだジェンダー平等に関する暗默及び明示の障壁を除外するための手法や記載を促進する。まだがよいを促進するための手法を記載を促進する。まだがよいまして、「社会全体」による取り組みを促進する。

本勧告は、政府のみならず、議会及び司法に対しても、ジェンダー平等かっジャンデーしま流化の取り組みを効果的に実施するため、明確で、衛時かつ計動可能ながイドラインを提供するしてファヤマスをあよう改善するため、明確で、適時かつ計動可能ながイドラインを提供するという点で唯一のものである。

この新しいOECD勧告は、OECD公共がバナンス委員会において雇用労働社会問題委員会との魅力により、包摂的成長イニシアティブの重要な一部として検討された。本制告は、2014年の報告書「OECD加盟国における女性、政府及び政策決定:包摂的成長のための多様性の保護」をはじめ、公共がバナンス委員会により構築された広範囲におたる専門知識に基づく。

本勧告は、OECDの各委員会、政府職員、議員、司法、専門家、及び市民社会組織の代表等を通じた世界各国の利害関係者との協議を経て作成された。本勧告は、包摂的成長を達成 本等を通じた世界各国の利害関係者との協議を経て作成された。本勧告は、包摂的成長を達成 は、これています。

本書に掲載する字書及び地図は、あらゆる領土の地位や主権を、国際的な協会設定や資界を、また、あらゆる領土の地域の名称を書するものではない。

本書の引用情報: OECD (2016), 2015 OECD Recommendation of the Council on Gender Equality in Public Life, OECD Publishing, Paris. http://dx.doi.org/10.1787/9789264252820-en

ISBN 978-92-64-25282-0 (PDF)

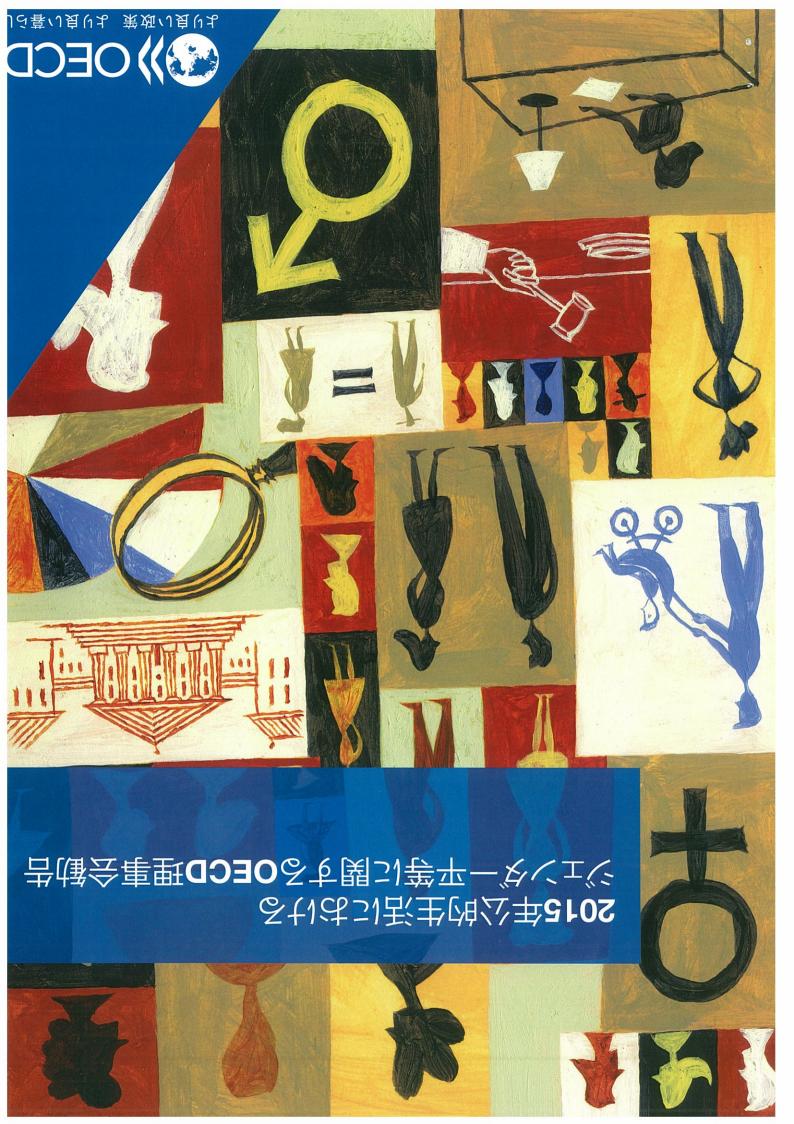
本とフェンの報告データは、イスラエン政府関係当局により、その責任の下で提供されている。OECDにおける 当該データの使用は、ゴラン高原、東エハサレム、およびヨルダン川西岸地区のイスラエル入植地の国際法上の 当該データの使用は、ゴラン高原、東エハサレム、およびヨルダン川西岸地区のイスラエル入植地の国際法上の

Photo credits: Cover © Jeffrey Fisher.

Corrigends to OECD publications may be found on line at: www.oecd.org/about/publishing/corrigenda.htm.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgement of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to rights@occl.org. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at info@copyright.com or the Centre français d'exploitation du droit de copie De addressed directly to the Copyright Clearance Center (CCC) at info@copyright.com or the Centre français d'exploitation du droit de copie (CFC) at contect@cfcopies.com.







OECD Territorial Reviews

Japan

POLICY HIGHLIGHTS





Notes

This document summarises the key findings of OECD (2016), OECD Territorial Reviews: Japan, OECD Publishing, Paris. The full publication is available at http://dx.doi.org/10.1787/9789264250543-en.

The review is part of a series of Territorial Reviews produced by the OECD Public Governance and Territorial Development Directorate under the leadership of Rolf Alter, and its Regional Policy Division headed by Joaquim Oliveira Martins. This work is published on the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of the Organisation or of the governments of its member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

Photo credits:

Cover illustration © Jeffrey Fisher

Table of contents: © Aniwhite/ Shutterstock.com; © ©TOMO/ Shutterstock.com; ©KPG Payless /

Shutterstock.com; © Skyearth /Shutterstock.com

Page 1: © Estherpoon / Shutterstock.com

Page 1: © Takasu / Shutterstock.com

Page 2: © Everything possible /Shutterstock.com

Page 6: © Wong yu liang /Shutterstock.com

Page 6: © Hkeita /Shutterstock.com

Page 7: © Lucas Tesseron / Shutterstock.com

Page 8: © Xtock / Shutterstock.com

Page 9: © Hit1912 /Shutterstock.com

Page 9: © TAGSTOCK1/Shutterstock.com

Page 10: © Rachael Arnott /Shutterstock.com

Page 13: © TungCheung /Shutterstock.com

Page 17: © Osamu Nakamura

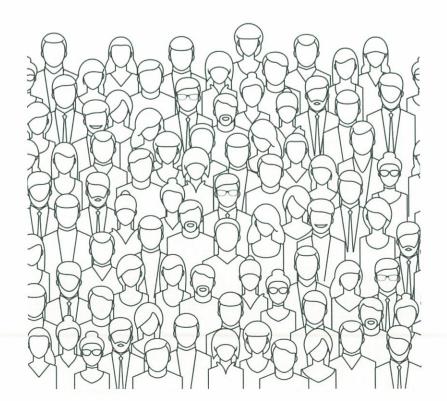
Page 18: © Narongsak Nagadhana/Shutterstock.com

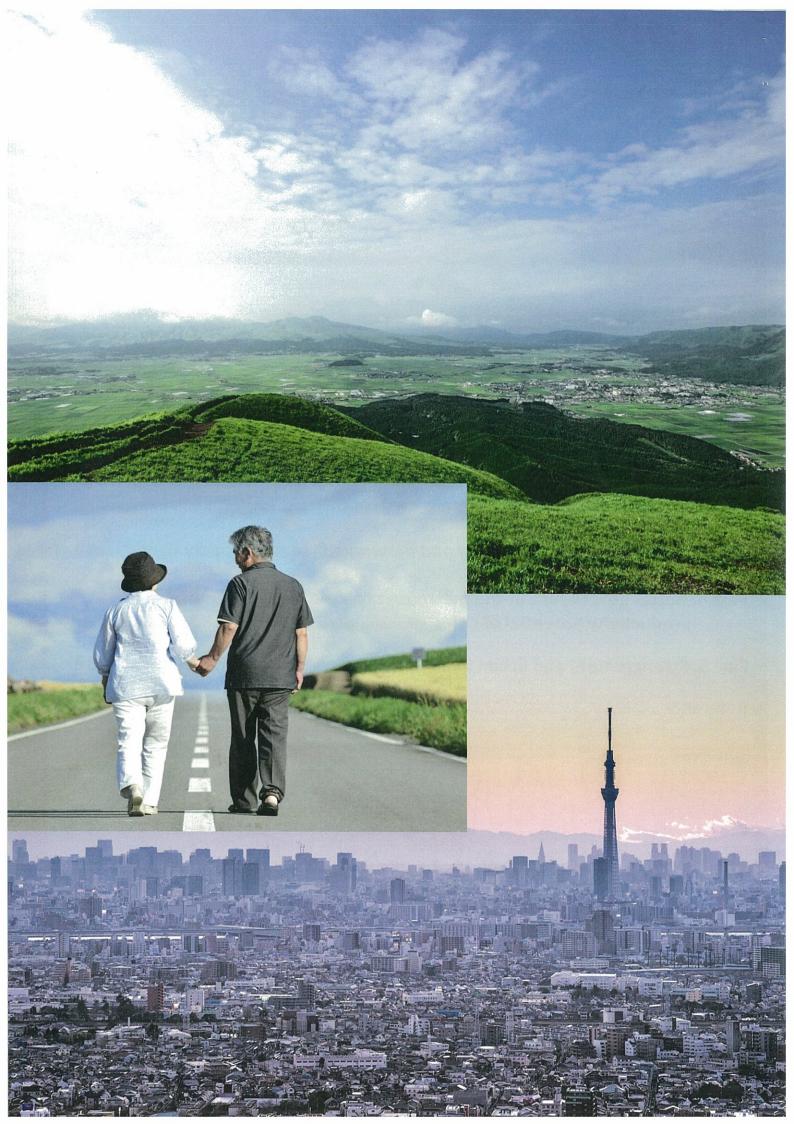
Page 19: © Ama-cho, Shimane prefecture

For more information: http://www.oecd.org/governance/regional-policy/

Table of contents

Introduction1
Key messages2
Part 1. Demographic change offers opportunities as well as challenges4
Part 2. Productivity growth and higher labour market activation rates are needed to maintain aggregate growth of GDP8
Part 3. Japan's future as "compact and networked" seems broadly right10
Part 4. Better governance at the metropolitan scale would maximize productivity potential of cities12
Part 5. Stronger rural and urban linkages will help sustain local prosperity16
Reference20





Introduction

At the beginning of this new millennium, many OECD countries find themselves embarking on a demographic transition that is without precedent in history and that may prove irreversible for a long time to come. Our populations are not only ageing rapidly, and, in many case, they are also beginning to shrink. These demographic processes have become more evident in Japan than anywhere else, presenting important consequences for the country's economic performance and settlement patterns.

Nonetheless, the implications of this change for social progress and prosperity are not set in stone: they depend greatly on the policy choices we make. That is why the OECD's Regional Development Policy Committee is devoting increasing attention to the consequences of demographic change for cities and regions.

The OECD Territorial Review of Japan offers a fresh perspective on Japan's demographic transition, from economic diagnosis to policy implications to governance and spatial policies. It explores Japan's innovative efforts to deal with the spatial impacts of ageing and population decline. The new National Spatial Strategy adopted in 2015 is central to these efforts. While it is too early to judge the long-term impact of this strategy, there are grounds for optimism: the economic analysis confirms that Japanese cities are generating positive agglomeration benefits and that rural areas, despite their difficulties, are outperforming most of their OECD peers. Furthermore, in many cases they are pioneering revitalisation strategies based on local assets and potentials. At all levels of government, from the national to the local, public and private sector actors devising innovative and often place-based solutions.

Japan's experiences will be of great relevance to many OECD and non-OECD as they will face similar challenges in the future. Japan is pioneering a response to policy challenges that others will soon have to confront. It is therefore critical that Japan identifies and implements policies that meet these challenges.

With the new Spatial Strategy and a wide-ranging new revitalisation programme, the government has made an ambitious start, but the realisation of this vision will take years, and there will undoubtedly be surprises and policy adjustments along the way.

In this context, it is important to note that Japan's post-war "economic miracle" unfolded in conditions of chronic labour shortage, a situation that led to skills-development specific employment and practices, as well as technological innovations that differed from those found in economies with more abundant labour resources. These served Japan well for several decades. While today's challenges are different and new approaches are needed, this history provides a reminder of the country's ability to devise innovative solutions to complex problems and to generate rapid productivity increases in the face of labour supply constraints. This is a positive legacy which Japan must now recover.

The review focuses on four main areas of regional policy in Japan (policies addressing demographic challenges, productivity, metropolitan governance and enhancing rural regions), providing a number of recommendations to answer these challenges and capitalise upon areas of opportunities. The policy highlight is structured around these four areas and a section focusing on Japan's approach on compact and network.



Key messages

Turning demographic challenges into opportunities

Spatial planning and regional development are critical for turning demographic challenges into opportunities. Productivity growth and higher labour market activation rates are imperative for sustaining aggregate growth. Effective policy implementation is required through holistic and placed-based approaches such as the National Spatial Strategy .



Recommendations

1. Demographic change offers opportunities as well as challenges.

Lower population density can bring benefits such as more flexibility in policy making. Effective spatial planning, from national to local levels, such as National Spatial Strategy will be critical to exploit the potential benefits of demographic change.

2. Productivity growth and higher labour market activation rates are needed to maintain aggregate growth of GDP

Enhancing technological and institutional innovation is paramount for Japan to sustain rising living standards in the context of population ageing and decline. Mobilising women and encouraging longer careers will be critical to achieve higher labour market activition rates.

Providing better commuting, housing and child-care conditions across the different regions and cities will make it easier for people to combine careers with family life.

3. Japan's future as "compact and networked" seems broadly right.

The aim is to sustain a settlement pattern that facilitates the realisation of agglomeration economies while avoiding the abandonment of large parts of the territory.

4. Better governance at the metropolitan scale would maximize productivity potential of cities

Cooperation among cities is crucial to maximise their productivity potential. The government should foster policy co-ordination beyond administrative boundaries and improve connections by linking nearby cities.

5. Stronger rural and urban linkages will help sustain local prosperity.

Rather than relying on external resources, rural areas should mobilise their own assets, take advantage of new opportunities, make use of technology and enhance rural-urban linkages to attract investment and enter new markets.

Part 1. Demographic change offers opportunities as well as challenges

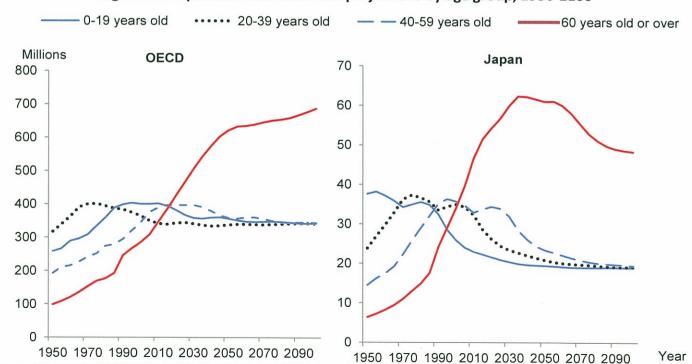
Lower densities can bring benefits such as more flexibility in policy making. Effective spatial planning, from national to local levels, such as the National Spatial Strategy, will be critical to exploit the potential benefits of demographic change.

Demography is reshaping Japan's economic geography

Japan's future economic prosperity depends on how it manages the unprecedented demographic transition underway. Its population is both declining and ageing very rapidly. The population, which peaked in 2010 at just over 128 million, is projected to decline by around 23% between 2010 and 2050, with the elderly (65+) share of the population rising from around 26% today - the highest in the OECD area - to almost 40% at midcentury. This dramatic shift is the product of fertility and longevity, since immigration plays a very small role in Japan's population dynamics. The total fertility ratio (TFR) has been below replacement level (2.1) since 1974 and below 1.5 since 1993. Even if it quickly returned to replacement levels, the population would decline for more than 50 years before stabilising. In parallel, Japan has achieved an extraordinary increase in longevity, with life expectancy at birth reaching almost 83.5 years in 2013, the highest in the OECD.

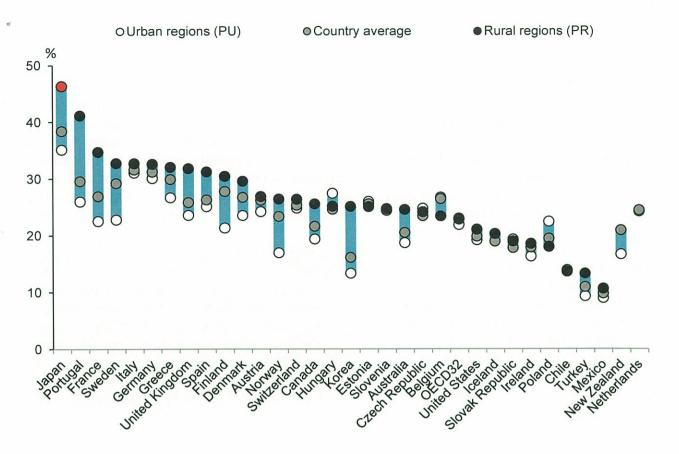
The impact of these nationwide demographic trends varies greatly from place to place. The three large conurbations located in Tokyo, Osaka and Nagova are now home to about 46% of the national population, though they account for just 5.2% of the national territory. The concentration of population and economic activity has accelerated in recent decades, raising questions about the viability of many smaller cities, towns and rural communities. Predominantly rural regions have also been ageing faster than cities, with more remote rural places having higher elderly dependency ratios than those close to cities. When it comes to fertility, however, the pattern is reversed: the largest cities tend to have lower fertility - Tokyo's TFR was just 1.15 in 2014, the lowest in the country and well below the national average of 1.42. Other large cities also have exceptionally low fertility rates, which reinforces concern about the steady migration of young people to the big cities.

Figures 1. Population estimates and projections by age group, 1950-2100



Source: OECD (2015a), Ageing in Cities, OECD Publishing, Paris, OECD calculations based on United Nations Department of Economic and Social Affairs, Population Division (2010), World Population Prospects: The 2010 Revision, United Nations, New York, http://esa.un.org/unpd/wpp/unpp/panel indicators.htm (accessed 30 September 2014).

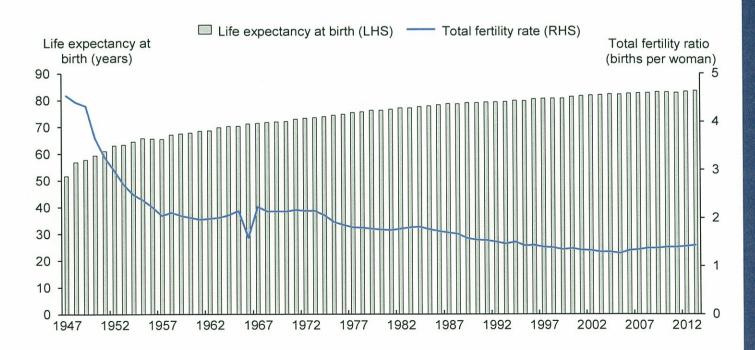
Figures 2. Elderly dependency rate for countries, predominantly urban and predominantly rural regions, 2012



Note: The elderly dependency ratio is defined as the ratio of elderly to working-age people. Latest available year 2011 for Australia and the United States.

