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Organisation de Coopération et de Développement Economiques
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English - Or. English

COUNCIL

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Council at Ministerial Level, 16-17 May 2001

DRAFT AGENDA

*The meeting will be held at the Headquarters of the Organisation, in Paris,
on Wednesday 16 and Thursday 17 May 2001.
It will start at 12.30 on 16 May and 9.15 on 17 May.*

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COUNCIL AT MINISTERIAL LEVEL

TOWARDS A SUSTAINABLE FUTURE

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on Wednesday 16 and Thursday 17 May 2001.
It will begin at 12.30 on 16 May and 9.15 on 17 May.

Wednesday 16 May

- 1. ADOPTION OF THE AGENDA**

- 2. NEW DIRECTIONS FOR THE MULTILATERAL TRADING SYSTEM: WHAT KIND OF NEGOTIATIONS?**

- 3. REBUILDING CONFIDENCE IN THE MULTILATERAL TRADING SYSTEM**

Thursday 17 May

- 4. ACHIEVING SUSTAINABLE DEVELOPMENT: THE BALANCE BETWEEN ECONOMIC, ENVIRONMENTAL AND SOCIAL GOALS**

- 5. SUSTAINING ECONOMIC EXPANSION: SHORT RUN CHALLENGES AND LONGER-TERM NEEDS**

- 6. APPROVAL OF THE DRAFT COMMUNIQUE**

- 7. OTHER BUSINESS**

Note: The brochure "A Synthesis" will cover all issues submitted to Ministers. For other documents, see annotations herewith.

DRAFT AGENDA ANNOTATIONS

TOWARDS A SUSTAINABLE FUTURE

Wednesday 16 May

12.30 - 14.45 (Room RO)

ITEM 1 OPENING OF THE MEETING AND ADOPTION OF THE AGENDA

1. The Chair will formally open the Ministerial Council Meeting at the start of the working lunch for OECD Trade Ministers. The Chair will recall his objectives for the MCM and the “ground rules” for conducting the discussions set out in his letter to participants, and report on the consultations with BIAC and TUAC.

ITEM 2 NEW DIRECTIONS FOR THE MULTILATERAL TRADING SYSTEM: WHAT KIND OF NEGOTIATIONS?

2. This item will be taken over lunch, following the opening of the MCM.

3. Ministers are invited to address the following questions:

- *How can OECD and its Member countries contribute to the launch of a new WTO round of trade negotiations at the Qatar Ministerial Conference in November? How can we bridge the gap between those who want a relatively modest negotiating agenda concentrated around the built-in agenda and those who want to address a wider range of issues (e.g. investment, environment, competition, social questions)?*
- *What elements in a negotiating agenda can OECD countries agree on that will encourage developing countries' support for a new round (e.g. market access, implementation of the Uruguay Round Agreements)?*
- *Are other initiatives in favour of developing countries necessary (e.g. increased financial assistance toward participation in WTO negotiations and implementation of WTO rules)?*
- *What are the lessons learned from Seattle with regard to preparing the WTO Ministerial Conference (negotiating modalities, type of declaration, etc.)? And how can we promote the support of the general public, including NGOs, for a new round?*
- *How do Ministers assess the impact of regional and bilateral trade agreements on the multilateral system?*

4. It is intended that, at the close of lunch, Ministers adopt that part of the Ministerial Communiqué dealing with international trade issues. The Chair will hold a news conference on this part of the meeting toward the end of the day.

Participants: OECD Ministers (1 per Delegation), plus heads of international organisations invited. It is anticipated that the WTO Director-General, Mr Mike Moore, will open the debate.

Documentation: The MCM brochure “A Synthesis”; The Trade Policy Message to Ministers from the Chairman of the Trade Committee C/MIN(2001)...

15.00 - 18.00 (Room 2)

ITEM 3 SESSION WITH NON MEMBER COUNTRIES: REBUILDING CONFIDENCE IN THE MULTILATERAL TRADING SYSTEM

5. This session seeks to rebuild confidence in the multilateral trading system, through deepened mutual understanding between OECD countries and the invited countries from outside the OECD membership, and will address a wide range of issues of concern to the non-OECD world. Sustainable development issues may also be raised. The Chair may wish to open the debate with a short report on the principal themes developed by OECD Ministers during their preceding working lunch (Item 2).

6. Ministers may then wish to share views on the next steps for strengthening the multilateral trading system:

- *Do countries agree that the priority for the multilateral trading system is the launch of a new WTO round? What will be the essential elements in a negotiating agenda to encourage developing country support (e.g. market access, implementation of the Uruguay Round Agreements, capacity building, special and differential treatment for the least developed countries)?*
- *How do Ministers see a possible compromise between those who are in favour of a new round of WTO negotiations with a broad agenda (e.g. investment, environment, competition, social questions) and those who prefer a more narrow range of negotiations based on the built-in agenda? What are the lessons learned from Seattle with regard to preparing the WTO Ministerial Conference (negotiating modalities, type of declaration, etc.)?*
- *What impact do Ministers think regional and bilateral trade agreements have on the further development of the multilateral trading system, including the prospects for the launch of a new round?*

Participants: OECD Ministers and Non-member Ministers from Argentina, Brazil, China, India, Indonesia, Mali, Romania, Russia, Singapore and South Africa (1 per Delegation), and Heads of International Organisations.

