

Meeting of the OECD Council at Ministerial Level

Paris, 29-30 May 2013

ESTABLISHMENT OF A SOUTHEAST ASIA REGIONAL PROGRAMME

**Establishment of a
Southeast Asia Regional Programme**
(Agreed by the Council at its 1277th session, on 30 April 2013)



1. Context

1. The Resolution on Enlargement and Enhanced Engagement, adopted by the OECD Council Meeting at Ministerial Level (MCM) in 2007, identified Southeast Asia as a region of strategic priority interest for the Organisation. The Resolution recommended to expand the OECD's relations with the region in light of its growing importance in the world economy and “*with a view to identifying countries for possible Membership*” [[C/MIN\(2007\)4/FINAL](#)]. Since 2007, the Organisation has strengthened engagement with Southeast Asia by conducting joint activities with regional institutions and thematic policy dialogue with some countries in the region.

2. The OECD is a “club of best practices”, recognised as a global standard setter, that can promote and facilitate structural reforms. In order to remain an influential voice in the world economy, OECD Members recognise that it must strengthen its links with Partner countries. The countries of Southeast Asia have collectively experienced high growth and booming trade and investment flows. Their regional integration process has also been a factor supporting the building of free, open and interconnected economies. The growing economic and political importance of Southeast Asia makes the region an essential element of the OECD's Global Relations strategy.

3. The OECD has been actively engaged with the region on policy analysis and dialogue on substantive areas, such as anti-corruption, corporate governance, public governance, investment, and innovation, among others. However, this engagement has been conducted thus far in an *ad hoc* manner. This document proposes to establish a comprehensive* OECD Southeast Asia Regional Programme.

2. Objectives and Approach

4. The main objective of the Southeast Asia Regional Programme is to strengthen our priority focus in the region and to affirm OECD's commitment to deepen its co-operation. This greater engagement is expected to generate better knowledge of the Organisation in Southeast Asia and could eventually lead to more interest in membership. The Southeast Asia Regional Programme could also bring participating countries closer to OECD standards and practices, facilitate access to the expertise of OECD bodies and adherence to its instruments. The Programme will aim to foster the exchange of good practices and mutual learning between policy makers in Southeast Asia and OECD countries, bringing perspectives from the region to enrich the policy debate at the OECD. It will be designed to encourage a systematic exchange of experience to help craft common solutions to global challenges. In doing so, it will be complementary to other, more targeted, country-specific initiatives.

5. The Southeast Asia Regional Programme will also aim to support domestic reform processes and contribute to regional integration initiatives. The Association of Southeast Asian Nations (ASEAN) Economic Community's target of 2015 for regional integration aims to establish a single market, a highly competitive economic region, equitable economic development, and full integration into the global economy. The OECD will support Southeast Asia to meet these targets.

(i) Governance

6. The Programme will have a mechanism, which will help define directions for future work. It is expected to benefit from a “whole-of-government” view from both OECD and Southeast Asian countries in order to help define joint priority policy areas for co-operation. It will also help improve the coherence, co-ordination and foster higher political impact of OECD projects with Southeast Asia.

* Comprehensive is understood as encompassing a broad range of policy subjects, without prejudging decisions on governance or budget issues. See [C\(2006\)168/FINAL](#), paragraph 23.

(ii) Regional policy networks

7. The Programme will operate through a number of *regional networks of experts*. These thematic networks will be composed of policy makers from the region and from OECD countries. It will build, to the extent possible, on the OECD expert networks that currently exist in the region, such as the OECD-Asian Senior Budget Officials Network, the ADB/OECD Anti-Corruption Initiative for the Asia-Pacific and the Asian Roundtable on Corporate Governance. The specific thematic policy areas to be covered by the Programme will be identified at a later stage in consultation with Southeast Asian and OECD countries, involving their OECD Committee Delegates.

8. The Southeast Asia Regional Programme will explicitly *link these regional networks of experts to the OECD committees*. All committee delegates from OECD Member countries will be invited to join the regional networks on a voluntary basis. The regional network of experts will increase the impact of the committee's work without overburdening its agenda, since peer reviews and policy discussions will also occur in a parallel (regional) venue. It will enable those delegates who have a strong interest in the region to take a more active role working with their Southeast Asian counterparts.

9. The work of existing regional networks should work in parallel to the policy dialogue taking place in substantive committees in Paris. A fundamental component to these regional networks is to build on OECD committee experience by applying the OECD's unique working method of peer review and policy dialogue, providing a platform for mutual learning. The benefits from the wider use of peer reviews to promote domestic policy reform will help develop a mutual understanding and common vision of the challenges ahead and in doing so, support regional integration. When appropriate, the networks may also introduce regional benchmarking against OECD instruments. The regional expert networks will focus on prioritisation of reforms and action plans, guidance on how to make reforms happen, and evaluate progress.

(iii) Co-operation with regional institutions

10. The Southeast Asia Regional Programme will build on, expand and strengthen ongoing OECD collaboration with important regional institutions. These include the ASEAN, Asian Development Bank (ADB) and the Asian Development Bank Institute (ADBI), the Asia-Pacific Economic Co-operation (APEC), and the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP).

11. The Programme will benefit from the expertise of the Development Centre, which has Indonesia, Thailand and Vietnam as Members. The Centre also produces the Southeast Asian Economic Outlook, which could play a useful role in disseminating the policy perspectives of the regional networks. The OECD Tokyo Centre and the OECD Korea Policy Centre could also play an important role in organising outreach activities and disseminating the Organisation's work in the region. The Programme can benefit from their regional expertise and support.

3. Budget

12. The successful development of the Southeast Asia Regional Programme will require predictable and sustainable multi-year funding, including reprioritised Part I funding as in the case of MENA. A new element of the Programme will be to mobilise the Organisation's resources and alleviate fund-raising efforts by Directorates. A financial commitment from the countries in the region will be normally expected.

13. This funding will allow committees and the Secretariat to deliver substantive outputs in the region and to organise regional meetings, including periodic meetings of regional policy networks.

14. The funding will pay for the staff needed to better tailor OECD analysis to the policy needs of countries in the region. The Secretariat will explore cost-effective solutions in implementing the Programme, such as the possibility to hold events back-to-back with other regional meetings, to share local costs with Southeast Asian countries, and to leverage activities promoted by the Tokyo and Korea Centres.

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