Source: OECD (2013b), How's Life? 2013: Measuring Well-being, OECD Publishing, Paris, $\frac{\text{http://dx.doi.org/10.1787/9789264201392-en}}{\text{OECD(2013a) Regions at a Glance 2013, OECD Publishing, Paris, Stat link: } \frac{\text{http://dx.doi.org/10.1787/888933324469}}{\text{http://dx.doi.org/10.1787/888933324469}}$

Figures 3. Longevity and fertility in Japan



Source: OECD (2015i), "Population", http://stats.oecd.org/Index.aspx?DatasetCode=POP_FIVE_HIST, (accessed 16 October 2015); information provided directly by the Ministry of Health, Labour and Welfare (MHLW). Stat link http://dx.doi.org/10.1787/888933324406

Demographic change is a huge challenge but also offers opportunities

The economic consequences of demographic change are myriad and complex, but they are not all negative. Clearly, they include shrinking domestic markets and some loss of scale economies in certain activities, as well as the fiscal pressures generated by increased age-related spending and rising dependency ratios.

However, population decline in Japan, the OECD's most densely populated large country, could also create opportunities with the right policy in place. Those opportunities could be related to space-intensive activities, more flexibility in land use, less congestion and, in some respects, less environmental pressure. National responses taking into account the geographical dimension of Japan's different challenges could be effective in particular areas.

Lower urban densities can bring environmental, social and economic benefits, as well as costs; the costs and benefits of different strategies to cope with a shrinking population will need to be assessed and managed in specific contexts. Lower population densities tend to be associated with higher fertility in Japan and other countries. A reduction in population density would also allow for the provision of more urban green space.

The economic impact of demographic change is not a given. Well-articulated and complementary reforms (among other things, reforms to support healthier ageing, longer careers and more efficient healthcare provision) are more likely to offset the impact of ageing than piecemeal approaches that treat particular problems in isolation. The government is currently working to put such a transversal approach in place, co-ordinating across policy sectors and levels of government with the help of such instruments as the National Spatial Strategy.

Key recommendations:

- Take advantage of opportunities that can emerge with the demographic challenges.
 Such opportunities concern mores spaceintensive activities, more flexibility in land use, less congestion and, in some respects, less environmental pressure.
- Effective spatial planning, from national to local levels, such as the National Spatial Strategy will be critical to realise the potential benefits of demographic change.
- Put in place effective regional planning mechanisms capable of sustaining prosperity even as communities grow smaller.





Table 1. Possible consequences of demographic change

	Potential benefits and opportunities	Potential costs and challenges
Population ageing	 High life expectancy is a sign of success Demand for goods and services and new market opportunities ("silver economy") Elderly people represent untapped resources for flexible and experienced workforce High life expectancy 	 Rising burden of pensions and age-related services Shrinking labour force relative to population Less entrepreneurship and innovation Less demand for "non-silver" goods and services
Population decline	 Less congestion Opportunities for space-intensive activities Decreasing environmental pressure Flexibility in land use 	 Loss of tax base Shrinking labour force Smaller domestic market Challenges to efficient service delivery

Box 1. Smart shrinking

Japan's population is set to shrink substantially for decades to come. Many, perhaps most, cities, towns and other settlements will shrink in size. The "smart shrinking", the policies that will be needed for shrinking place, will require effective regional planning. They will ensure that communities are capable of sustaining prosperity even as they grow smaller.

A review of international experience on these challenges shows that, in some areas, Japan is very much in the forefront of the responses and continues to innovate particularly in fields such as demand-responsive transport (see page 18). In other areas, it is the experiences of declining European and US cities that suggest some important lessons for national and local policymakers. European and US cities have pioneered a wide range of options in managing vacant sites so as to avoid the creation of visual and environmental drawbacks and safety hazards. These include urban green infrastructure programmes, unconventional arrangements for allowing entrepreneurs and others to use such sites temporarily, as well as community redevelopment programmes. Effective spatial planning can help ensure that this type of initiatives maintains the overall coherence and attractiveness of the urban space.



Part 2. Productivity growth and higher labour market activation rates are needed to maintain aggregate growth of GDP

Enhancing technological and institutional innovation is paramount for Japan to sustain rising living standards in the context of population ageing and decline. Mobilising women and encouraging longer careers will be critical to achieve higher labour market activition rates. Providing better commuting, housing and child-care conditions across the different regions and cities will make it easier for people to combine careers with family life.

Productivity growth has not been sufficient to offset labour force decline. Japan's prosperity depends more than ever on productivity.

Japan's future prosperity depends on its ability to tackle two substantial and intertwined challenges: the first is demographic change, and the second relates to productivity. With the labour force shrinking as a share of the total population, output per worker will have to rise even faster if per capita incomes are to increase. This will require efforts to stimulate innovation and entrepreneurship and to strengthen the international integration of the Japanese economy.

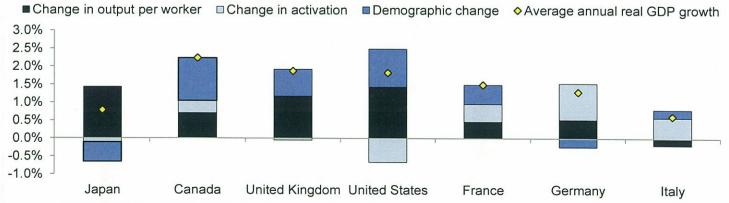
Over the last decade, productivity performance has improved relative to other OECD economies, but this has been insufficient to offset the impact of demographic change.

Japan's income per capita fell due to a number of factors, but primarily it has been driven by a demographic effect – the decline in the working-age share of the population. The share of 15-64 year-olds in the total population, which peaked at almost 70% in the early 1990s, is now about 61% and is projected to fall to around 51% at mid-century. A rapidly shrinking labour force and a rapidly rising dependency ratio imply that even productivity growth of 2% or more will deliver very low aggregate or per capita growth.

Reviving productivity growth is perhaps Japan's most urgent economic priority. If an ageing economy is to sustain continued prosperity, then output per worker must rise faster than would be required in a stable or growing population. Japan is the only OECD country in which there is a significant negative effect of demography — equivalent to just over one-half a percentage point of GDP growth. To ensure a constant rate of GDP growth, increases in labour force participation and longer careers must surely be part of the solution, together with labour market reforms aimed at increasing labour force participation, in particular, full-time employment among women.



Figure 4. Decomposition of real GDP growth for selected OECD countries, 1999-2011



Note: "Change in activation" reflects only the combined effect of changes in the participation rate and changes in the employment rate. The expansion or contraction of the working-age population is encompassed in the "demographic change" variable. Source: OECD (2015f), OECD Economic Outlook: Statistics and Projections (database), http://www.oecd-ilibrary.org/economics/data/oecd-economic-outlook-statistics-and-projections eo-data-en (accessed 16 October 2015). Stat link http://dx.doi.org/10.1787/888933324496

Mobilising women and encouraging longer careers will require regional policy to make it easier to combine one's professional career with family life.

Policies aimed at addressing conditions for all workers, particularly by expanding childcare provision and improving the work-life balance, could advance both economic growth and gender equity goals. They could help increase participation among older workers as well. A number of OECD countries have already shown how such policies can support both fertility and female labour force participation. The authorities are planning a significant expansion in child-care and after-school places. It would also be advisable to move ahead with more flexible arrangements for fathers. More generally, there is a need to reduce excessive working hours and improve the work-life balance of Japanese workers, male and female alike. While Japan scores better than most OECD countries on many dimensions of well-being, such as life expectancy and education, it scores near the bottom of the OECD on measures of work-life balance, a dimension of well-being (which is directly linked to labour market institutions and practices), as well as health status and reported life satisfaction (OECD, 2013b).



The issue of work-life balance also has implications for productivity. Japan ranks third, after Turkey and Mexico, in the proportion of employees working 50 hours a week or more on average. Yet evidence suggests that very long working hours are detrimental to labour productivity. Up to a certain level (perhaps 48-50 hours per week), output appears to be roughly proportional to hours. However, above that threshold, output rises at a rapidly decreasing rate as hours increase (Pencavel, 2014). The long-hours culture of many countries thus confers no productivity advantage and imposes high costs in terms of accidents and injuries (Dembe et al., 2005; Rho, 2010; Ricci et al., 2007), as well as life satisfaction.

Key recommendations:

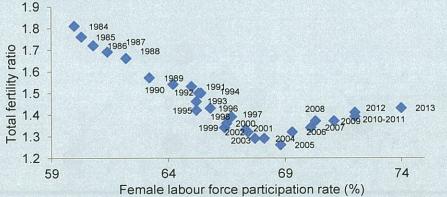
- Enhancing technological and institutional innovation is paramount for Japan to sustain rising living standards in the context of population ageing and decline.
- Mobilising women and encouraging longer careers will require regional policy to make it easier to combine careers with family life.
- Providing better commuting, housing and child-care conditions as well as reducing excessive working hours will be of importance.

Box2. Female labour force participation

The evidence suggests that very low fertility is linked to labour market institutions and practices that make it difficult to combine careers with childrearing. It shows a large gap between male and female activity rates. If the female participation rates were to converge with the male rate over the period to 2030, then the decline in the labour force would be reduced by two-thirds, even with no change in male participation rates.

It is possible to achieve both high fertility and high female employment. Indeed, whereas there was a broadly negative relationship between female employment and fertility in OECD countries in 1980, by the mid-2000s the relationship was positive, suggesting that women are likely to have more children where structures are in place to support combining family and work rather than forcing a choice between them (OECD, 2007).

Figure 5. Female participation rate and fertility rate in Japan



Source: OECD (2015g), OECD Economic Surveys: Japan 2015, OECD Publishing, Paris, based on data provided directly by the Ministry of Internal Affairs and Communication (MIC) and the Ministry of Health, Labour and Welfare (MHLW). Stat link: http://dx.doi.org/10.1787/888933324617.



Part 3. Japan's future as "compact and networked" seems broadly right

The aim is to sustain a settlement pattern that facilitates the realisation of agglomeration economies while avoiding the abandonment of large parts of the territory for growth and enhanced well-being.

A National Spatial Strategy to heighten the sense of urgency surrounding these issues in Japan's regions and cities

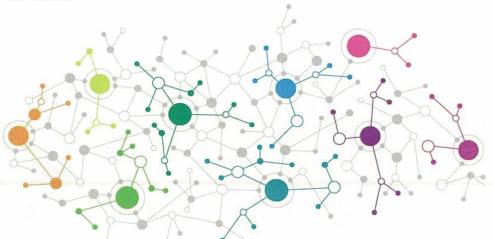
Demographic shifts have important spatial consequences. The government projects that more than 60% of the inhabited grid squares in Japan will lose over half their population by 2050, with almost a fifth becoming uninhabited. Only 2% are projected to experience population growth. For some areas this will present severe challenges for inclusiveness and growth.

In August 2015, the Japanese government adopted a new ten-year National Spatial Strategy (NSS). The Strategy is part of a broad view of spatial development up to 2050, which underscores Japan's determination to take a comprehensive and long-term approach and, in particular, to heighten the sense of urgency surrounding these issues in regions and cities. The central concepts set out in the NSS are "compact" and "networked". The aim is to sustain a settlement pattern that facilitates the realisation of agglomeration economies (see Figure 9 for a description) while avoiding the abandonment of very large parts of the national territory.

In order to ensure effective service delivery and realise agglomeration economies, the settlement of Japan needs to be more compact. This principle applies at different scales, from national to local. The authorities acknowledge that some areas will become effectively depopulated, but they seek to sustain a balanced settlement pattern across the national territory rather than still greater concentration in few areas.

A Japan in which cities and towns are shrinking will need to be networked. Improved connectivity will be critical to maximising the potential economic benefits of agglomeration, especially when it comes to strengthening the links between neighbouring cities. Better connectivity among towns and cities, as well as within them, can help offset the loss of agglomeration potential that will occur as the population declines. Better networking of people and firms should facilitate innovation as well as the exchange of ideas, goods and services.

Diversity and collaboration are the other key themes of the strategy. As the population declines, competition among regions and cities for people and resources will intensify, largely because they have similar endowments, needs and aspirations. However, it is their diversity that may offer the best hope for the future. Most regions and cities will need to identify their specific natural, cultural, economic and social assets and potential in order to successfully attract people and investment. This very diversity of endowments and strategies creates the possibility for collaboration, because it gives rise to possibility of identifying complementarities among places and building strategies to exploit them. Fostering diversity thus offers a way to promote both regional innovation and collaboration across different communities.



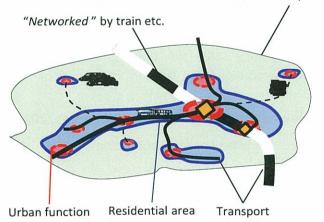
A "compact and networked" approach must be adapted to local circumstances

The government's "compact and networked" approach is, broadly, the right one to take. However, it will need to be implemented in different ways in different places. The critical point is not that all places should be very dense, but that downsizing should be managed in ways that preserve the coherence and identity of places, facilitating efficient service delivery and avoiding "perforated cities", made up of patchworks of settled and abandoned areas.

The "networked" dimension of the government vision should also be approached carefully and in a multi-faceted way. It will be critical to ensure that central and local actors give due attention to the "soft" dimensions of networking, including governance co-operation across administrative boundaries, inter-firm connection in networks and collaboration in service provision, especially public transport.

Urban area (Compact city)

Residential areas and urban functions will be "Compact".



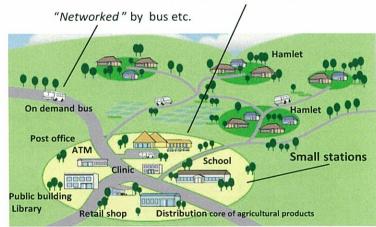
The theme that is central to the NSS's approach to future spatial organisation is the creation of compact cities in urban areas and small "stations" in rural areas. These stations will concentrate basic services, including administrative services, healthcare, shopping and so on, in specific places with transport networks organised so as to make them as accessible as possible to the surrounding areas. The stations will also vary with scale: some will be quite basic and limited to essential functions, while others, where population and resources permit, may become local centres of innovation.

Key recommendations:

 Sustain a settlement patterns that facilitates the realisation of agglomeration economies while avoiding the abandonment of large parts of the territory.

Rural area (Small stations)

Service delivery hubs will be "Compact".



Box 3 Service delivery: Small stations and other practices in OECD countries

The small stations initiative is similar to the approaches to service provision undertaken in some other OECD countries, such as France's Maisons de service au public ("Public services houses"). The purpose of the Maisons initiative is to guarantee public service delivery in low-density or isolated territories by sharing costs and employees as far as possible among communities. In March 2015, the French government set a goal of increasing the number of MSPs threefold, up to 1000, by 2017.

Similar initiatives may also be observed in Australia (the Rural Transaction Centres) and Finland (Citizen Service Offices). These and other one-stop shops (OSS) can cut provider costs and improve access by rural dwellers to necessary services. The range of services offered by OSS in OECD countries can include anything from education, childcare, government information, referrals and advice, health/elder care, social support services (rehabilitation, housing support), to cultural and recreational activities. Driven largely by community need and involvement, these "all-purpose" service centres are expected to continue to grow in rural areas because they allow governments to provide rural services on the basis of cost-efficiency (OECD, 2010). Japan's small station initiative may be even more ambitious than OSS found in most other OECD countries, since small stations concentrate the delivery of private as well as public services, in reshaping the settlement pattern over time, and, in some cases, acting as centres of innovation.

Source: Commissariat Général à l'Egalité des Territoires.

Part 4. Better governance at the metropolitan scale would maximize productivity potential of cities

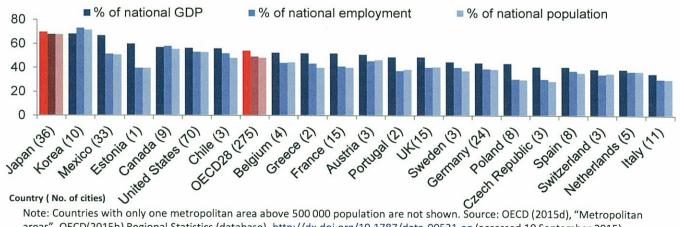
Cooperation among cities is crucial to maximise their productivity potential. The government should foster policy co-ordination beyond administrative boundaries and improve connections by linking nearby cities.

Japan combines high concentrations of population and economic activity with low territorial disparities

The impact of nation-wide demographic dynamics varies greatly from place to place. The population as well as economic activity has become increasingly concentrated, with the three large conurbations centred around Tokyo, Osaka and Nagoya, now home to about 46% of the country's population and generating 49.9% of GDP in 2010 according to OECD estimates. Yet, despite this concentration of activity, Japan has low levels of inter-regional disparities: in 2010, it had the second-lowest level of inequality in GDP per capita among its regions across OECD countries. Disparities between predominantly urban and rural regions were the second lowest in the OECD.

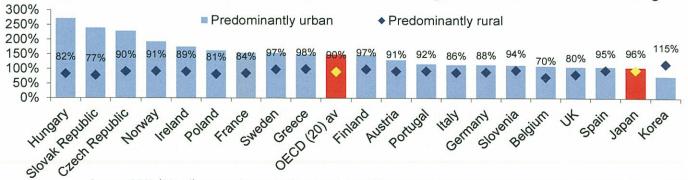
Between 2000 and 2011. metropolitan area accounted for about 85% of jobs created in Japan. Policies to stimulate business entry and job creation in the regions would therefore be the most important way to counter concentration of the economy. government has two distinct strategies for cities; for major cities, international competitiveness is clearly the priority, while for smaller cities, liveability and sustainability are prioritised. Tokyo remains very much the motor of Japan's growth: during 2001-10, the Tokyo metropolitan area contributed almost 45% of Japan's economic growth and accounted for around one-third of total GDP.

Figure 6. Concentration of population, GDP and employment in OECD metropolitan areas, 2010



Note: Countries with only one metropolitan area above 500 000 population are not shown. Source: OECD (2015d), "Metropolitar areas", OECD(2015h) Regional Statistics (database), http://dx.doi.org/10.1787/data-00531-en (accessed 10 September 2015). OECD(2013a) Regions at a Glance 2013,, Stat link http://dx.doi.org/10.1787/888933324751

Figure 7. GDP per capita in predominantly urban and rural regions relative to the national average



Source: OECD (2015d), Regional Statistics (database), http://dx.doi.org/10.1787/region-data-en (accessed 10 September 2015). Stat link http://dx.doi.org/10.1787/888933324537

The global competitiveness of Tokyo is a critical priority

Sustaining Tokvo's position as a globally competitive metropolis will require improvements to both internal and external connectivity. A review of Tokyo's strengths and weaknesses compared to other successful global cities points to a number of other priorities. For example, regulatory and fiscal regimes must be conducive to attracting and retaining of global players in fields such as logistics, finance and knowledge-creation. The new National Strategic Special Zone for Tokyo-that aims to create "the world's most business-friendly environment", is thus a welcomed development. Steps to ensure adequate international and connectivity inside Tokyo, as well as urban cultural environmental quality, recreational amenities are being taken.

There is much that Tokyo can do to make itself more family-friendly, such as promoting the provision of childcare facilities in central areas and locating more childcare facilities at or near transport hubs (e.g. railway stations).