20.00 - Ministerial Council Dinner (Château terrace)

Denmark, as Chair of the MCM, invites all OECD and Non-member Ministers attending the MCM together with a member of their Delegation to an official dinner. Permanent Representatives are also invited, together with Ministers and other personalities participating in the OECD Forum, and members of the Secretariat.

Thursday 17 May

09.15 - 12.30 (Room 1)

ITEM 4 **ACHIEVING SUSTAINABLE DEVELOPMENT: THE BALANCE BETWEEN ECONOMIC, ENVIRONMENTAL AND SOCIAL GOALS**

7. This joint session is designed to bring together Ministers responsible for both economic/finance and environmental policy making, to reaffirm their collective commitment to the goal of sustainable development, and establish the priorities for action and the policies for implementation. It is intended that at this session Ministers adopt that part of the MCM draft Communiqué dealing with sustainable development.

8. The goal of sustainable development raises complex questions of definition, measurement, policy design and political will. Sustainability at the global, national and local levels requires co-ordinated international action and concerted domestic responses. The OECD Policy Report sets out the key challenges (notably, climate change and natural resources), and policy responses. It points to the large opportunities to expand the use of market-based instruments and to reform support programmes, thus allowing price signals to work effectively for sustainable development. Furthermore, well-designed and coherent policies would allow for economic development, environmental protection and social progress to be mutually supportive. Nevertheless, despite considerable analytical understanding and experience of relevant policies, there remains a gulf between the extensive rhetoric and the implementation of policy change.

9. Ministers are invited to address the following questions:

- *Is there agreement on the urgency of action to secure long-term sustainability, and on the priorities for action? How can differences between OECD governments be bridged and common approaches developed, for example on short and long term action to combat climate change?*
- *Why has progress toward sustainable development proven so difficult when so much has been done to describe the problems and design policy instruments to fix them? How can obstacles to greater use of market-based instruments be overcome, so as to build on the positive complementarities between economic and environmental objectives?*
- *Do Ministers agree that OECD should adopt before the World Summit on Sustainable Development a core set of indicators to measure progress on sustainable development and de-coupling environmental degradation from economic growth, and include these indicators and sustainability issues in the peer review process?*
- *How can OECD countries give a signal to the World Summit on Sustainable Development that developed countries individually and collectively take seriously their responsibility to work toward sustainability?*

Participants: OECD Ministers responsible for both economic/finance and environmental policy making, and heads of international organisations. The debate will be opened with a short oral report by the Chair on the results of the OECD Forum Roundtables on Sustainable Development.

Documentation: The brochure “A Synthesis” and the brochure “Policies to enhance Sustainable Development”.

12.45 - 14.45 (Room C)

Working lunch

10. A joint working lunch will be held for economic/finance and environment Ministers attending the MCM. Ministers may wish to continue discussion of issues raised during the morning's debate, including growth aspects of the sustainable development agenda. As suggested by the Chair, the lunch will provide an opportunity for Ministers to pass messages on Climate Change.

Participants: OECD Ministers.

15.00 - 17.30 (Room 1)

ITEM 5 SUSTAINING ECONOMIC EXPANSION: SHORT RUN CHALLENGES AND LONGER TERM NEEDS

11. At the start of this session, representatives of BIAC and TUAC will be invited to make short oral presentations to Ministers.

12. Since last year's meeting, short-term prospects for the world economy have weakened significantly. The slowdown in the United States has been surprisingly rapid, affecting other parts of the world both within and outside the OECD. Growth in Europe is now set to be less vigorous, and the Japanese economy looks to be faltering again. Financial market instability and increased macroeconomic uncertainty are important features of the current economic situation.

- *How do Ministers assess the current slowdown in the world economy in the short and medium term? What are the principal risks?*
- *What are the main policy actions needed, notably in the United States, Japan and Europe, to restore confidence and reinvigorate the economic expansion?*

13. Against the background of their assessment of the current economic perspective, Ministers are also asked to consider the policy recommendations set out in OECD's Growth Report. When OECD Ministers met last year, attention was focussed on the much-heralded arrival of the "new economy", notably in the United States, and the prospect that information and communications technologies (ICT) had contributed to an upward shift in productivity indicating that higher rates of non-inflationary growth could be achieved. The OECD's final *Growth Project* explores, beyond the business cycle, the differences of growth performance across OECD economies. ICT is only one factor explaining these differences. Improved quality of human capital, the ability to adapt to the changing demands of the workplace, greater scope for risk-takers to explore new business opportunities, open markets, and sound institutions are also essential for a more dynamic economic environment.

- *In the light of the OECD's Growth Report, how do Ministers assess the reality of the "new economy"?*
- *What policies are needed to achieve robust trend growth in the coming years?*

Participants: OECD Ministers.

Documentation: The brochure “A Synthesis” and the brochure “The New Economy: Beyond the Hype?”

17.30 (Room 1)

ITEM 6 APPROVAL OF THE DRAFT COMMUNIQUE

14. The MCM Communiqué will be submitted for approval. The Chair and Secretary-General will hold a final news conference soon after 18.00.

ITEM 7 OTHER BUSINESS