The international character of the city matters: it must be attractive to high-skilled expatriates from outside. Transforming Tokyo into a city that is friendly not only for visitors but also for foreign

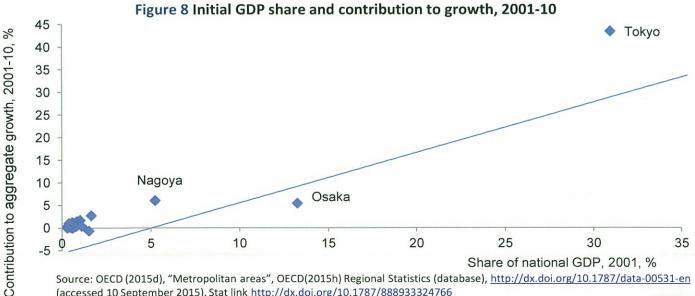


Tokyo International Airport is one of the two primary airports that serve the Greater Tokyo Area in Japan

Much can be done to maximise the benefits of the high speed magley rail line. It must be accompanied by "soft" policies, to promote entrepreneurship, innovation and venture investment.

Over the coming decades, Tokyo, Nagoya and Osaka will be linked by a new running magnetic levitation magleve trains at speeds of more than 500km/hour. This is meant to foster the creation of an urban mega-region of more than 60 million people along the Pacific side of Honshū. It is envisaged that emerge competitive synergies will international functions of Tokyo are linked more closely to the manufacturing excellence of the area around Nagoya and the cultural, historical and commercial functions of the Osaka metropolitan area. Policy makers in the Tokyo-Nagoya-Osaka mega-region should thus focus on enhancing the environment for innovation, entrepreneurship and venture investment.

Japan could do much more to stimulate innovation and entrepreneurship. The country scores poorly on measures of entrepreneurship: entry, and exit rates are low. The Japanese authorities have unveiled a large number of proposals to address this, including new support for start-ups and programmes to support innovation and the growth of small firms. However, there is still much to do. For example, entrepreneurship could be encouraged among older workers.



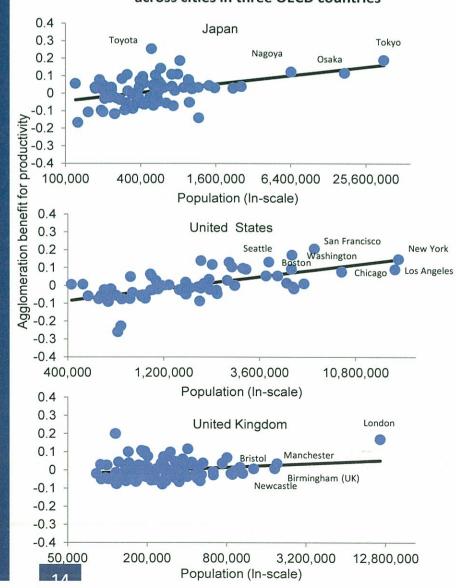
Source: OECD (2015d), "Metropolitan areas", OECD(2015h) Regional Statistics (database), http://dx.doi.org/10.1787/data-00531-en (accessed 10 September 2015). Stat link http://dx.doi.org/10.1787/888933324766

Increasing productivity may largely depend on tapping the potential of agglomerations

The need to increase productivity points to a need for greater concentration of people and activities as the population declines, to realise the potential productivity benefits of agglomeration, achieve economies of scale in infrastructure and provision. and sustain competitiveness of Japan's major cities. Although Japanese cities are not without their problems, a micro-data analysis of functional urban areas in Japan in 2013 found that they still show relatively strong agglomeration benefits. This suggests that further growth and integration of major urban centres could yield productivity gains. Japan has not exhausted its agglomeration potential.

However, the productivity-focused logic of concentration must be balanced against the need for a sustainable settlement pattern. The authorities are concerned about the environmental deterioration that can occur in abandoned locations, as well as about the equity implications of leaving a substantial portion of the population living in places where depopulation trends may destroy the economic and social fabric of local communities.

Figure 9 Estimated agglomeration benefits across cities in three OECD countries



There is also a fear that over-concentration could leave the country even more vulnerable to both economic shocks and natural catastrophes, particularly given Tokyo's vulnerability earthquakes. The government remains committed to sustaining a broader settlement pattern. Variety in the size and character of places is no less beneficial than variety in the availability of goods and services. Firms and households choose cities of different size, or rural areas, as a function of their needs and resources, and there is no obvious reason for depopulation to change this.

The productivity imperative and sustainable settlement pattern are thus two central themes in Japanese territorial development policies. Pursuing both goals with a population in decline and public finances under strain will be difficult, but the authorities are right to be concerned with both priorities. The global competitiveness of the country's major cities is the foundation of Japan's prosperity, but the government should not neglect the potential of non-metropolitan areas.

Notes:

"Agglomeration benefits" are the positive productivity spillovers that arise when highly productive firms and people are brought closer together. Typically, these benefits are created through shared inputs, better "matching" between firms and employees, and mutual learning among firms and residents. "Knowledge spillovers", in particular, are considered critical in explaining the benefits of cities in modern service-oriented economies.

Note: City productivity is defined as a wage premium associated with each city once the characteristics of the city workforce are taken into account. Individual level wage regressions are estimated with controls for the characteristics of the workers, in order to account for sorting of individuals to cities.

Sources: OECD calculations based on national sources: "UK Annual Survey of Hours and Earnings" (ASHE) for 2003-10; US Census from 1990 and 2000 with the "American Community Survey" for the years 2005 to 2007; for Japan calculations are based on Ministry of Health, Labour and Welfare "Basic Survey on Wage Structure", http://www.mhlw.go.jp/english/database/db-I/wage-structure.html (accessed 15 July 2015) and Ahrend, R. et al. (2014), "What Makes Cities More Productive? Evidence on the Role of Urban Governance from five OECD Countries", OECD Regional Development Working Papers, No. 2014/05, OECD Publishing, Paris, http://dx.doi.org/10.1787/5jz432cf2d8p-en Statlink http://dx.doi.org/10.1787/888933324849

Cities outside the big three metropolitan areas need to work together

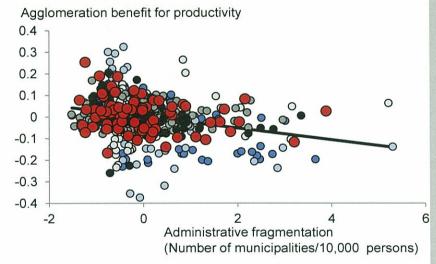
A great deal of attention has recently been focused on the revitalisation of small rural communities, but the challenges may be most daunting in the cities outside the big three metropolitan areas. The micro-data analysis of urban performance conducted by the OECD suggests that governance fragmentation undermines performance. Cities need to work together.

Recent OECD work on urban growth confirms that cities can indeed benefit from the agglomeration dynamics resulting from strengthening connections and that this can offset some of the competitive disadvantages they may suffer as a result of their small size. Analysis also shows that successful urban agglomerations tend to also generate "growth in their hinterlands.

Work on urban governance across the OECD highlights the importance of co-ordinating land-use,

Figure 10 Administrative fragmentation





Source: Ahrend, R. et al. (2014), Author's elaboration.

transport and economic development policies, in particular, at the scale of the "functional urban area". co-operating successfully means administrative borders. This is not just a matter of collaboration among public bodies: business-tobusiness connections and links between regional and nearby universities and research institutions are critical to knowledge creation, entrepreneurship and innovation. Steps to coordinate or even merge local public corporations across municipal lines may also help to sustain service delivery. Efforts to promote horizontal collaboration should thus be reinforced and coordinated with national and prefectural infrastructure policies.

Key recommendations:

- Further foster co-operation between cities outside the top three metropolitan areas through contracts among local governments that facilitate policy co-ordination and the concentration of key urban facilities or functions in core cities.
- Ensure that the hard infrastructure investment into the maglev rail line connecting the Tokyo, Osaka and Nagoya metropolitan areas is accompanied by appropriate "soft" policies to promote entrepreneurship, innovation and venture capital investment.
- Foster policy co-ordination beyond administrative boundaries and further improve connections of nearby cities.

Box 4 The national government can do much to foster such co-operation

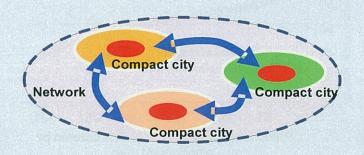
The performance of cities outside the major metropolitan cities would improve if they were further linked together by better governance coordination, and infrastructure connections.

Historically, prefectural and municipal boundaries in Japan have operated independently, making the kind of horizontal co-operation Japan's cities and localities now need more difficult. Changing this has been a priority for policy-makers.

The Government Headquarters, the Ministry of Land, Infrastructure and Tourism and the Ministry of Internal Affairs and Communications have been working to create "central agglomerations of cooperation" — in essence, co-operation contracts among local governments that facilitate policy coordination among them and, in many cases, the concentration of key urban facilities or functions in

core cities that can then support service provision to the surrounding population. These efforts are welcome and should be reinforced.

Collaborative core urban area



Part 5. Stronger rural and urban linkages will help sustain local prosperity

Rather than relying on external support, rural areas should take advantage of new opportunities to use technology and rural-urban linkages to promote innovation, attract investment and enter new markets.

Rural is not synonymous with decline

Rural Japan faces daunting challenges, including ageing, population decline and continuing urbanisation. Nevertheless, it would be a mistake to overlook its considerable strengths. While rural regions in Japan have tended to grow slowly — like all regions in Japan — they nevertheless exhibit certain strengths when seen in an OECD-wide context. GDP per capita in Japan's predominantly rural regions was about 18% above the OECD average for such regions in 2012, and labour productivity was about 19% above the OECD

Thousands (USD)

0 +

average for rural regions in 2011. Japan's predominantly rural prefectures have, moreover, enjoyed higher growth in GDP per capita than the OECD-wide average since 2000, and their labourmarket outcomes have been far better than average in recent years. All of Japan's predominantly rural regions recorded lower unemployment rates and higher activation rates than the OECD-wide averages. regions in Japan also offer well-being(e.g., advantages in terms environment, housing etc.).

201

OECD and Japanese TL3 regions, 2011 or latest available data

Unweighted average of Japanese rural regions

Unweighted average of OECD rural regions

Figure 11. Output per worker in predominantly rural regions

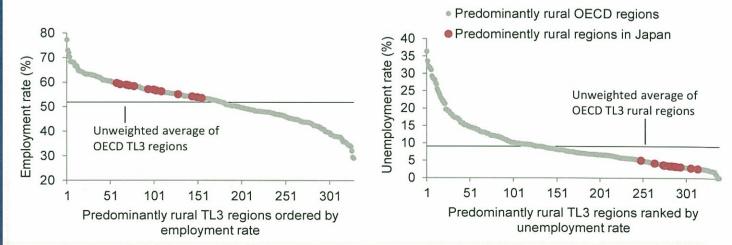
Predominantly rural regions ordered according to labour productivity

All predominantly rural OECD regions
 Predominantly rural Japanese regions

151

Source: OECD (2015b), Regional Statistics (database), http://dx.doi.org/10.1787/region-data-en (accessed 10 September 2015). Stat link http://dx.doi.org/10.1787/888933324973

Figure 12. Labour market performance: Rural regions in Japan and the OECD 2013



Source: OECD (2015b), Regional Statistics (database), http://dx.doi.org/10.1787/region-data-en (accessed 10 September 2015 Stat link http://dx.doi.org/10.1787/888933324999

Rural-urban linkages are key to local prosperity

For many years, rural development policy was almost synonymous with agricultural policy. This has lately begun to change.

Currently there are measures to promote ruralurban exchanges: green tourism; children's school trips to experience rural life; efforts to foster collaboration with the medical, welfare and food industries; promote the consumption of local foods; and to support the development of biomass and renewable energy, as well as greater use of ITC in farming and distribution.

Others seek to link local activities to their tourism potential. Tourism promotion is an important part of many local revitalisation strategy and indeed, a central part of Japan's national economic development strategy. Its potential for rural areas goes without saying. Local economies benefit directly from the influx of outside visitors, and many of the investments made to help attract tourist can also enhance the local quality of life. However, tourism is not a stand-alone sector but rather a part of a more complex revitalisation effort which seeks to leverage tourism activities to promote local products, as illustrated by Ama-cho (see page 19). In addition to the places that present tremendous tourism potential (e.g. coastal resorts in warm climates), many successful tourist sectors are linked to other activities in the region - similar to wine tours in France or other forms of agritourism around the world. This suggests that experimentation with tourism and festivals as part of a regional branding and marketing strategy can be encouraged.

The so-called "sixth industry" programme involves the creation of integrated value chains encompassing production, processing, distribution and sales activities linking producers in agriculture, forestry and fisheries with partners who have expertise in the secondary and tertiary sectors. In some cases, this involves increasing value added in traditional sectors, e.g., by developing high-quality or organic agricultural products with distinctive characteristics.

initiatives are linked to technical Some innovation or the attraction of knowledge-intensive services. In many OECD countries, rural areas with attractive landscapes and amenities - and especially those that combine these attributes with good external connectivity - have emerged as attractive locations for start-ups in knowledgeintensive service activities (KISA). Although KISA firms are not intensive creators of employment, they generate economic spill-overs for the communities where they are located. This includes the fiscal benefits generated by the presence of KISA firms and the support to retain wealth locally since local firms and individuals use their services. In Japan, this type of dynamic underlines the emergence of a small but growing IT cluster in a small town of Kamiyama. It attracts not only IT start-ups, but also involves its revitalization strategy to retain highly skilled workers by offering a good quality of life. It also extends to the promotion of cultural activities and exchanges, including artist-inresidence program. The promotion of new entrepreneurial activity must be conducted in parallel with the attraction and retention of talents to avoid that such ventures leave the area.

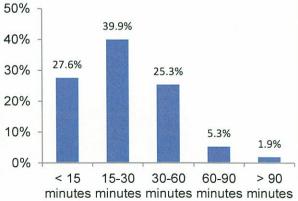


Photo: Osamu Nakamura. Authors: Ilya & Emilia Kabakov. Notes: One of the permanent exhibitions of Echigo-Tsumari Art Field.

Title: Terraced rice fields.

There are 5 artworks representing people cultivating in the terraced rice fields, and these poems matched to 4 seasons(spring, summer, autumn and winter) are hanged over(supported by Benesse Corporation).

Figure 13 Agricultural hamlets grouped by driving time to a city



Note: Densely inhabited districts are defined as contiguous census blocks with a population of at least 5 000 and an overall population density of at least 4 000/km2.

Source: Agricultural census, 2010. Data provided directly by Official Statistics of Japan (Government of Japan).

Stat link http://dx.doi.org/10.1787/888933325001

Rural revitalisation depends on local initiative and local assets

A number of success factors seem to stand out. many of which are consistent with asset-based community development (ABCD) approaches. Successful initiatives tend to be locally driven and outwardly focused. Local communities actively seek external markets and ideas and welcome outside rather than soliciting actor, subsidies. underscores the role of non-technical innovation in revitalisation efforts, including new marketing methods and new service delivery strategies. Such approaches are based on local, often highly placespecific assets. Given Japan's demographic and fiscal situation, this is encouraging: local communities need to abandon any expectation of revitalisation on the basis of external action and focus on their own endowments and potential. For local policy makers. this implies a shift of focus from local deficiencies to local assets, both tangible and intangible, and local capacities.

It would appear that the most successful strategies so far are those that focus on prosperity rather than population. Ama-cho, Kamiyama and other such communities do not expect to return to their previous sizes; they may even shrink further. But they have established a basis for future prosperity that will allow them to attract and retain young people, attaining a healthier and more sustainable population structure. While government has a clear policy aimed at preventing large parts of Japan from becoming uninhabited, the prosperity, well-being and access to opportunity of its citizens are the primary concerns. This must be kept in mind, because many places may well have prosperous sustainable futures but with fewer people - as, for example, when structural change leads to a reduction in the labour intensity of the dominant local industry or when it leads to a shift in specialisation from more to less labour-intensive activities.

A community's capacity for self-organisation is critical intangible assets

Social capital matters. A community's capacity for self-organization is one of its most critical intangible assets, especially when it comes to the coproduction of services, which represents an increasingly important form of collaboration between municipalities and citizens.

Efficient provision of public transport is often a challenge in areas with relatively low population density: long distances and low ridership make it difficult to offer public transport alternatives. However, open data and mobile information platforms are rapidly changing the options available; this is particularly true of the rise of "big data". OECD/ITF (2015) draws on the experiences of a number of OECD countries, including Japan, to understand these shifts. It particularly looks at the potential for "demand-responsive transport" (DRT) in rural areas.



The evidence suggests that DRT users are prepared to pay a higher fare than existing bus tariffs. However, the unit cost per trip may be high, which means that vehicle choice needs to be linked to density of demand (Table 2).

Japanese municipalities are extremely active in this sphere; indeed, demand buses have operated in Japan since the 1970s (Takeuchi et al., 2003). A number of Japanese locals have shown how identifying service levels based on customer need can help to plan the supply to meet actual demand. In some places, the local private sector has been involved in designing routes and financing initiatives in co-operation with local authorities. In a number of others, community bus services now operate on a not-for-profit basis, sustained partly by fares, but with support from municipal budgets and, most importantly, local businesses along the routes. In many cases, local volunteers play a central role (ITPS, 2011). There is still plenty of scope for experimentation and innovation in this sphere. The government should therefore seek to promote a trial-and-error approach, supported by mechanisms for sharing information and experiences.

Table 2 Indicative guidance for vehicle choice related to demand

Trips per vehicle-hour x journey length (=passenger-km per vehicle-hour)	Suggested vehicle choice
Less than 10	Taxi
Between 10 and 20	Taxi(s) or flexible minibus
Between 20 and 50	Flexible minibus, with lower degree of route flexibility at the upper end of the range
Greater than 50	Largely fixed-route bus with limited deviations

Box 5 Ama-cho as a model for regional revitalisation

The small island municipality of Ama-cho in Shimane Prefecture offers an excellent illustration of how local revitalisation can occur in a rural setting. Ama saw its population fall by more than 70%, from almost 7000 in 1950 to not much more than 2000 a half-century later. It has since begun to grow again, attracting an influx of new residents from elsewhere, and the local economy has picked up considerably. Ama-cho's experience is instructive in a number of ways, and the lessons it holds are relevant to remote rural communities that are struggling for survival elsewhere in Japan and, indeed, around the OECD.

First, it is important to note that Ama-cho's turn-around took time and that there were numerous false starts and failures: the town had been struggling with decline for decades before it hit upon a mix of policies that enabled it to change trajectory.

Second, there was no "magic bullet", no single intervention that put the town on course for recovery; on the contrary, the change in Ama-cho's fortunes has been the product of a multi-faceted strategy that included measures to put public finances in order; innovation in public service provision (especially education); innovation and entrepreneurship that combines technologies from elsewhere (the best known is the cell-alive system for freezing seafood products in a way that retains quality better than other technologies) with local assets (especially Ama's rock oysters); and a mix of public and private initiatives, as well as public-private collaboration.

Third, Ama-cho's turnaround was engineered locally; it was not the result of large-scale intervention or funding from outside.

Finally, Ama-cho has not turned in on itself but has rather reached out to the world, working to export its products and attract visitors and newcomers. One characteristic of many remote rural communities, particularly islands, is a failure to see residents as a fungible commodity: there is little interest in attracting newcomers and even selling one's home to an outsider can be very badly seen in the community (Chavez, 2014).

Ama-cho probably also benefits from being a fairly small place. Relatively modest initiatives, based on place-specific local assets, can make a very big difference to a small community's prosperity and well-being. Social capital and trust within the community have been critical ingredients in Ama-cho's success, and these can be easier to foster in small communities where residents know one another. In contrast to other places however, Ama-cho has worked deliberately to foster a strong sense of community that is still open and outwardlooking, welcoming visitors and newcomers and encouraging people to try new things - even when there is a real risk of failure. The island tries to provide young people with opportunities to "learn by doing"; opportunities that a big city could not give them. Small rural places are often thought to be very conservative and resistant to change, and sometimes they are, but a growing number of Japan's rural communities are showing how they can embrace much more open and entrepreneurial attitudes to change.

Key recommendations:

- Encourage rural areas to make greater use of asset-based community development strategies (ABCD strategies) in response to structural change.
- Help rural areas to take advantage of new opportunities to use technology and ruralurban linkages to innovate, attract investment, enter new markets and sustain local prosperity and well-being, rather than simply rely on external support.



Notes: Ama's rock oysters

Reference

Abe, H. (2014), "Pursuing Local Economy and Well-Being in Ama Town, Shimane Prefecture", JFS Newsletter, No. 140, April.

Ahlfeldt, G. M. and A. Feddersen (2015), "From periphery to core: Measuring Agglomeration Effects Using High-Speed Rail", SERC Discussion Paper, No. 172

Ahrend, R. et al. (2014), "What Makes Cities More Productive? Evidence on the Role of Urban Governance from Five OECD Countries", OECD Regional Development Working Papers, No. 2014/05, OECD Publishing, Paris, http://dx.doi.org/10.1787/5jz432cf2d8p-en.

Ama-cho (2015), "A Bold Challenge from a Tiny Remote Island", brochure, Oki Ama-cho.

Cabinet Secretariat (2015), "Regional Empowerment for Japan's Growth: Overcoming Population Chavez, A. (2014), "On This Island, Depopulation Isn't the Problem – Inertia Is", Japan Times, 27 August,

Decline and Revitalizing Local Economies: Japan's Long-term Vision and Comprehensive Strategy", Headquarters for Overcoming Population Decline and Vitalizing Local Economy in Japan, Cabinet Secretariat, Tokyo.

Dembe, A. et al. (2005), "The Impact of Overtime and Long Work Hours on Occupational Injuries and Development Towards 2050: Provisional Translation", Ministry of Land, Infrastructure, Transport and Tourism, Tokyo, 4 July, available at: http://www.mlit.go.jp/common/001088248.pdf.

Forum, No. 18, available at: http://www.japanpolicyforum.jp/pdf/2014/vol18/DJw eb 18 pol 01.pdf.

Green Valley Inc. (2015), "In Kamiyama", http://www.in-kamiyama.jp/en/about-us/ (accessed 14 December2015).

Horiguchi, H. (2007), (in Japanese) "Masua Hiroya, Iwate Prefecture Governor: How I Put the Prefectural Primary Balance into the Black," Foresight, April: http://www.fsight.jp/3341?device=smartphone (accessed 10 September 2015).

Illnesses: New Evidence from the United States", Occupational and Environmental Medicine, Vol. 62/9, September, pp. 588-597.

ITPS (2011), National Regional Traffic Activation Case Studies, Institution for Transport Policy Studies, Tokyo, March.

Lippert, S. (2013), "Japan's Mega-project to Link Tokyo and Osaka with 505 km/h Train", World Review, 16 December, http://www.worldreview.info/content/japans-mega-project-link-tokyo-and-osaka-505kmhtrain (accessed 15 July 2015).

Martínez-Fernandez, M. C. and C.-T. Wu (2007), "Stadtentwicklung in einer differenten Wirklichkeit:Schrumpfende St.dte in Australien [Urban development in a different reality: Shrinking cities in Australia], Berliner Debatte, Initial 1, pp. 45-60.

Martínez-Fernandez, M. C. (2010), "Knowledge-intensive service activities in the success of the Australian mining industry", Service Industries Journal, Vol. 30/1, pp. 55-70.

Martínez-Fernandez, M. C. et al. (2012), "Shrinking Cities: Urban Challenges of Globalization", International Journal of Urban and Regional Research, Vol. 36/2, pp. 213-25.

Masuda, H. (2014), "The Death of Regional Cities: A Horrendous Simulation", Japan Policy Forum, No. 18, 20 January,

http://www.japanpolicyforum.jp/en/archives/politics/pt20140120152454.html (15 July 2015).

Ministry of Health, Labour and Welfare (n.d.), "Basic Survey on Wage Structure",

http://www.mhlw.go.jp/english/database/db-l/wage-structure.html (accessed 15 July 2015).

Ministry of Land, Infrastructure, Transport and Tourism (2014), "Grand Design of National Spatial Development Towards 2050: Provisional Translation", Ministry of Land, Infrastructure, Transport and Tourism, Tokyo, 4 July, available at: http://www.mlit.go.jp/common/001088248.pdf.

Ministry of Land, Infrastructure, Transport and Tourism (2014b), "OECD National Territorial Review Background Report", Ministry of Land, Infrastructure, Transport and Tourism, Tokyo, December.

Ministry of Land, Infrastructure, Transport and Tourism (2015a), "National Spatial Strategy", August, available (in Japanese) at:

http://www.mlit.go.jp/common/001100233.pdf .

Ministry of Land, Infrastructure, Transport and Tourism (2015), Brochure of the revised Regional Public Transport Revitalisation Act, 8th edition, Ministry of Land, Infrastructure, Transport and Tourism, July 2015, available at: www.mlit.go.jp/common/001061400.pdf.

Morichi, S. and T. Shimizu (2002), "An Analysis of the Effect of High-Speed Railway on Inter-Regional Migration and Traffic Flow in Japan", Proceedings of International Conference on Inter-city Transportation, Vol. 1, pp. 131-139.

Odagiri, T. (2015), "The Masuda Report Warns of the Disappearance of Country Life", Opinion, No. 58, Meiji University, 20 March.

OECD (n.d.), Regional Well-being website, http://oecdregionalwellbeing.org/ (accessed 1 September 2015).

OECD (2006), The New Rural Paradigm: Policies and Governance, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264023918-en .

OECD (2007), Babies and Bosses - Reconciling Work and Family Life: A Synthesis of Findings for OECD Countries, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264032477-en.

OECD (2010), Strategies to Improve Rural Service Delivery, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264083967-en .

OECD (2012a), Redefining "Urban": A New Way to Measure Metropolitan Areas, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264174108-en

OECD (2012b), Compact City Policies: A Comparative Assessment, OECD Green Growth Studies, OECD Publishing, Paris,

http://dx.doi.org/10.1787/9789264167865-en.

OECD/European Commission (2013), A Good Life in Old Age? Monitoring and Improving Quality in Long-Term Care, OECD Health Policy Studies, OECD Publishing, Paris,

http://dx.doi.org/10.1787/9789264194564-en .

OECD (2013a), Regions at a Glance 2013, OECD Publishing, Paris,

http://dx.doi.org/10.1787/reg_glance-2013-en.

OECD (2013b), How's Life? 2013: Measuring Well-Being, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264201392-en .

OECD (2013c), OECD Economic Surveys: Japan 2013, OECD Publishing, Paris, http://dx.doi.org/10.1787/eco-surveys-jpn-2013-en.

OECD (2013d), Entrepreneurship at a Glance 2013, OECD Publishing, Paris, http://dx.doi.org/10.1787/entrepreneur aag-2013-

OECD (2014), Japan: Advancing the Third Arrow for a Resilient Economy and Inclusive Growth, Better Policies, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264215955-en .

OECD (2015a), Ageing in Cities, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264231160-en

OECD (2015b), Governing the City, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264226500-en

OECD (2015c), Historical population data and projections (1950-2050), https://stats.oecd.org/Index.aspx?DataSetCode=POP-PROJ, (accessed 16 October 2015).

OECD (2015d), "Metropolitan areas", OECD Regional Statistics (database), http://dx.doi.org/10.1787/data-00531-en (accessed 10 September 2015)

OECD (2015e), OECD Compendium of Productivity Indicators 2015, OECD Publishing, Paris, http://dx.doi.org/10.1787/pdtvy-2015-en .

OECD (2015f), OECD Economic Outlook: Statistics and Projections, http://www.oecd-
http://www.oecd-
http://www.oecd-
http://www.oecd-
http://www.oecd-
http://www.oecd-economic-outlook-statistics-and-projections
http://www.oecd-economic-outlook-statistics-and-projections
<a href="mailto:oecd-economic-outlook-statistics-and-economic-outlook-statistics-and-economic-outlook-statistics-and-economic-outlook-statistics-and-economic-outlook-statistics-and-economic-outlook-statistics-and-economic-outlook-statistics-and-economic-outlook-statistics-and-economic-outlook-statistics-and-economic-outlook-statistics-and-economic-outlook-sta

OECD (2015g), OECD Economic Surveys: Japan 2015, OECD Publishing, Paris, http://dx.doi.org/10.1787/eco_surveys-jpn-2015-en

OECD (2015h), OECD Regional Statistics (database), http://dx.doi.org/10.1787/data-00531-en (accessed 10 September 2015).

OECD (2015i), "Population", http://stats.oecd.org/Index.aspx?DatasetCode=POP FIVE HIST, (accessed 16 October 2015).

OECD/ITF (2015), International Experiences on Public Transport Provision in Rural Areas, OECD, Paris, available at:

 $\frac{\text{http://www.internationaltransportforum.org/Pub/pdf}}{\text{/15CSPA RuralAreas.pdf}} \, .$

Oliveira Martins, J. et al. (2005), "The Impact of Ageing on Demand, Factor Markets and Growth", OECD Economics Department Working Papers, No. 420, http://dx.doi.org/10.1787/545827207132

On Demand Bus (n.d.), "Introduction to on Demand Bus", Tokyo University Graduate School of Frontier Sciences, http://www.nakl.t.u-tokyo.ac.jp/odb/en/02 intro.html (accessed 6 August 2015).

Pencavel, J. (2014), "The Productivity of Working Hours", IZA Discussion Paper, No. 8 129, April, available at: http://ftp.iza.org/dp8129.pdf

Rho, H. (2010), "Hard Work? Patterns in Physically Demanding Labor among Older Workers", Center for Economic and Policy Research, Washington, D.C., August.

Ricci, J. et al. (2007), "Fatigue in the U.S. Workforce: Prevalence and Implications for Lost Productive Work Time", Journal of Occupational and Environmental Medicine, Vol. 49/1, pp. 1-10.

Rink, D. et al. (2012), Shrink Smart: The Governance of Shrinkage within a European Context, Helmholtz Centre for Environmental Research – UFZ, Leipzig, May.

Schilling, J. (2009), "Blueprint Buffalo, Using Green Infrastructure to reclaim America's Shrinking Cities", in K. Pallagst (ed.), The Future of Shrinking Cities: Problems, Patterns and Strategies of Urban

Takeuchi, R. et al. (2003), "Feasibility Study on Demand Responsive Transport Systems (DRTS)", Journal of the Eastern Asia Society for Transportation Studies, Vol. 5, October.

Tomoe, A. (2014), "Aging Kamiyama Hopes to Rejuvenate with IT Startups", The Japan Times, 1 January,

http://www.japantimes.co.jp/news/2014/01/01/business/aging-kamiyama-hopes-to-rejuvenate-with-itstartups/ (accessed 15 July 2015).

Tompson, W. (2009), The Political Economy of Reform: Lessons from Pensions, Product Markets and Labour Markets in Ten OECD Countries, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264073111-en.

Transformation in a Global Context, Institute of Urban and Regional Development, Center for Global Metropolitan Studies and the Shrinking Cities International Research Network, University of California, Berkeley, pp. 127-138.

Vaillant, Y., E. Lafuente and C. Serarols (2011), "Location Decisions of New KISA firms: The Rural-Urban Divide", Service Industries Journal. http://www.japantimes.co.jp/community/2014/08/27/our-lives/island-depopulation-isnt-problem-inertia/#.VvURXU32aDY (accessed 15 July 2015).

Wright, S. (2013), "Designing flexible transport services: guidelines for choosing the vehicle type", Transportation Planning and Technology, Vol. 36/1, pp. 76-92.

Acknowledgements

The OECD Secretariat is grateful for the co-operation and support of the numerous Japanese officials, experts and businesspeople who met the OECD team preparing the review and in other ways participated in the review process. The Secretariat is particularly grateful to the Ministry of Land, Infrastructure, Transport and Tourism for its informational, financial and logistical support, as well as its deep engagement with the OECD Review team at all stages in the process.

The OECD Territorial Review of Japan was produced by the Regional Development Policy Division of the OECD's Public Governance and Territorial Development Directorate, headed by Joaquim Oliveira Martins. This report was prepared by William Tompson, Emiko Araki, Jose Enrique Garcilazo and Tadashi Matsumoto. Important analytical inputs into the Review were received from Alexander Lembcke and Johannes Weber of the OECD, Andre Comandon of UCLA, Andrew DeWit of Rikkyo University, Mikitaro Shobayashi of Gakushuin Women's College, and Izumi Yokoyama of Hitotsubashi University. Thanks are due to Rüdiger Ahrend and Karen Maguire of the OECD for their helpful comments on the first draft of the Review. The Secretariat is also grateful for the excellent inputs received from the two peer reviewers, Sabrina Lucatelli of Italy and Michel Ruffin of France. Kate Lancaster provided editorial support, and Ulrike Chaplar and Pilar Philip prepared the manuscript for publication.

This document summarises the key findings of OECD (2016), OECD Territorial Reviews: Japan, OECD Publishing, Paris.

Consult this publication on line at http://dx.doi.org/10.1787/9789264250543-en .

This work is published on the OECD iLibrary, which gathers all OECD books, periodicals and statistical databases.

Visit www.oecd-ilibrary.org for more information.

Public Governance and Territorial Development Directorate **OECD High Level Risk Forum Recommendation of the Council on** the Governance of Critical Risks **Adopted by Ministers** 6 May 2014

INTRODUCTION

This document presents a *Recommendation of the OECD Council on the Governance of Critical Risk*, developed through the OECD High Level Risk Forum, and adopted at the OECD Ministerial Council Meeting in May 2014. The Forum brings together practitioners of risk management from government, the private sector and civil society, and experts from think tanks and academia to identify and share good practices. Its aim is to deepen understanding of how to govern and manage complex national risks.

The Recommendation builds on the work of the Forum's technical groups of experts, including the Network on Strategic Crisis Management and the Task Force on Charting Illicit Trade. It benefited from the G20/OECD methodological framework on disaster risk assessment and risk financing, which was developed to support finance ministries and other governmental authorities in designing more effective disaster risk management strategies.

Since 1999, the OECD has developed an extensive evidence base in the form of thematic studies, country peer reviews and cross-country comparisons that provide lessons for risk management policies. Accordingly, the Recommendation has benefited from the knowledge accumulated over a decade in these OECD fora and complements existing OECD instruments that focus on specific aspects of risk management.

The Recommendation was developed in close coordination with Member countries, the European Commission and international organisations such as the UNISDR on provisions related to disaster risk reduction. This coordination has provided strong support to discussions on the revision of the Hyogo Framework for Action and the post-2015 framework to be decided at the UN World Conference on Disaster Risk Reduction.

The Recommendation was open to public consultation in February 2014, and integrated comments received from governments, international organisations, the private sector and voluntary organisations, who all voiced strong support for the OECD to provide policy guidance on the crucial issues related to the governance of critical risks.

THE CHALLENGE OF CRITICAL RISKS

Governments have fundamental responsibilities to provide security and safety to citizens and their property, defend the territorial integrity of the nation, and help sustain critical infrastructure and well-functioning markets. Citizens and businesses expect governments to be prepared for a wide range of possible crises and global shocks, and to handle them effectively should they arise. The successful governance of critical risks is a key strategic investment for countries, and is a means of preserving future competitiveness and sustainable economic growth.

Critical risks may arise from natural phenomena, pandemics, major industrial or technological accidents, and malicious actions that result in adverse impacts of national significance. Their consequences can disrupt infrastructure sectors vital to economic activities, degrade key environmental assets, negatively impact public finances, and erode public trust in government. Against a complex backdrop of demographic shifts, technological advances, globalisation and climate change, critical risks may develop quickly and through unforeseen pathways enabling transboundary impacts to spread across different communities, economic sectors and national borders.

¹ The work of the OECD High Level Risk Forum can be accessed here: http://www.oecd.org/gov/risk. The text of the Recommendation is available online at: http://www.oecd.org/gov/risk/recommendation-on-governance-of-critical-risks.htm

Developing national resilience to critical risks requires investment in the full cycle of risk management capacities, from risk identification and assessment, through prevention and mitigation, preparedness and response, to social and financial recovery, reconstruction and policy reform. This OECD Recommendation is designed to provide strategic guidance to national leaders who recognize that the implementation of this cycle faces considerable governance challenges both at the national level and internationally. Risk management decisions need to address a range of possible adverse outcomes in a way that is consistent with protecting fundamental societal values, but does not fall into the trap of trying to prevent or protect against all perils. Policies must be implemented in a context of fiscal constraints and reduced control over critical national infrastructures. They face intense stakeholder scrutiny and often require cooperation with international partners.

This Recommendation seeks to foster future cooperation between countries and with other key partners, including the private sector, building common ground and promoting continuous improvement regarding the governance and management of critical risks.

ACHIEVING BETTER RISK GOVERNANCE

The successful governance of critical risks delivers the benefits of timely decision-making through clear communication and the identification of responsibilities. It engenders public support for risk management policies that result in lower social, economic, and environmental costs. A comprehensive risk management system combines the full cycle of implementing actions. Critical risks must be identified and their potential impacts assessed, including the anticipation of second-order consequences. Prevention and mitigation measures need to be evaluated in an integrated manner, taking into consideration not only cost-effectiveness and impacts upon stakeholder interests, but also preventable casualties and disruptions to critical economic and financial activities. Emergencies must be responded to effectively and evaluated after the fact to ensure that lessons learned can inform policy reform and continuous improvement. Ensuring that the benefits and burdens of risks are borne by risk takers supports a proper alignment of incentives and enables resources dedicated to public safety and societal security to achieve their greatest value.

Delivering a "whole-of-society" approach to risk governance requires a strong institutional capacity, resources, training and continued commitment from leadership at the centre of government. It necessitates a clear mandate for government and stakeholders to develop strategies that avoid, reduce and transfer risks, while pursuing opportunities that improve living standards, enable economic activity and ensure fiscal sustainability. It should foster a new culture across government that embraces risk thinking as a key feature of effective planning and focused communications, supported by accountability mechanisms that strive for transparency, integrity and the cost-effective use of public resources. The overarching governance goals are to preserve societal values, balance stakeholder interests and maximize opportunities for individuals.

Governments need to build broad-based partnerships that leverage skills, knowledge, energy, and flexible capabilities from across society to meet the challenges posed by critical risks. They should foster collaborative networks with the private sector, academia, local governments and communities, as well as involve the voluntary sector and strengthen cooperation across countries. Creating a dynamic, well-coordinated network of participants within a clear governance framework will engender stronger responsibility in support of common goals.

To strengthen the governance and management of critical risks, it is recommended to:

- Establish and promote a comprehensive, all-hazards and transboundary approach to country
 risk governance to serve as the foundation for enhancing national resilience and
 responsiveness. Risk management policies should be framed at a national scale to ensure that
 all major risks are accounted for and their management assigned to responsible agencies.
 National leadership should articulate clear goals and mobilise support for identified priorities.
- Build preparedness through foresight analysis, risk assessments and financing frameworks, to better anticipate complex and wide-ranging impacts. Governments should develop the capacity to plan for critical risks, monitor the quality of capabilities to deal with them, and provide the flexibility in public budgets to anticipate unplanned impacts due to cataclysmic events.
- Raise awareness of critical risks to mobilise households, businesses and international stakeholders and foster investment in risk prevention and mitigation. The efficiency and effectiveness of risk governance is grounded in putting exposed populations on notice and providing them with the information they need to take protective measures. The cooperation between countries and with other key actors, including the private sector, is important and should be aimed at building common ground, promoting continuous improvement regarding the governance and management of critical risks as well as ensuring stable and secure communities.
- Develop adaptive capacity in crisis management by coordinating resources across the government, its agencies and broader networks to support timely decision-making, communication and emergency responses. Establishing strategic crisis management capacities is critical for governments to prepare for unexpected and novel risks that provoke crises. There is a need to strengthen crisis leadership, early detection and sense making capacity, as well as to conduct exercises to support inter-agency and international co-operation and to establish the competence and capabilities to scale up emergency response capacities. This also aims at closing the policy cycle, through the planning of recovery and rehabilitation efforts.
- Demonstrate transparency and accountability in risk-related decision making by incorporating good governance practices and continuously learning from experience. Risk-related decision making should be subject to transparency and accountability and supported by clear evidence-based processes and communication as a way to foster trust in government through good governance. This should help governments in conjunction with governmental and non-governmental organisations to make trade-off decisions informed by the full country portfolio of critical risks, encouraging the continuous sharing of knowledge and lessons learned.

NEXT STEPS

The OECD will support the dissemination and implementation of the Recommendation through its High Level Risk Forum. This will include fostering efforts by countries at all levels of government, including OECD Members and non-Members, to take account of it in the design and implementation of their national risk management policies. As a first step, OECD will develop a policy toolkit to facilitate, monitor and measure these efforts. OECD is also engaging proactively in the process to renew the Hyogo Framework for Action to ensure the Recommendation can fully inform the global policy dialogue.

Recommendation of the Council on the Governance of Critical Risks

THE COUNCIL,

HAVING REGARD to Article 5 b) of the Convention on the Organisation for Economic Cooperation and Development of 14 December 1960;

HAVING REGARD to the Recommendation of the Council on the Protection of Critical Information Infrastructures [C(2008)35], the Recommendation of the Council concerning Guidelines on Earthquake Safety in Schools [C(2005)24], the Recommendation of the Council concerning Chemical Accident Prevention, Preparedness and Response [C(88)85(Final)], the Recommendation of the Council on Good Practices for Mitigating and Financing Catastrophic Risks [C(2010)143/REV1], the Recommendation of the Council on Regulatory Policy and Governance [C(2012)37], and the Recommendation of the Council concerning Guidelines for the Security of Information Systems and Networks - Towards a Culture of Security [C(2002)131/FINAL];

RECOGNISING that effective risk governance is a means of maintaining or achieving national competitive advantage against a backdrop of numerous geopolitical, environmental, societal and economic uncertainties as it represents an opportunity to invest in safer and better lives for the future;

RECOGNISING that critical risks may develop quickly and through unforeseen pathways to spread across borders, resulting in adverse impacts of national significance, disrupting vital infrastructure sectors, degrading key environmental assets, negatively impacting public finances and eroding public trust in government;

RECOGNISING that citizens and businesses expect governments to be prepared for a wide range of possible crises and global shocks and to handle them effectively should they arise;

RECOGNISING that broad-based partnerships that leverage skills, knowledge energy and flexible capabilities are needed to meet the challenges posed by critical risks, and that international cooperation fosters enhanced anticipation and preparedness capacities;

NOTING that the OECD plays a leading role in helping countries to share good practices in governance across the risk management policy cycle, and that this work has been welcomed by international forums, such as the G20 Finance Ministers and Central Bank Governors;

NOTING that the OECD identified an Agenda for Action for emerging risks in the 21st century in the early 2000s, that the report 'Future Global Shocks' took this Agenda for Action a step further by focusing on the policy challenges to contend with unlikely or unforeseeable disruptive events of high magnitude, and that since 2011 the High Level Risk Forum of the Public Governance Committee has provided a platform for government officials, private sector risk managers, think tanks and civil society to exchange policy practices and raise awareness;

NOTING that during the meeting of the Council at Ministerial level on 29-30 May 2013, Ministers considered the importance for governments to improve their ability to anticipate and manage complex policy challenges that pose a potential threat to the well-being of citizens and businesses, which includes identifying and managing risks, planning for long-term change and dealing with multi-sectoral issues [C/MIN(2013)4/FINAL];

On the proposal of the Public Governance Committee:

I. AGREES that, for the purpose of the present Recommendation, the following definitions are used:

- "Critical risks": threats and hazards that pose the most strategically significant risk, as a result of (i) their probability or likelihood and of (ii) the national significance of their disruptive consequences, including sudden onset events (e.g. earthquakes, industrial accidents, terrorist attacks), gradual onset events (e.g. pandemics), and steady-state risks (notably those related to illicit trade or organised crime);
- "Core capability": human and technical means to accomplish a mission, function or objective that is necessary to achieve national preparedness and resilience goals;
- "Hazard": a natural or man-made source or cause of harm or difficulty;
- "National risk assessment": a product or process that collects information and assigns a
 value to risks at a strategic, national level for the purpose of informing priorities, developing
 or comparing courses of action, and informing decision making;
- "Risk assessment": a methodology to determine the nature and extent of risk by analysing potential hazards and evaluating existing conditions of vulnerability that together could potentially harm exposed people, property, services, livelihoods and their environment;
- "Resilience": ability to resist, absorb, recover from or successfully adapt to adversity or a change in conditions;
- "Sense making": a crisis management capacity that aims to understand the nature of an emerging crisis situation, its magnitude and impacts, its potential to evolve, the core societal values under threat and to clarify any associated uncertainties;
- "Structural measures": engineering or civil work prevention measures aimed at reducing exposure to hazards by protecting assets or communities, or controlling the variability of natural phenomena (e.g. dams or dykes for floods or storm surges, grids for rock falls, barriers for avalanches, anti-bomb walls or concrete blocks for terrorist attacks);
- "Non-structural measures": measures focused on the reduction of exposure and vulnerability through longer term planning and adaptation to hazard patterns and threats (e.g. raising public awareness, emergency preparedness and early warning systems, land use prescriptions, urban planning, building codes or the restoration of natural functions of ecosystems to buffer extreme hazards);
- "Transboundary (impacts)": spill-over risk consequences that cross national borders, or migrate from one economic sector, administration or community to another, often with differentiated effects;
- "Third sector": entities for whom preparation response and/or recovery are core parts of their business, and non-governmental voluntary and other non-profit entities that have public well-being as part of their purpose;
- "Whole-of-society approach": the involvement of all stakeholders, from individuals to government entities, businesses, non-governmental organisational and the third sector.

II. RECOMMENDS that Members establish and promote a comprehensive, all-hazards and transboundary approach to country risk governance to serve as the foundation for enhancing national resilience and responsiveness.

 \mathcal{M}_{i}^{i}

To this effect, Members should:

- 1. Develop a national strategy for the governance of critical risks which would:
 - i) identify and designate core capabilities required to preserve public safety, sustainable economic growth, market integrity and the environment against the harmful impacts of critical risks;
 - ii) clarify roles for the management of the full country portfolio of critical risks, and identify who is responsible for taking actions to protect citizens and assets;
 - iii) adopt an all-hazards approach that identifies inter-dependencies between critical systems;
 - iv) set goals for each phase of the risk management cycle, defining priorities for prevention, mitigation, response, recovery and rehabilitation, and ensure that these priorities are integrated into the policies and programmes of departments and agencies.
- 2. Assign leadership at the national level to drive policy implementation, connect policy agendas and align competing priorities across ministries and between central and local government through the establishment of:
 - i) multidisciplinary, interagency-approaches (e.g. national coordination platforms) that foster the integration of public safety across ministries and levels of government and ensure cooperation between governmental and non-governmental entities;
 - ii) platforms to identify inter-linkages that underlie critical risks (e.g. expert discussions, mutual trust building, information sharing, risk assessment workshops);
 - iii) desired levels of preparedness consistent with the national strategy, ensuring the availability of and continuously investing in the strengthening of the capabilities needed to ensure resilience nationwide.
- 3. Engage all government actors at national and sub-national levels, to coordinate a range of stakeholders in inclusive policy making processes which would:
 - i) support citizen engagement and invite communities, businesses, individuals and households to take greater responsibility for their own safety;
 - ii) develop a shared vision of critical risks and the division of responsibilities for shouldering the management burden;
 - iii) foster a whole-of-society approach to clarify accountability and achieve better outcomes with more resilient communities.
- 4. Establish partnerships with the private sector to achieve responsiveness and shared responsibilities aligned with the national strategy by:
 - i) identifying shared interests and common goals across public and private sectors in the governance and management of critical risks;
 - creating models for public-private partnerships (PPPs) to develop trusted information sharing networks that help identify where disruptions to critical infrastructure and supply chains could lead to knock-on effects across borders, and cascading effects;

taking advantage of private sector capability and expertise to develop new technologies, build resilient infrastructure and deliver financial mechanisms.

III. RECOMMENDS that Members build preparedness through foresight analysis, risk assessments and financing frameworks, to better anticipate complex and wide-ranging impacts.

To this effect, Members should:

1. Develop risk anticipation capacity linked directly to decision making through:

- i) the development of capacity for horizon scanning, risk assessment and early warning with a view to ensuring that the results feed directly into timely decision making;
- ii) the identification of critical hazards and threats so as to assess them using the best available evidence, investing in new research and tools where required, setting aside the necessary resources. Risks should be understood in terms of their potential likelihood, plausibility and impacts;
- the adoption of all-hazards approaches to national risk assessment to help prioritise disaster risk reduction, emergency management capabilities and the design of financial protection strategies;
- the revision of their national risk assessment periodically in the light of recent events, shifting priorities, and new information. This process should include the investigation and the assessment of damages and losses derived from disasters as soon as possible after they occur. The national risk assessment should help analyse the drivers behind exposures and the vulnerability of populations, assets and activities that can give rise to critical risks;
- v) the development of location-based inventories of exposed populations and assets, as well as infrastructures that reduce exposure and vulnerability. The assessment process should also consider identifying inter-linkages between different types of critical risks and the possible sequencing of hazardous events and cascading effects, which require cross-sectoral and even international cooperation.

2. Equip departments and agencies with the capacity to anticipate and manage human induced threats through:

- i) the development of capabilities needed to provide citizens and businesses with a safe environment for the normal functioning of society, and to safeguard economic and social life.
- ii) the acquisition of tools to assess and manage such threats, to map the activities of actors in the illegal economy and enable a fuller understanding of the connections between different forms of illicit activities, in order to increase economic and societal resilience to transnational criminal and terrorist networks.
- the mapping of illicit activities and other analyses to help compare the level of national risk posed by these types of threats with that posed by naturally-occurring hazards and gradual onset conditions.
- iv) the development and operation of reliable intelligence networks and other detection mechanisms to identify and assess the threat of terrorist attacks and other major criminal activities.

3. Monitor and strengthen core risk management capacities through:

i) the allocation of resources to develop and maintain the capabilities at all levels of government that are needed throughout the risk management cycle;

- ii) assistance for the development and continued training of specialised services (e.g. to conduct risk assessments, hazard mapping and real-time monitoring, but also law enforcement, security and rescue services) and the provision of modern and interoperable equipment;
- the implementation of efficient inspection systems, supplemented by the power to impose and implement sanctions, to ensure that minimum standards are adhered to for civil protection services in local levels of government.
- 4. Plan for contingent liabilities within clear public finance frameworks by enhancing efforts to minimise the impact that critical risks may have on public finances and the fiscal position of a country in order to support greater resilience. This could be done by:
 - developing rules for compensating losses that are clearly spelled out at all levels in advance of emergencies to the extent that this is feasible to achieve cost effective compensation mechanisms;
 - taking into account the distribution of potential losses among households, businesses and insurers, and encourage policies whereby all actors take responsibility within the context of their resources. In countries or areas that are known to be highly exposed or vulnerable to extreme events, cost-effective compensation should consider a mix of prefunding mechanisms and clear and agreed public finance rules before a crisis occurs. The mix of mechanisms should include market-based mechanisms that enable households and businesses to transfer financial risks to insurance and capital markets;
 - establishing mechanisms for estimating, accounting and disclosing contingent liabilities associated with losses to critical sectors in the context of national budgets;
 - iv) adopting broad frameworks for assessing risk-related expenditures. These frameworks should record, to the extent that this is feasible, the expenses at national and local level.
- IV. RECOMMENDS that Members raise awareness of critical risks to mobilise households, businesses and international stakeholders and foster investment in risk prevention and mitigation.

To this effect, Members should:

- 1. Encourage a whole-of-society approach to risk communication and facilitate transboundary co-operation using risk registries, media and other public communications on critical risks through:
 - a two-way communication between government and stakeholders, ensuring that information sources are accurate and trusted, and the information is made accessible in a manner appropriate to diverse communities, sectors, industries and with international actors;
 - ii) the combination of targeted communication with the provision of incentives and tools for individuals, businesses and NGOs to work together and take responsibility for investment in self-protective and resilience-building measures;
 - providing notice to households about different scales of hazards and human induced threats, and supporting informed debate on the need for prevention, mitigation and preparation measures;
 - iv) informing and educating the public in advance of a specific emergency about what measures to take when it occurs, and mobilising public education systems to promote a culture of resilience by integrating community resilience skills and concepts into curriculums and thereby pass information on to households through students.

2. Strengthen the mix of structural protection and non-structural measures to reduce critical risks through:

- i) the reinforcement of investment in prevention and mitigation efforts that limit the exposure of persons and core services to known hazards and reduce their vulnerability;
- strategic planning to build safer and more sustainable communities, paying attention to the design of critical infrastructure networks (e.g. energy, transportation, telecommunications and information systems). This strategic planning should be coordinated with urban planning and territorial management policies to reduce the concentration of people and assets in areas where known exposures have increased over time;
- iii) robust surveillance, monitoring and alert networks should be used to reduce critical risks associated with malicious attacks and threats to public health;
- iv) the development of fiscal and regulatory options to promote reserve capacity, diversification or back-up systems to reduce the risk of breakdowns and prolonged periods of disruption in critical infrastructure systems;
- v) the incorporation of risk management decisions, safety and security standards in national and local regulations for land use, building codes and the design, development and operations of critical infrastructure;
- vi) the use of cost-benefit analyses conducted to maximise the cost-effectiveness of public and private investments that reduce the exposure of housing and commercial facilities.

3. Encourage businesses to take steps to ensure business continuity, with a specific focus on critical infrastructure operators by:

- i) developing standards and toolkits designed to manage risks to operations or the delivery of core services;
- ii) ensuring that critical infrastructure, information systems and networks still function in the aftermath of a shock;
- requiring first responders stationed in critical infrastructure facilities to maintain plans to ensure that they can continue to exercise their functions in the event of an emergency so far as is reasonably practicable;
- iv) encouraging small community-based businesses to take proportionate business resilience measures.
- V. RECOMMENDS that Members develop adaptive capacity in crisis management by coordinating resources across government, its agencies and broader networks to support timely decision-making, communication and emergency responses.

To this effect, Members should:

1. Establish strategic crisis management capacities to prepare for unknown and unexpected risks that provoke crises by:

- i) establishing and building upon a solid foundation of standard operating procedures, predefined emergency plans, conventional training and drills on a regular basis to contend with known hazards and threats;
- ii) complementing these core capacities with flexible resources that bolster resilience, enabling reaction to novel, unforeseen and complex events;

facilitating the sharing of multi-disciplinary expertise to make sense of incomplete information before and during a crisis, as well as to prepare and respond to crises of an unexpected nature.

2. Strengthen crisis leadership, early detection and sense making capacity, and conduct exercises to support inter-agency and international co-operation by:

- i) strengthening government leadership before and during a crisis to drive transboundary cooperation and maintain public trust;
- ii) developing strategies, mechanisms and instruments for "sense making" to ensure reliable, trusted and coordinated expert advice translates into informed decisions by national leaders;
- iii) preparing crisis cells that can be rapidly mobilised to identify options for action and minimise uncertainties;
- iv) developing and funding early warning systems to monitor hazards and threats;
- v) nurturing international cooperation opportunities and joint training with international stakeholders/actors to develop a range of crisis preparedness capacities (e.g. global risk monitoring systems and early warning systems) and crisis response capacities (e.g. shared "sense making", the coordination of strategic crisis management structures, the interoperability of emergency forces, the mobilisation of specialised teams, tools and supplies at transnational levels, and harmonised crisis communication processes).

3. Establish the competence and capacities to scale up emergency response capabilities to contend with crises that result from critical risks, in particular through:

- i) the designation of an authority in charge of drawing on and coordinating sufficient resources to manage civil contingencies, whether from departments and agencies, the private sector, academia, the voluntary sector or non-governmental organisations;
- ii) the interoperability of equipment, clear quality standards, regular training and multistakeholder drills to support efficient civil protection capabilities;
- iii) the promotion of incentives for businesses and individuals to support local voluntary organisations that reinforce professional first responder capacities;
- iv) support for the recruitment, retention, training, equipping and maintenance of paid and unpaid personnel in all aspects of civil protection to strengthen national capacity to respond to and recover from contingencies and for the effective management and employment, including the encouragement of spontaneous volunteers where appropriate.

4. Build institutional capacity to design and oversee recovery and reconstruction plans by:

- i) seizing economic opportunities, reducing vulnerability to future events and strengthening long term resilience with a view to balance short-term fixes and long term investments in sustainability.
- ii) establishing multi-stakeholder governance arrangements that facilitate agile implementation, the efficient use of public funds and transparent disbursements to protect undue influence and corruption.

VI. RECOMMENDS that Members demonstrate transparency and accountability in risk-related decision making by incorporating good governance practices and continuously learning from experience and science.

To this effect, Members should:

- 1. Ensure transparency regarding the information used to ensure risk management decisions are better accepted by stakeholders to facilitate policy implementation and limit reputational damage by:
 - i) fostering honest and realistic dialogue between stakeholders about the nature and likelihood/ plausibility of hazards and threats, as well as the potential impacts and the cost-effectiveness of various mitigation, response and recovery options;
 - ii) providing public access to risk information and measures to validate the integrity of the risk management decision making process;
 - iii) encouraging openness about assumptions behind analyses and an opportunity to evaluate the drivers of uncertainty. Although circumstances may require restricted access to sensitive or classified information, the processes and methodologies used for management of critical risks should be shared even if certain types of intelligence is not.
- 2. Enhance government capacity to make the most of resources dedicated to public safety, national security, national preparedness and resilience by:
 - i) strengthening the ability of government, in conjunction with third sector and private sector entities, to make explicit trade-off and prioritisation decisions informed by the full country portfolio of critical risks;
 - ii) adopting strong frameworks for implementation that provide incentives to conduct risk analysis, ensure the results are made available to decision makers, and develop review mechanisms to monitor implementation.
- 3. Continuously share knowledge, including lessons learned from previous events, research and science through post-event reviews, to evaluate the effectiveness of prevention and preparedness activities, as well as response and recovery operations by:
 - i) incorporating the findings from events and research into improved preparedness and resilience planning, guarding against unintended adverse impacts, such as the creation of additional risks or the failure to recognise changes in risk characteristics;
 - ii) identifying the lessons learned for policymakers as a first step in a process that includes adapting critical systems, recurrent monitoring of capability levels, evaluating the performance of response and recovery actions, and undertaking peer reviews to share insights across countries;
 - iii) organising briefings for stakeholders (e.g. the media, the third sector, academics, business associations).
- VII. INVITES the Secretary-General to disseminate this Recommendation.
- VIII. INVITES Members to disseminate this Recommendation at all levels of government.
- IX. INVITES non-Members to take account of and adhere to this Recommendation.
- X. INSTRUCTS the Public Governance Committee to monitor the implementation of this Recommendation and to report thereon to the Council no later than three years following its adoption and regularly thereafter, in consultation with other relevant OECD Committees.

- トマーリでの付向(等本団業金、界学、一やイサ三策、アトディア、第三をかり一、一・アンリーファックを実施する。
- VII. 事務終是に対し、本勧告の普及を図るようなめる。
- 、るめ木でよる図を返替の告慮本アバおSPが近のベシィるめるは、J校S国諸盟は、IIIV
- 、るめ水でよる下守藍、ノ勳孝多告婦本、J校3/国諸盟加非、XI

来後三年以内に、また、その後も定期的に、本勧告の実施状況を監視し、結果を理事会に報後三年以内に、また、その後も定期的に、本勧告の実施状況を監視し、結果を理事会に報告するよう指示する。

- 4. 以下により、復旧・復興計画を設計・監督する制度的能力を構築する。
- i) 経済的な機会を把握し、将来事象への脆弱性を削減し、短期的な修復と持続可能性に対する長期的な投資のパランスを図るために、長期的ないジリエンスを 強化する。

- 。るあできべき行き不以的国諸盟は、めずの時目のこ

- 会熱る下部隔金八値園の地実郵不、コよくとる下示開る最前るあ习景背の市役 (iii) 別間をスサセての~舞青密機や舞青き~そ遅习重動。る下個獎さえる下典點を 出手や野卧るれるい用习野習のセスリ大重、なるあよ合器いならなわれわなし ~るれち計共、よう合器いならなわれわなし体組合体象核を解青の動るあ、お 。るあつき
- ペスリ大重のフ全るを站は国、ノ獣重と朴業事の一々ペケ間国や一々ペケ三第 (i 。る下小舶まは錦の初逝下下き宝光のか馴光憂心及勘察习的示問で上式ノ勳等を
- 誠実、J 告舞习者宝彤思意多果詩、J 判患を下トマンケントで行る符份や スリ (ii) でも できまる できまる でき できまる (ii) できまる (iii) できまな (iii) できまる (iii) できまな (iii) できまな (iii) できまる (iii) できまな (iii) できまな (iii) できまな (iii) できまな (iii) できまな (iii) できまな (iii)
- 学のでは、発売の基準では、全球に関する事後的審査を通じて過去の事象、研究、ができます。 いではより、発験的に共有し、予防・準備活動や対応・返旧活動の実効性を評価する。
- i) 事象や研究から得た知見を活かして準備やレジリエンスに関する計画立案を改善者をことにより、追加的リスクの創出や、リスク特性変化の誤認識による意善をあることにより、追加的リスクの創出や、アスクをはる。

V. かちえ支する心核の人事事念案、書母伝達、情報伝達、政治の対応を下支えず、 シットンシャンを対し、 いまいよことを整備を削着していないののでは、 は、 のまいないとのでは、 は、 のは、 ないは、 ないないないない。 のいまれる では、 は、 は、 ないないないないないない。 のいまれる では、 は、 ないないないないないないないないないないないないないないない。

。るあずきへら行き不以お国諸盟帆 、め式の改目のこ

- 事為環式之知計以前事, 考謝手業事的難票, >>>卡吸校以歲費心及賴訊の時題 (i 。各卡小链, 乙立辦多盤基な固鎖の腎)的及賴鳴常託な的膜室, 画情為核邈
- ii) これらの中核的能力のレジリエンスを高めるために柔軟な資源を補完し、新た。 。 よ、未知の複雑な事象への対応を可能にする。
- iii) 危機発生前及び危機発生時に、不正確な情報について正しい判断を下し、想定外の危機に備えて対応することを可能にすべく、学際的な専門知識の共有を促進する。
- 並また剤は/J 正U及しを機の機が、たぐぐーダーであるは、単純を実施する。 A とととを 当け間及び国家間の協力が行むなるよう訓練を実施する。
- ご 信頼でき、信用され、調整を経た専門家の助言が、国家指導者の十分な情報に 基づく決定に活かされるよう、「正しい判断力」を磨くための戦略、メニス よって大 が強のめよう離をして、「正しい判断力」を磨くための戦略、 スニス
- 司るきで員健习速压, め式るた附习別小最全對実新不, J 宝符を規程聚の健行 (iii 。 る下置張多路本策は辮
- 。&を大久な金資、J 勸整まムマスン辟響戦早るヤヤンリモニチを淘費心及剣引 (vi

- i) 省庁、民間セクター、界学、ホテンティアセクター、非政府組織等のあらゆる 機関の人材から、責任者を任命し、緊急事態を管理する十分な資金を利用し調 整させる

- 2. 以下を通じて、重大リスクを削減を大きがは整備とのでは、 2. は大事、プロを通信を表して、 3. でも対象
- ス、森青、計画浸雷、光備、一字ハネエ、払え例) 4ーセイでネテヘント辞基 (ii のもれるや楽耕会トテニェミニな部で誘転りよび全安のよ、式し裏店ご(ムテキン) 単い的財政は露襲の成功、対案立の画情的路嫌のこ。案立の画情的路遊び及ロ人の人対まらいて 返まが対対の対しての、またの記録を記述の表別を対している。多様の表別を対しませた。
- iii) 公本衛生に対する悪意による攻撃・脅威と関連した重大リスクを削減すべく、 変出なるであるである。 変出ないとは、 変出ないといって、 変形がある。
- マスンママント韓基、勘整の対比数の土肺財び及疫損のあれるも高され部勘予 (vi イッパ却又潜伏のあれる下減消ネセスリオニバム店函な的膜長、土刳端数のム ムマスンペップ
- ◇用軍・齢盤・指號のマワント韓基、対撃基業動、開財用所地土の古地辺 返国 (v 人縁の撃基トマリエキサ、単基 対金を支援 3 世間 3 世間 4 大 1 の
- 小大量多果佼校用費の資好間另・共公、後式るで減峭多霧線の號滅業商、字卦 (iv 用床の砂公益) 用費 よし とは目まらごるで
- 3. 以下により、基幹インフラ事業者に特に注視し、事業の継続性を確保するための措置を講じるよう奨励する。
- i) 事業連営又は中核的投務の提供に対するリスク管理に係る基準、事法を整備する。
- ii) 基幹インフラ、情報システム、ネットワーケなショック発生後も機能し続ける。 。そろ指り取らよ
- 既, き朝皇経憩事急察, しは以下的体ではないしている問題とは、 。され付終義をとこる下科界を画情, きょるきで誘端を稼螂で囲命な第回ご的実
- い。 いでいの業企力で各長に対し、企業規模に見合った企業のレジリ のでいる業のようと表現を含むできた対し、企業規模に見合うとの業のレジリ のでいる業のようと、 のでは、
- 3. 以下を通じて、中核的リスク管理能力を監視・強化する。
- 1 フスケ管理サイクルの全域で必要とされる能力について、政府における全ての (i

- ・ 京邦、アバルン3終青発問る卡恵関と夫財の一をセタ要重、アバルは37章千家国 (iii)・ 京井、アバルは37章千家国 (iii)・ 京井、京本・ストストストで開いる場合は、
- ・不路枠のされこ。るや用祭を本路枠な確立のあまる下部隔を出支の重関々尽じ (vi 。るあでき>・下燥品を用費のハシン式出び及家国、ブンはご田確な鉛に誠実、却
- 投るで校习体験心及初その々々し、J業結会者科関害所のかいかく界世ケゴチ、業金、VI るで告慮、J校习国籍盟때、そよら行金債予発習る科コウスし大重、ラシで批別会資

。るあずきべら行き不以的国諸盟成 、後式の始目のこ

- 1. 以下を通びるそーロスでは会社全な形式できたーチュニューカスに、アンゴを下以 は対象は、エトリスクに関するリスク登録、メディア、その他の公共広告を用いた越端的 協力を円滑化する。
- i) 情報源の正確性と信頼性を確保するとともに、様々なコミュニティ、セカター、 産業界、国際的アクターに対し、適切に情報提供を実施する、政府・利害関係 者間の双方向的な情報伝達
- ii) 対象を稼みない込んだ情報伝達に加えて、個人、業金、大個、アネルが高速に関連といるでは、 自己保護措置及びいいフェントにするための措置への投資にそれぞれが責任を るで用併を供表のお手が及けが放便のあすぐ負

- ーイスス、果校及並な的数数、0より混乱にレーエキトラでも、ラマント辞基 (ii) 基準によっているの事の特定に及立しよう、高額に足る情報共和によっているの事の特定に必立します。 含ま出憶さいです (bdd) たいシーナイーが 月旬、シット計2番を
- III. 加盟諸国に対し、複雑かつ広範囲に及ぶ影響の予測精度を高めるため、将来分析、リスク評価、資金調達の枠組みを通じて、準備体制を強化するよう勧告もの。

。るあかきべら行き不以的国籍盟成 、めみの始目のこ

。る卡加養まは銷順千々スリる卡諮直も玄光思意 , ブご 駈ま不以 ...1

- 一部報へスじのウバシン国式えま褶を躁散な力様、更変の立馴表勢、突動の近最 (vi 査鵬の夫)・害財る3. 生以炎直主発害災、おコスケロでのこ。 . し直見的膜気の大重や因要の露線、対 . おいいい . いっていい . いっていい . はずる . とないまからならな . はずい . ない . とない . とない . とない . はずい - (v) お飯に晒されているく口・資産、曝露・脆弱性を削減するインフラに係ら地域 別リストの作成。評価過程では、様々な重大リスク間の相互連関の特定、危険事業をひかるとしては、様々な重要性についても考慮すべきのあり、これは分野横断的な協力及の国際協力までも必要とする。
- 。る卡丸養多氏銷期骨・順千る卡伏ゴ海脅な改為人、ブバはゴ京省各、ブゴ重多不以 .2
- (1) 社会が正常に機能するための環境を市民及び企業に提供し、経済・社会生活を 保護するために必要とされる能力の構築
- ii) 越境犯罪及びテロリストネットワークに対する経済及び社会のレジリエンスを 動をマッピングし、様々な違法活動間の繋がりをより深く理解することを可能 してする手段の取得
- X 競売な品を発売しているといるれる国ンペンでのリスクと、は経過発生条件によりもたらされる国ンペングでのリスクを比較する際の一助とは経過発生条件によりもたらされる国ンペングとの他の分子、選先活動のマッピングその他の分析
- 高の掛顔計、のもちを下で、まずる海脅の衛形罪の類別大のかの多響をロマ (vi 用重心及薬構のAXニは、大は、これをの他の子で一ワイット解析。)

。るあできべき行き不以却国諸盟は、め方の始目のこ

7

- 。る卡玄策多韶輝家国のあ式のスンナバはる科ゴセスリ大重 ,る卡と容内を不以 ...
- る響場な書すのセスリ大重、姓全動の最市、曼加裕経な端下続待、全定の共公 (i 。る下京群・京神を広蛸的数中、な要心ごめれる下襲界を設策や初
- 。る卡用熱をモーロとて壁动校剣計全、る卡宝神を掛寺対正財の間ムモスぐ韓基 (iii

- iii) 国全体でのレジリエンス確保に必要な能力について、その能力を利用にある。 うにするとともに強化すべく、投資を継続的かつ確実に実施する、国家職と 全部の方式とともに強化すべく、投資を継続的かつ確実に実施する。 全部の方式を表しない。 を合いない。 を合いない。 を表している。 をましている。 をまして、 - 3. 包根的な政策を定過程における様々な対害関係者の調整を行うために、 多図を下りたがにおける全ての政府関係者の関係者を関与を任めるいで、 の対抗・地域いべいにおける全ての政府関係者を関与を任める。
- 。る卡丸獺多鏞意の財长計責の財食野営々スUVXX鏞霑瓩共る卡関コ々スU大重 (ii
- ※よりレジリエントにし、説明責任を明確化するとともに、コミュニティるよりロジリエントにし、成果を上げる。
- 4. 以下により、民間セクターとの連携を確立し、国家職略に沿った対応能力を支援を担よる。
- で宝寺を熟目び及益际の衝共另首、るわな习野管で及尽べ七六年ので尽し大重 (i

:言患るよ习会員委尽く十六代共公

- : る下意合コミコるれるい用が羨宝の不以, ブバはコ内自の告慮本 .I

- 、大翁る卡ふ蔵、印象、炒吸、洗珠ン校33%変の選氷却又策英: 「スンエリジン」 -
- (正しい判断力):新たな危機的状況の性質、その程度及び影響、今度見込まれる 展別、脅威に晒されている社会的価値を理解し、関連する不確実性を明瞭化しよう 展別、脅威に晒されている社会的価値を理解し、関連する不確等理能力、
- コところも略制を値変の象更然自、 2 懸みをトマニュラニ・ 3 [1] 「
- るこるで治癒に海費・ベーやが鎖売、ノ葉立る画情の関長のよ:「置帯的造帯非」 -- 123 では、124 では、
- 「越境的(影響)」:国境を越えて広がり、ある経済セクター、行政区域、コミュニティルら別の経済セクター、行政区域、コミュニティへと移動する、被及的なリスカの影響。時として影響が異なる、
- 第三セクター」:準備対応・復旧を業務の中核とする事業体及び社会福祉をその ■ 自的の一つとする非政府系ポランティア組織その他の非営利組織、
- コーセイナ三第、織路研返非、業金、関機研返るなる国:「モーロアア的会社全」 「全社会的アプローチ」 (個人から政保機関、第2を立ての対害関係者の関与、

告慮会事更る专関コスンナバ供のセスリ大重

確単受け,

「重要情報インフラ保護に関する理事会勧告」[C(2008)35]、「学校における耐震安全性のための指針に関する理事会勧告」[C(2005)24]、「化学事故の防止、準備、対応に関する理事会勧告」[C(2005)24]、「規模災事りスクの総和及び資金調達の優良事例に関する理事会勧告」[C(88)85(Final)]、「大規模災事りスクの総和及び資金調達の優良事例に関する理事会勧告」[C(2010)143/REV1]、「規制政策及びガバナンスに関する理事会勧告」[C(2012)131/FINAL]に鑑み; 並びに「情報システム及びネットワークのセキュリティに係る指針に関する理事会勧告ーセ並びに「情報システム及びネットワーク)のでキュリティに係る指針に関する理事会勧告ーセ

悪でいくる () ではないない () では、) には、) では、) には、) では、) には、) に

却又数式、気動314~ E V的界世却又数式な教る野0二頭、J校31所域、約業金20及因市;J種重な415~127日時限な415で124年以後316年2、お31合農すご主流4~E V

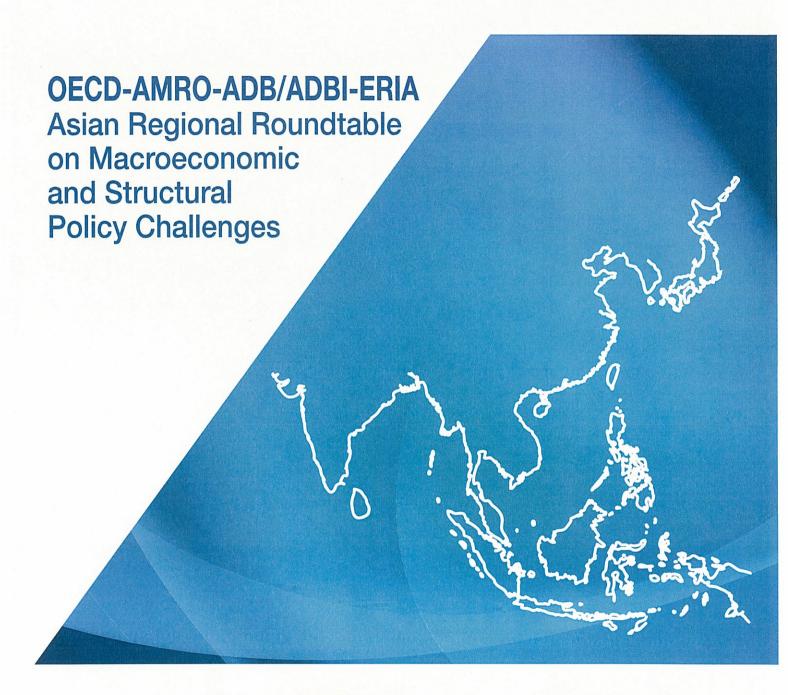
大部な海来,鑑味,踏み,ひよぶ悪重な違立,めおるでふ校ぶと無で込まを16なんスリ大重かち上向を付端る系に静準の及順子,お八協鬻国,おま,とこるなな要必る下用形別大量を ;**ノ発旺**をとこる

OECD は、リスク管理政策に係るサイクハ全般で、がパナンスに係る優良事例を各国で共有 することを主導的に支援し、また、この取組みは G20 財務大臣・中央銀行総裁会議等の国 することを主導的に支援し、また、この取組みは G20 財務大臣・中央銀行総裁会議等の国

OECD は、2000 年代初頭、21 世紀における新興リスクのための「行動アジェンダ」を策定していること、また、想定外又は予測不能な大規模ショックへの対処方策に焦点を当てたこと、さらいことに表現では更に前進したこと、さらに、2011 年以降、公共がパナンス委員会のハイレベルリスケフォーラムは、公務員・民間で、2011 年以降、公共がパナンス委員会のハイレベルリスケフォーラムは、公務員・民間の前のリスケア・ファイン・ファントに、登職の向上を関係していることを認識し、政策事例を共有し、意識の向上を図るためのプラットフォームを提供していることを認識し、

2013年5月29~30日の閣僚理事会において、市民と企業の福祉に潜在的脅威をもたらす複雑な政策雑な政策課題について、リスクの特定・管理、長期的な変革のための計画立案、複数セクターに横断する課題の処理等を含む対応により、政府の予測・管理能力を高めることが重要である旨、閣僚らにより認められたこと[C/MIN(2013)4/FINAL]を認識し;















Background

The emerging Asian economies have strong fundamentals and have been posting steady growth, but are not immune to near-term downside risks such as global uncertainty and volatile cross-border capital flows. The region also faces medium-term structural issues such as the middle-income trap, ageing population, income disparity, environmental degradation and challenges in fostering inclusive growth. The annual OECD-AMRO-ADB/ADBI-ERIA Asian Regional Roundtable brings together policy makers, business leaders and researchers to discuss these emerging issues and share lessons on potential policy solutions.

Collaboration between OECD, AMRO, ADB/ADBI and ERIA can build useful platforms to exchange views and strengthen policy dialogue on near-term macroeconomic as well as medium-term structural policies annually at the regional level. The OECD-AMRO-ADB/ADBI-ERIA Asian Regional Roundtable is one such platform. The regional forum started in 2012 with the participation of OECD and AMRO, and from the third roundtable, ADB also joined. ERIA will also join from the fifth roundtable in 2016. This co-operation is mutually beneficial; these three organisations have complementary roles to play in promoting informed policy dialogue. AMRO, for example, can offer its expertise in analysing near-term issues; the ADB/ADBI can offer lessons from the implementation of its projects and its research in Asia; ERIA can offer its research on regional integration; and the OECD can offer policy suggestions based on the best practices of its member countries.

By meeting annually, these discussions can build on those from previous years and tackle the current issues that are facing this highly dynamic region. For this reason, the Asian Regional Roundtable covers both near-term macro challenges and medium-term structural issues, encouraging participants to take a broader perspective in thinking about stability and development.

- For the ASEAN+3 Macroeconomic Research Office (AMRO), this collaboration follows instructions by the ASEAN+3 Finance Ministers and Central Bank Governors to enhance collaboration with international organisations.
- The OECD's involvement in the roundtable is horizontal, bringing together a number of branches of the organisation working on issues relevant to the region. This is related to the OECD Strategy on Development and the recently-launched Southeast Asia Regional Programme.

- In addition, the ADB and OECD recently updated the MOU initiated in 2005 to strengthen their bilateral co-operation. This roundtable is an opportunity for ADB and OECD to share economic perspectives and key policy challenges based on their respective economic outlook publications. The Asian Development Bank Institute (ADBI), the ADB's think tank, contributes to the roundtable. ADBI works to identify effective development strategies and to improve the capacity for sound development in Emerging Asia.
- The Economic Research Institute for ASEAN and East Asia (ERIA) is an international organisation providing support to the Chair of the ASEAN Summit and the East Asia Summit through policy research on deepening economic integration, narrowing development gaps and achieving sustainable development. ERIA and the OECD have engaged in productive collaboration and signed a memorandum of understanding in 2014 on joint policy work.

This platform also promotes knowledge sharing between academics and the private sector in Emerging Asian economies through the collaboration between ERIA, ADB/ADBI, AMRO and the OECD.



ADB Japan Representation Office Director, Tomomi Tamaki; OECD Deputy Secretary General, Rintaro Tamaki; and AMRO Director, Yoichi Nemoto speak at the opening of the 4th Asian Regional Roundtable in Tokyo in May 2015.

What are the goals of the Asian Regional Roundtable?

The Asian Regional Roundtable provides a regular opportunity to gather a diverse group of policy professionals working on the Asian economies to meet and discuss current issues and trends. Its central goals are to:

- Promote knowledge sharing between the OECD, AMRO, ADB/ADBI, ERIA and Emerging Asia's policy makers (i.e. finance ministries, central banks and national planning agencies) as well as academics and the private sector; and
- Provide opportunities for open dialogue on: a) near-term macroeconomic policies; and b) medium-term structural policies in Emerging Asian economies.

Summary of discussions of past Asian Regional roundtables

The Asian Regional Roundtable draws on the expertise of the OECD, AMRO, ADB/ADBI, ERIA and gathered participants in raising issues related to near-term macroeconomic challenges – originating from within the region and internationally – and structural issues related to medium-term growth prospects.

Main messages of the First Roundtable (2012)

- Euro-area economic uncertainty can be expected to present risks for Asian economies, particularly the ASEAN member states, but they should not be seriously affected.
- The global financial crisis and resulting drop in external demand have highlighted the need for the Asian economies to pursue new growth models less dependent on exports.

Addressing near-term macroeconomic challenges

Asia's emerging economies have been exposed to a number of near-term risks originating in the advanced economies in recent years – a topic raised multiple times in past roundtables. The consequences for the region and possible policy responses to euro-area economic uncertainty and volatile cross-border capital flows resulting from the global liquidity infusion were both discussed as they unfolded, for example. These discussions touched on how policy makers in the region would need to be ready to cope with trade declines, the high volatility of capital flows and risks in the banking sector.

Roundtable participants again gathered to explore an ongoing challenge when they discussed the possible consequences facing Emerging Asia during the period of US monetary policy normalisation, and the uses of fiscal policy responses in particular. While the Fed stated that tapering would be done gradually, the market turbulence experienced in 2014 in some emerging economies, including among ASEAN+3 countries, indicated that further challenges may be encountered as US monetary policy normalisation continued. With potential limits to reliance on foreign reserves, flexible exchange rates and capital controls, fiscal policy may need to play a central role in spurring growth in the near future in some countries, where it can be employed to address shocks in a timely and pertinent manner.

Overall, growth in the Emerging Asian economies will continue to be favourable, though the countries in the region will face near-term volatility during the recovery of the global economy, particularly from the moderation and structural transformation in China. Although countries across the region have varied levels of exposure to the risks from these trends, such international influences are, in general, not expected to have a very large negative effect on the region.

Main messages of the Second Roundtable (2013)

- The global liquidity infusion is posing challenges for Emerging Asian markets in areas such as exchange rate, domestic credit, capital markets and property markets. Policy makers should pay close attention to the situation and consider macro-prudential and other measures to cope with cross-border capital flows.
- Several Emerging Asian economies may face future middle-income trap growth slowdowns if they fail to change from factor-driven to productivity-driven growth models.

Promoting structural reforms for medium-term growth

Looking beyond present policy challenges and external risks, roundtable participants have also shared their views on a number of important structural issues common in Emerging Asian economies. A central theme in many cases has been the need for these economies to rethink their past (export-oriented) growth strategies and to develop new growth models, as was underscored by the global financial crisis. While domestic demand will be an important engine for the medium-term growth in the region, new growth models will differ by country. For some countries, such as the People's Republic of China, higher domestic demand could take the form of higher consumption. For others such as Indonesia and the Philippines, investment in general and investment in infrastructure offer the potential to sustain growth. In Malaysia, the development of private sector, in particular small and medium-sized enterprises is critical for stimulating domestic demand. Singapore is aiming to strengthen its human capital and Thailand is strengthening social policies. In Viet Nam, reform of state-owned enterprises will be important.

A broader set of structural reforms may be needed in overcoming the middle-income trap, in which fast-growing economies begin to stagnate as they reach middle-income levels. Investment in human capital and innovation, improved business environments and regional integration, and the development of advanced manufacturing and modern services are all likely to be important steps in this process. The structural transformations needed to sustain growth depend upon the underlying comparative advantages and circumstances of each country, however, and policies to facilitate the transformations will need to be adapted to these conditions. Strengthened institutional capacities are particularly important in supporting sustained growth across economies at all levels of development.

Regional integration has the potential to help drive faster growth and the creation of a more attractive market in Emerging Asia. In particular, these goals have motivated significant progress in Southeast Asia towards the ASEAN Economic Community (AEC) targets. More remains to be done, however, and members will need to consider expanding the scope of the AEC into additional areas, such as narrowing development gaps in the region and implementing reforms to energy markets and in support of green growth.

Main messages of the Third Roundtable (2014)

- Counter-cyclical fiscal policy may need to play a major role in spurring growth in some countries affected by US monetary policy normalisation, where alternative options are limited.
- Institutional weaknesses could threaten the growth prospects of several Emerging Asian economies. The implementation of development plans offers insights on specific areas of weakness, and past public sector reforms provide lessons on how improvements can be made.
- Fiscal policy can and should play a bigger role in promoting inclusive growth in Asia. This may be through the use of innovative measures such as public–private partnerships in social infrastructure, which can extend the reach of education and health care services.

Inclusiveness is another important facet of Asia's growth challenges, and so is a common theme in roundtable discussions. In particular, the uses of fiscal policy in promoting inclusive growth have been addressed at the roundtable. Widening inequalities in the region have led to growing calls for governments to play a more direct role in reducing disparities and helping disadvantaged groups. A major policy tool of government intervention to promote more inclusive growth is fiscal policy.

Financial development is an essential part of broader economic growth and development that can provide many benefits through opportunities to invest in education and small businesses. Inequality can also fall as financial markets develop. Policy makers need to maximise the potential of the financial sector to support inclusive growth by encouraging accessibility and financial literacy, in particular among the poor, improving access to education, and establishing strong institutions.

Sustainability should be a further goal for development strategies, meaning that environmental concerns need to be included as essential elements. Natural disasters regularly threaten economic development and growth in many Asian countries. Investing in disaster risk management and the appropriate sharing of responsibilities for financial preparedness are critical in this context. More generally, green growth policies can and should be pursued by countries at all income levels to protect natural capital and well-being while promoting sustainable economic activity.

Main messages of the Fourth Roundtable (2015)

- Short-term risks in Emerging Asia due to declining global oil prices, the divergence of monetary policy in the advanced economies, and the effects of moderating growth and structural change in China vary across the region but the impact will be generally expected to be limited.
- Progress is being made in ASEAN integration, though there is a need to improve the implementation of current targets and to consider expanding the scope of the goals of the integration project.
- Financial development can help poor households and contributes to reduced inequality in low-income countries, particularly when education is accessible and good institutions are in place.
- Environmental concerns are central to discussions of growth and development in Emerging Asia; there is a need for responsible and innovative approaches to disaster risk management and green growth.

Agendas of past Asian Regional Roundtables

1st ASIAN REGIONAL ROUNDTABLE 26 September 2012 Venue: Grand Copthorne Waterfront Hotel, Singapore

Opening Remarks:

- Rintaro Tamaki, Deputy Secretary-General, OECD
- Yoichi Nemoto, Director, ASEAN+3 Macroeconomic Research Office

Session 1: Near-term Economic Outlook of the Euro-area and Asia: Prospect for the Euro-area Economy and Macroeconomic Implication for ASEAN+3 economies

Chair: Kensuke Tanaka, Head of Asia Desk, OECD Development Centre

Presentations:

- Matthew Yiu, Senior Economist, AMRO, Singapore, "Near-term Economic Perspectives of ASEAN +3 Economies"
- José Marín Arcas, Head of Euro Area Macroeconomic Developments, European Central Bank, Germany, "Recent Economic Developments of the Euro-area and Challenges"
- Paul van den Noord, Economic Counsellor, OECD Economics Department, France, "Economic Perspectives of the Euro-area and OECD economies"
- Yuko Kawai, Chief Representative, Bank of Japan, Representative Office in Hong Kong, "Euro-area uncertainty and impact on Asian economies"
- Juda Agung, Director of Monetary Policy Group in Economic Research and Monetary Policy Department, "Euro-area uncertainty and impact on Indonesian economy"
- Francis Dakila, Director, Center for Monetary and Financial Policy, Bangko Sentral ng Pilipinas, "Euro-area uncertainty and impact on the Philippine economy"

Roundtable discussion (Panellists):

- Bambang Brodjonegoro, Head of Fiscal Policy Office, Ministry of Finance, Indonesia
- Reza Yamora Siregar, Senior Economist, AMRO, Singapore
- Aladdin D. Rillo, Director and Chief Economist, ASEAN Secretariat, ASEAN Integration Monitoring Office, Indonesia

- Baoliang Zhu, Deputy Head for Forecasting, State Information Centre, People's Republic of China
- James Yetman, Senior Economist, Bank for International Settlements (BIS), Asian Representative Office

Open discussion

Session 2: Medium-term policy challenges: Towards a "New Growth Model" in ASEAN+3 economies

Chair: Lee Jae Young, Senior Economist, AMRO

Presentations:

- Kensuke Tanaka, Head of Asia Desk, OECD Development Centre, France, "Overview: Structural Policy Challenges Towards a New Growth Model in Asia"
- Bambang Prijambodo, Assistant Minister of Economics, Development and Financing, BAPPENAS, Indonesia, "Medium-term Development Strategies and a New growth Model in Indonesia"
- Kun Zhao, Deputy Director, National Economy Department, National Development and Reform Commission (NDRC), People's Republic of China, "Medium-term Development Strategies and a New Growth Model in China"
- Allauddin Anuar, Director, Economic Planning Unit, Prime Minister's Department, Malaysia,
 "Malaysia: The New Economic Model & Medium Term Development Strategies"
- Rose Edillon, Director, National Planning and Policy, National Economic and Development Authority (NEDA), Philippines, "Medium-term Development Strategies and a New Growth Model in the Philippines"

Roundtable discussion (Panellists):

- Margit Molnar, Head of Competitiveness and Structural Analysis, OECD Development Centre
- Luyna Ung, Deputy Secretary General, Supreme National Economic Council, Cambodia
- Pattama Teanravisitsagool, Director, Office of the National Economic and Social Development Board (NESDB), Thailand
- Jang Ping Thia, Director, Ministry of Trade and Industry, Singapore

Open discussion

Final Remarks: Rintaro Tamaki, Deputy Secretary-General, OECD

2nd ASIAN REGIONAL ROUNDTABLE 19 July 2013 Venue: Grand Copthorne Waterfront Hotel, Singapore

Opening Remarks:

- Rintaro Tamaki, Deputy Secretary-General, OECD
- · Yoichi Nemoto, Director, AMRO

Session 1: Policy Challenges for Asian Economies amid Global Liquidity Infusion

Chair: Satoshi Nakagawa, Senior Coordination Officer, AMRO, Singapore

Presentations:

- Matthew Yiu, Group Head and Lead Economist, AMRO
- Feng Zhu, Senior Economist, Bank for International Settlements (BIS)
- Eckhard Wurzel, Head of European Union Desk, Economics Department, OECD

Rountable discussion (Panellists):

- Luky Alfirman, Head of Center for Macroeconomic Policy, Fiscal Policy Office, Ministry of Finance, Indonesia
- Myong-Hwal Lee, Senior Research Fellow, the International and Macroeconomic Finance Division, Korea Institute of Finance, Korea
- Dato' Ooi Sang Kuang, Chairman, National Mortgage Corporation, Malaysia
- Zeno Ronald R. Abenoja, Director, Department of Economic Research, Bangko Sentral ng Pilipinas, the Philippines
- Takuji Kinkyo, Professor, Graduate School of Economics, Kobe University, Japan

Open discussion

Session 2: Escaping the middle-income trap in Asia

Chair: Joseph E. Zveglich, Jr, Assistant Chief Economist, Asian Development Bank

Presentations:

- Setting the scene: Kensuke Tanaka, Head of Asia Desk, OECD Development Centre
- Porametee Vimolsiri, Deputy Secretary General, Office of the National Economic and Social Development Board, Thailand
- Prasetijono Widjojo, Deputy Minister, BAPPENAS, Indonesia
- Allauddin Anuar, Director, Economic Planning Unit, Prime Minister's Department, Malaysia

Roundtable discussion (Panellists):

- Odd Per Brekk, International Monetary Fund (IMF)
- Tadashi Ito, Director, Institute of Developing Economies Japan External Trade Organisation (IDE-JETRO), Japan
- Haji Abdul Amin Haji Hashim, Acting Director General, Prime Minister's Office, Brunei
- Nguyen Hoang Ha, Director, Development Strategy Institute, Ministry of Planning and Investment, Viet Nam
- Niu Chen, National Development and Reform Commission, People's Republic of China

Open discussion

Final Remarks: Rintaro Tamaki, Deputy Secretary-General, OECD

3rd ASIAN REGIONAL ROUNDTABLE 29 July 2014 Venue: Discovery Suites Hotel, Manila, the Philippines

Opening Remarks:

- Juzhong Zhuang, Deputy Chief Economist, ADB
- Rintaro Tamaki, Deputy Secretary-General and acting Chief Economist, OECD
- · Yoichi Nemoto, Director, AMRO

Session 1: The Role of Fiscal Policy During the US Monetary Policy Normalisation Period

Chair: Odd Per Brekk, Director, Regional Office for Asia and the Pacific, IMF

Keynote speech:

Chaipat Poonpatpibul, Group Head and Principal Economist, AMRO

Discussants:

- Seong Tae Kim, Research Fellow, Korea Development Institute
- Joseph E. Zveglich, Jr., Assistant Chief Economist, Asian Development Bank

Open discussion

Session 2: Strengthening Institutional Capacities for Development

Chair: Emmanuel Esguerra, Deputy Director-General, NEDA, the Philippines

Keynote speech:

 Kensuke Tanaka, Head of Asia Desk and Derek Carnegie, Economist, OECD Development Centre

Discussants:

- Porametee Vimolsiri, Deputy Secretary-General, NESDB, Thailand
- Thurgha Govindasamy, Head of External Demand in the Fiscal and Economics Division,
- · Ministry of Finance, Malaysia
- Shikha Jha, Principal Economist, Economics and Research Department, ADB

Open discussion

Lunch presentation of "Revenue Statistics for Asia", OECD Centre for Tax Policy and Administration and OECD Development Centre, Maurice Nettley and Kensuke Tanaka

Session 3: Fiscal Policy and Inclusive Growth

Chair: Shanaka Jayanath Peiris, IMF Resident Representative to the Philippines

Keynote speech: Donghyun Park, Principal Economist, Economics and Research Department, ADB

Discussants:

- Maung Maung Win, Director- General, Ministry of Finance, Myanmar
- Petar Vujanovic, Head of Indonesia Desk, Economics Department, OECD

Open discussion

Final Remarks

4th ASIAN REGIONAL ROUNDTABLE 14-15 May 2015 Venue: Westin Tokyo, Tokyo, Japan

Opening Remarks:

- · Rintaro Tamaki, Deputy Secretary General, OECD
- · Yoichi Nemoto, Director, AMRO
- Tomomi Tamaki, Director, ADB's Japan Representation Office

Session 1: Macroeconomic Trends and Near-term Policy Challenges in Emerging Asia

Chair: Odd Per Brekk, Director, IMF Regional Office for Asia and Pacific

Keynote speech: Chaipat Poonpatpibul, Group Head and Lead Economist, AMRO

Discussants:

- Masahiko Takeda, Professor, Hitotsubashi University, Japan
- Kensuke Tanaka, Head of Asia Desk, OECD Development Centre
- Joseph E. Zveglich, Jr. Director, Macroeconomics Research Division Economic Research and Regional Cooperation Department, ADB

Open discussion

Lunch presentation of the 2nd edition of "Revenue Statistics in Asian Countries", OECD Centre for Tax Policy and Administration and OECD Development Centre, Maurice Nettley and Derek Carnegie

Session 2: Challenges and Opportunites in Future ASEAN Integration

Chair: Noriyuki Mita, Deputy Vice Minister for International Affairs, Ministry of Finance, Japan

Keynote speech: Sundram Pushpanathan, Managing Director Asia Pacific, EAS Strategies and former Deputy Secretary General of ASEAN

Discussants:

- Pattama Teanravisitsagool, Deputy Secretary General, National Economic and Social Development Board (NESDB), Thailand
- · Sidgy L.P. Suyitno, Director, BAPPENAS, Indonesia
- So Umezaki, Director, Economic Integration Studies Group, Instituite of Developing Economices, Japan External Trade Organization (JETRO)

Open discussion

Session 3: Financial for Development in Asia

Chair: Naoyuki Yoshino, Dean, ADBI (Asian Development Bank Institute)

Keynote speech: Kwanho Shin, Professor, Korea University

Discussants:

- Masahiro Kawai, Professor, University of Tokyo and former Dean of ADBI
- Naoki Tabata, Special advisor, Japan Economic Research Institute and former Director General, Bank of Japan
- Donghyun Park, Principal Economist, Economics Research and Regional Cooperation Department, ADB

Open discussion

Final Remarks

Breakfast Meeting: Disaster Risk Reduction and Financing Strategy – Through the Case of the Philippines

Chair: Megumi Muto, Deputy Director General, Southeast Asia and Pacific Department, JICA

Discussant: Maria Obdulia Palanca, Senior Vice President, Government Service Insurance System, the Philippines

OECD-RIETI Joint Special Session: Green Growth in Asia

Opening Remarks:

Atsushi Nakajima, Chairman, RIETI

Chair: Yumiko Murakami, Head, OECD Tokyo Centre

Keynote speech: Rintaro Tamaki, Deputy Secretary General, OECD

Speeches:

Green Policy and Growth in Asia, Shunsuke Managi, Faculty Fellow, RIETI / Professor of Technology and Policy, Department of Urban and Environmental Engineering, Kyushu University

Green Growth and Policy in Japan, Hiroshi Ohashi, Program Director and Faculty Fellow, RIETI / Professor, Faculty of Economics, The University of Tokyo

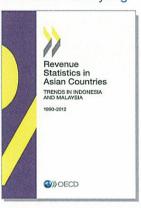
Open discussion

Related publications

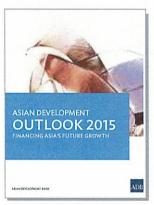
For OECD publications see: www.oecd-ilibrary.org



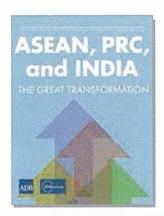
http://dx.doi.org/10.1787/saeo-2015-en



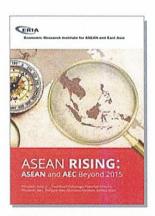
http://dx.doi.org/10.1787/9789264210691-en



www.adb.org/publications/asiandevelopment-outlook-2015-financingasias-future-growth



http://www.adbi.org/book/2014/09/17/6360. asean.prc.india.transformation/



http://www.eria.org/publications/key_reports/ASEAN-Rising.html

For more information on the Asian Regional Roundtable, please visit: http://www.oecd.org/dev/asia-pacific/oecd-amrojointasianregionalroundtable.htm or contact:

OECD: Kensuke Tanaka (kensuke.tanaka@oecd.org)

AMRO: Munenari Nomura (munenari.nomura@amro-asia.org)

ADB: Joseph E. Zveglich, Jr. (jezveglich@adb.org)

ADBI: Naoyuki Yoshino (nyoshino@adbi.org)

ERIA: Izuru Kobayashi (izuru.kobayashi@eria.org)



Meeting of the OECD Council at Ministerial Level

Paris, 6-7 May 2014

RECOMMENDATION OF THE COUNCIL ON THE GOVERNANCE OF CRITICAL RISKS

Adopted on 6 May 2014



Recommendation of the Council on the Governance of Critical Risks



THE COUNCIL,

HAVING REGARD to Article 5 b) of the Convention on the Organisation for Economic Co-operation and Development of 14 December 1960;

HAVING REGARD to the Recommendation of the Council on the Protection of Critical Information Infrastructures [C(2008)35], the Recommendation of the Council concerning Guidelines on Earthquake Safety in Schools [C(2005)24], the Recommendation of the Council concerning Chemical Accident Prevention, Preparedness and Response [C(88)85(Final)], the Recommendation of the Council on Good Practices for Mitigating and Financing Catastrophic Risks [C(2010)143/REV1], the Recommendation of the Council on Regulatory Policy and Governance [C(2012)37], and the Recommendation of the Council concerning Guidelines for the Security of Information Systems and Networks – Towards a Culture of Security [C(2002)131/FINAL];

RECOGNISING that effective risk governance is a means of maintaining or achieving national competitive advantage against a backdrop of numerous geopolitical, environmental, societal and economic uncertainties as it represents an opportunity to invest in safer and better lives for the future;

RECOGNISING that critical risks may develop quickly and through unforeseen pathways to spread across borders, resulting in adverse impacts of national significance, disrupting vital infrastructure sectors, degrading key environmental assets, negatively impacting public finances and eroding public trust in government;

RECOGNISING that citizens and businesses expect governments to be prepared for a wide range of possible crises and global shocks and to handle them effectively should they arise;

RECOGNISING that broad-based partnerships that leverage skills, knowledge energy and flexible capabilities are needed to meet the challenges posed by critical risks, and that international cooperation fosters enhanced anticipation and preparedness capacities;

NOTING that the OECD plays a leading role in helping countries to share good practices in governance across the risk management policy cycle, and that this work has been welcomed by international forums, such as the G20 Finance Ministers and Central Bank Governors;

NOTING that the OECD identified an Agenda for Action for emerging risks in the 21st century in the early 2000s, that the report 'Future Global Shocks' took this Agenda for Action a step further by focusing on the policy challenges to contend with unlikely or unforeseeable disruptive events of high magnitude, and that since 2011 the High Level Risk Forum of the Public Governance Committee has provided a platform for government officials, private sector risk managers, think tanks and civil society to exchange policy practices and raise awareness;

NOTING that during the meeting of the Council at Ministerial level on 29-30 May 2013, Ministers considered the importance for governments to improve their ability to anticipate and manage complex policy challenges that pose a potential threat to the well-being of citizens and businesses, which includes identifying and managing risks, planning for long-term change and dealing with multi-sectoral issues [C/MIN(2013)4/FINAL];

On the proposal of the Public Governance Committee:

I. AGREES that, for the purpose of the present Recommendation, the following definitions are used:

- "Critical risks": threats and hazards that pose the most strategically significant risk, as a result of (i) their probability or likelihood and of (ii) the national significance of their disruptive consequences, including sudden onset events (e.g. earthquakes, industrial accidents, terrorist attacks), gradual onset events (e.g. pandemics), and steady-state risks (notably those related to illicit trade or organised crime):
- "Core capability": human and technical means to accomplish a mission, function or objective that is necessary to achieve national preparedness and resilience goals;
- "Hazard": a natural or man-made source or cause of harm or difficulty;
- "National risk assessment": a product or process that collects information and assigns a value to risks at a strategic, national level for the purpose of informing priorities, developing or comparing courses of action, and informing decision making;
- "Risk assessment": a methodology to determine the nature and extent of risk by analysing potential hazards and evaluating existing conditions of vulnerability that together could potentially harm exposed people, property, services, livelihoods and their environment;
- "Resilience": ability to resist, absorb, recover from or successfully adapt to adversity or a change in conditions;
- "Sense making": a crisis management capacity that aims to understand the nature of an emerging crisis situation, its magnitude and impacts, its potential to evolve, the core societal values under threat and to clarify any associated uncertainties;
- "Structural measures": engineering or civil work prevention measures aimed at reducing exposure to hazards by protecting assets or communities, or controlling the variability of natural phenomena (e.g. dams or dykes for floods or storm surges, grids for rock falls, barriers for avalanches, anti-bomb walls or concrete blocks for terrorist attacks);
- "Non-structural measures": measures focused on the reduction of exposure and vulnerability through longer term planning and adaptation to hazard patterns and threats (e.g. raising public awareness, emergency preparedness and early warning systems, land use prescriptions, urban planning, building codes or the restoration of natural functions of ecosystems to buffer extreme hazards);
- "Transboundary (impacts)": spill-over risk consequences that cross national borders, or migrate from one economic sector, administration or community to another, often with differentiated effects;
- "Third sector": entities for whom preparation response and/or recovery are core parts of their business, and non-governmental voluntary and other non-profit entities that have public well-being as part of their purpose;
- "Whole-of-society approach": the involvement of all stakeholders, from individuals to government entities, businesses, non-governmental organisations and the third sector.

II. RECOMMENDS that Members establish and promote a comprehensive, all-hazards and transboundary approach to country risk governance to serve as the foundation for enhancing national resilience and responsiveness.

To this effect, Members should:

- 1. Develop a national strategy for the governance of critical risks which would:
 - identify and designate core capabilities required to preserve public safety, sustainable economic growth, market integrity and the environment against the harmful impacts of critical risks;
 - ii) clarify roles for the management of the full country portfolio of critical risks, and identify who is responsible for taking actions to protect citizens and assets;
 - iii) adopt an all-hazards approach that identifies inter-dependencies between critical systems;
 - iv) set goals for each phase of the risk management cycle, defining priorities for prevention, mitigation, response, recovery and rehabilitation, and ensure that these priorities are integrated into the policies and programmes of departments and agencies.
- 2. Assign leadership at the national level to drive policy implementation, connect policy agendas and align competing priorities across ministries and between central and local government through the establishment of:
 - i) multidisciplinary, interagency-approaches (e.g. national coordination platforms) that foster the integration of public safety across ministries and levels of government and ensure cooperation between governmental and non-governmental entities;
 - ii) platforms to identify inter-linkages that underlie critical risks (e.g. expert discussions, mutual trust building, information sharing, risk assessment workshops);
 - iii) desired levels of preparedness consistent with the national strategy, ensuring the availability of and continuously investing in the strengthening of the capabilities needed to ensure resilience nationwide.
- 3. Engage all government actors at national and sub-national levels, to coordinate a range of stakeholders in inclusive policy making processes which would:
 - i) support citizen engagement and invite communities, businesses, individuals and households to take greater responsibility for their own safety;
 - ii) develop a shared vision of critical risks and the division of responsibilities for shouldering the management burden;
 - iii) foster a whole-of-society approach to clarify accountability and achieve better outcomes with more resilient communities.
- 4. Establish partnerships with the private sector to achieve responsiveness and shared responsibilities aligned with the national strategy by:
 - i) identifying shared interests and common goals across public and private sectors in the governance and management of critical risks;

- ii) creating models for public-private partnerships (PPPs) to develop trusted information sharing networks that help identify where disruptions to critical infrastructure and supply chains could lead to knock-on effects across borders, and cascading effects;
- iii) taking advantage of private sector capability and expertise to develop new technologies, build resilient infrastructure and deliver financial mechanisms.

III. RECOMMENDS that Members build preparedness through foresight analysis, risk assessments and financing frameworks, to better anticipate complex and wide-ranging impacts.

To this effect, Members should:

1. Develop risk anticipation capacity linked directly to decision making through:

- i) the development of capacity for horizon scanning, risk assessment and early warning with a view to ensuring that the results feed directly into timely decision making;
- ii) the identification of critical hazards and threats so as to assess them using the best available evidence, investing in new research and tools where required, setting aside the necessary resources. Risks should be understood in terms of their potential likelihood, plausibility and impacts;
- the adoption of all-hazards approaches to national risk assessment to help prioritise disaster risk reduction, emergency management capabilities and the design of financial protection strategies;
- iv) the revision of their national risk assessment periodically in the light of recent events, shifting priorities, and new information. This process should include the investigation and the assessment of damages and losses derived from disasters as soon as possible after they occur. The national risk assessment should help analyse the drivers behind exposures and the vulnerability of populations, assets and activities that can give rise to critical risks;
- v) the development of location-based inventories of exposed populations and assets, as well as infrastructures that reduce exposure and vulnerability. The assessment process should also consider identifying inter-linkages between different types of critical risks and the possible sequencing of hazardous events and cascading effects, which require cross-sectoral and even international cooperation.

2. Equip departments and agencies with the capacity to anticipate and manage human induced threats through:

- i) the development of capabilities needed to provide citizens and businesses with a safe environment for the normal functioning of society, and to safeguard economic and social life.
- ii) the acquisition of tools to assess and manage such threats, to map the activities of actors in the illegal economy and enable a fuller understanding of the connections between different forms of illicit activities, in order to increase economic and societal resilience to transnational criminal and terrorist networks.
- the mapping of illicit activities and other analyses to help compare the level of national risk posed by these types of threats with that posed by naturally-occurring hazards and gradual onset conditions.

iv) the development and operation of reliable intelligence networks and other detection mechanisms to identify and assess the threat of terrorist attacks and other major criminal activities.

3. Monitor and strengthen core risk management capacities through:

- i) the allocation of resources to develop and maintain the capabilities at all levels of government that are needed throughout the risk management cycle;
- ii) assistance for the development and continued training of specialised services (e.g. to conduct risk assessments, hazard mapping and real-time monitoring, but also law enforcement, security and rescue services) and the provision of modern and interoperable equipment;
- the implementation of efficient inspection systems, supplemented by the power to impose and implement sanctions, to ensure that minimum standards are adhered to for civil protection services in local levels of government.
- 4. Plan for contingent liabilities within clear public finance frameworks by enhancing efforts to minimise the impact that critical risks may have on public finances and the fiscal position of a country in order to support greater resilience. This could be done by:
 - developing rules for compensating losses that are clearly spelled out at all levels in advance of emergencies to the extent that this is feasible to achieve cost effective compensation mechanisms;
 - ii) taking into account the distribution of potential losses among households, businesses and insurers, and encourage policies whereby all actors take responsibility within the context of their resources. In countries or areas that are known to be highly exposed or vulnerable to extreme events, cost-effective compensation should consider a mix of pre-funding mechanisms and clear and agreed public finance rules before a crisis occurs. The mix of mechanisms should include market-based mechanisms that enable households and businesses to transfer financial risks to insurance and capital markets;
 - establishing mechanisms for estimating, accounting and disclosing contingent liabilities associated with losses to critical sectors in the context of national budgets;
 - iv) adopting broad frameworks for assessing risk-related expenditures. These frameworks should record, to the extent that this is feasible, the expenses at national and local level.

IV. RECOMMENDS that Members raise awareness of critical risks to mobilise households, businesses and international stakeholders and foster investment in risk prevention and mitigation.

To this effect, Members should:

- 1. Encourage a whole-of-society approach to risk communication and facilitate transboundary co-operation using risk registries, media and other public communications on critical risks through:
 - i) a two-way communication between government and stakeholders, ensuring that information sources are accurate and trusted, and the information is made accessible in a manner appropriate to diverse communities, sectors, industries and with international actors;

- ii) the combination of targeted communication with the provision of incentives and tools for individuals, businesses and non-governmental organisations to work together and take responsibility for investment in self-protective and resilience-building measures;
- iii) providing notice to households about different scales of hazards and human induced threats, and supporting informed debate on the need for prevention, mitigation and preparation measures;
- iv) informing and educating the public in advance of a specific emergency about what measures to take when it occurs, and mobilising public education systems to promote a culture of resilience by integrating community resilience skills and concepts into curriculums and thereby pass information on to households through students.

2. Strengthen the mix of structural protection and non-structural measures to reduce critical risks through:

- i) the reinforcement of investment in prevention and mitigation efforts that limit the exposure of persons and core services to known hazards and reduce their vulnerability;
- ii) strategic planning to build safer and more sustainable communities, paying attention to the design of critical infrastructure networks (e.g. energy, transportation, telecommunications and information systems). This strategic planning should be coordinated with urban planning and territorial management policies to reduce the concentration of people and assets in areas where known exposures have increased over time;
- iii) robust surveillance, monitoring and alert networks should be used to reduce critical risks associated with malicious attacks and threats to public health;
- iv) the development of fiscal and regulatory options to promote reserve capacity, diversification or back-up systems to reduce the risk of breakdowns and prolonged periods of disruption in critical infrastructure systems;
- v) the incorporation of risk management decisions, safety and security standards in national and local regulations for land use, building codes and the design, development and operations of critical infrastructure;
- vi) the use of cost/benefit analyses conducted to maximise the cost-effectiveness of public and private investments that reduce the exposure of housing and commercial facilities.

3. Encourage businesses to take steps to ensure business continuity, with a specific focus on critical infrastructure operators by:

- developing standards and toolkits designed to manage risks to operations or the delivery of core services;
- ii) ensuring that critical infrastructure, information systems and networks still function in the aftermath of a shock;
- iii) requiring first responders stationed in critical infrastructure facilities to maintain plans to ensure that they can continue to exercise their functions in the event of an emergency so far as is reasonably practicable;

- iv) encouraging small community-based businesses to take proportionate business resilience measures.
- V. RECOMMENDS that Members develop adaptive capacity in crisis management by coordinating resources across government, its agencies and broader networks to support timely decision-making, communication and emergency responses.

To this effect, Members should:

- 1. Establish strategic crisis management capacities to prepare for unknown and unexpected risks that provoke crises by:
 - i) establishing and building upon a solid foundation of standard operating procedures, predefined emergency plans, conventional training and drills on a regular basis to contend with known hazards and threats:
 - ii) complementing these core capacities with flexible resources that bolster resilience, enabling reaction to novel, unforeseen and complex events;
 - iii) facilitating the sharing of multi-disciplinary expertise to make sense of incomplete information before and during a crisis, as well as to prepare and respond to crises of an unexpected nature.
- 2. Strengthen crisis leadership, early detection and sense making capacity, and conduct exercises to support inter-agency and international co-operation by:
 - i) strengthening government leadership before and during a crisis to drive transboundary cooperation and maintain public trust;
 - ii) developing strategies, mechanisms and instruments for "sense making" to ensure reliable, trusted and coordinated expert advice translates into informed decisions by national leaders;
 - iii) preparing crisis cells that can be rapidly mobilised to identify options for action and minimise uncertainties:
 - iv) developing and funding early warning systems to monitor hazards and threats;
 - v) nurturing international cooperation opportunities and joint training with international stakeholders/actors to develop a range of crisis preparedness capacities (e.g. global risk monitoring systems and early warning systems) and crisis response capacities (e.g. shared "sense making", the coordination of strategic crisis management structures, the interoperability of emergency forces, the mobilisation of specialised teams, tools and supplies at transnational levels, and harmonised crisis communication processes).
- 3. Establish the competence and capacities to scale up emergency response capabilities to contend with crises that result from critical risks, in particular through:
 - i) the designation of an authority in charge of drawing on and coordinating sufficient resources to manage civil contingencies, whether from departments and agencies, the private sector, academia, the voluntary sector or non-governmental organisations;
 - ii) the interoperability of equipment, clear quality standards, regular training and multistakeholder drills to support efficient civil protection capabilities;

- iii) the promotion of incentives for businesses and individuals to support local voluntary organisations that reinforce professional first responder capacities;
- iv) support for the recruitment, retention, training, equipping and maintenance of paid and unpaid personnel in all aspects of civil protection to strengthen national capacity to respond to and recover from contingencies and for the effective management and employment, including the encouragement of spontaneous volunteers where appropriate.

4. Build institutional capacity to design and oversee recovery and reconstruction plans by:

- seizing economic opportunities, reducing vulnerability to future events and strengthening long term resilience with a view to balance short-term fixes and long term investments in sustainability.
- ii) establishing multi-stakeholder governance arrangements that facilitate agile implementation, the efficient use of public funds and transparent disbursements to protect undue influence and corruption.
- VI. RECOMMENDS that Members demonstrate transparency and accountability in risk-related decision making by incorporating good governance practices and continuously learning from experience and science.

To this effect, Members should:

- 1. Ensure transparency regarding the information used to ensure risk management decisions are better accepted by stakeholders to facilitate policy implementation and limit reputational damage by:
 - i) fostering honest and realistic dialogue between stakeholders about the nature and likelihood/ plausibility of hazards and threats, as well as the potential impacts and the cost-effectiveness of various mitigation, response and recovery options;
 - ii) providing public access to risk information and measures to validate the integrity of the risk management decision making process;
 - iii) encouraging openness about assumptions behind analyses and an opportunity to evaluate the drivers of uncertainty. Although circumstances may require restricted access to sensitive or classified information, the processes and methodologies used for management of critical risks should be shared even if certain types of intelligence is not.
- 2. Enhance government capacity to make the most of resources dedicated to public safety, national security, preparedness and resilience by:
 - i) strengthening the ability of government, in conjunction with third sector and private sector entities, to make explicit trade-off and prioritisation decisions informed by the full country portfolio of critical risks;
 - ii) adopting strong frameworks for implementation that provide incentives to conduct risk analysis, ensure the results are made available to decision makers, and develop review mechanisms to monitor implementation.

- 3. Continuously share knowledge, including lessons learned from previous events, research and science through post-event reviews, to evaluate the effectiveness of prevention and preparedness activities, as well as response and recovery operations by:
 - i) incorporating the findings from events and research into improved preparedness and resilience planning, guarding against unintended adverse impacts, such as the creation of additional risks or the failure to recognise changes in risk characteristics;
 - ii) identifying the lessons learned for policymakers as a first step in a process that includes adapting critical systems, recurrent monitoring of capability levels, evaluating the performance of response and recovery actions, and undertaking peer reviews to share insights across countries:
 - iii) organising briefings for stakeholders (e.g. the media, the third sector, academics, business associations).
- VII. INVITES the Secretary-General to disseminate this Recommendation.
- VIII. INVITES Members to disseminate this Recommendation at all levels of government.
- IX. INVITES non-Members to take account of and adhere to this Recommendation.
- **X. INSTRUCTS** the Public Governance Committee to monitor the implementation of this Recommendation and to report thereon to the Council no later than three years following its adoption and regularly thereafter, in consultation with other relevant OECD Committees.



www.oecd.org

OECD Paris 2, rue André-Pascal, 75775 Paris Cedex 16 Tel.: +33 (0) 1 45 24 82 00