

8th PLENARY MEETING
**OECD INITIATIVE FOR POLICY DIALOGUE ON GLOBAL VALUE CHAINS,
PRODUCTION TRANSFORMATION AND DEVELOPMENT**

AGENDA

18 - 19 May 2017
Paris, France

OECD Conference Centre
2, rue André Pascal

Contact:

Kim Millin, Assistant, Structural Policies and Innovation Unit, OECD Development Centre
Email: kim.millin@oecd.org

Annalisa Primi, Head, Structural Policies and Innovation Unit, OECD Development Centre
Email: annalisa.primi@oecd.org

In collaboration with the following members of the [Advisory Board](#)



ABOUT THE INITIATIVE

The OECD Initiative on Global Value Chains (GVCs), Production Transformation and Development is a platform for policy dialogue and knowledge sharing between countries from Africa, Asia, Latin America and the OECD. It aims at improving evidence and identifying policy guidelines to promote development through production transformation, upgrading and better participation in global value chains. This Initiative is part of the implementation of the OECD Strategy on Development, adopted by the OECD Council at the Ministerial level in May 2012.

The Initiative is led by the OECD Development Centre and counts with the cooperation of OECD Directorates, including the Development Co-operation Directorate (DCD), Statistics Directorate (STD), Directorate for Financial and Enterprise Affairs (DAF), Trade and Agriculture Directorate (TAD) and the Directorate for Science, Technology and Innovation (STI).

The Initiative comprises a network of high level government representatives from Ministries of Industry, Trade, Economy and Finance from Africa, Asia, Latin America and the OECD. The Initiative benefits from an Advisory Board of Experts from 11 International Organisations (AUC, EU, ILO, ECA, ECLAC, ESCAP, ESCWA, UNCTAD, UNIDO, World Bank and WTO). The Initiative meets two times per year in the context of plenary meetings to discuss the implementation of the Programme of Work and to promote knowledge sharing and peer learning on development strategies, GVCs and production transformation.

For more information, please visit the website: <http://www.oecd.org/dev/global-value-chains.htm>

ABOUT THE MEETING

Format of the meeting

- The format of the meeting differs from traditional seminars. The plenary meetings provide interactive spaces for policy dialogue, knowledge creation and network update among participating countries, members of the Advisory Board and invited stakeholders.
- The main objective is to share experiences on selected topics to generate new knowledge and to facilitate learning through knowledge-sharing.
- The meeting is organised in sessions, each dedicated to a selected topic to allow for in-depth discussions based on different experiences shared by participants.
- Active participation from all attendees is encouraged throughout the meeting.
- Please refer to the Background Booklet for questions for discussions as well as instructions for the moderator and panellists. The background material for discussion is shared two weeks before the meeting.

DAY 1: MAY 18, 2017

9:00-9:30 OPENING SESSION

Naoko Ueda, Deputy Director of the Development Centre, **OECD**

Dionisio Pérez-Jácome Friscione, Ambassador, **Permanent Delegation of Mexico to the OECD**

9:30-10:00 UPDATE ON THE PROGRAMME OF WORK OF THE PDI

- *Brief update on the Programme of Work of the Initiative and report on the meeting of the Bureau*
- *Clarification of the objectives and expected outcomes of this meeting*
- *Adoption of the agenda*
- *Any other business*

Francisco Monge, Deputy Director General of Foreign Trade, Ministry of Foreign Trade and Chair of the OECD Initiative for GVCs, Production Transformation and Development, **Costa Rica**

Umut Gür, Head of Department, General Directorate of Economic Sectors and Coordination, Ministry of Development, **Turkey**

10:00-11:30 SESSION 1: Scenario setting and looking forward: scouting out new issues of relevance for GVCs, production transformation and development policies

MAKING GLOBALISATION WORK FOR ALL

We are living in turbulent times. We are facing growing concerns over the capacity of globalisation, as it is structured and governed today, to deliver on its promises of better jobs and opportunities for all. Some leading industrial countries are facing growing demands on how to maintain their industrial leadership, while at the same time re-establishing the production-taxation nexus and creating more and better jobs. The question of how to make globalisation work for all is happening at a time when many developing countries have started to devise ways of benefiting from growing participation in global trade and production networks. These multiple and different demands bring the need for inclusive global governance that addresses cross-border challenges. In this context, multilateral policy dialogue becomes increasingly complex yet necessary.

Key questions

1. How will globalisation evolve in the coming decades? What will be the key driving forces?
2. What win-win policies be identified to ensure that no one is left behind and that pockets of territorial poverty do not persist in advanced nor in developing and emerging economies?
3. What can we learn from history?
4. What is the role of international organisations in this context? What actions should be prioritized?

Kick-off interventions

Guanghai Li, Vice President, Chinese Academy of International Trade and Economic Cooperation (CAITEC) of the Ministry of Commerce (MOFCOM), **China (People's Republic of)**

Yaw Ansu, Chief Economist, **African Center for Economic Transformation (ACET)**

Peter Berkowitz, Head of Unit - Smart and Sustainable Growth, Directorate-General for Regional and Urban Policy, **European Commission**

Chair

Richard Kozul-Wright, Director, Division on Globalization and Development Strategies, **UNCTAD**

11:30-12:00 *Coffee Break*

12:00-13:30 **SESSION 2: Country strategies for production transformation and participation in GVCs**

PRODUCTION TRANSFORMATION POLICY REVIEWS (PTPRs): SHENZHEN: WHERE THE TRANSFORMATION OF CHINA BEGAN

This session focuses on reporting the progress on the implementation of PTPRs. It features a report on the progress of the PTPR of Chile, and it brings the experience of the city of Shenzhen (China) to the table.

Shenzhen grew from a fisherman's village of 30 000 inhabitants to a global trade and logistics centre and mega-city of over 14 million inhabitants. Shenzhen's maritime hub developed around the trade of salt, spices, tea and rice. In 1980 it was set up as a special economic zone, and over the last 25 years the city transformed itself to become a world-class hub for high-tech industries, finance, and logistics.

Today, most of the world's consumer appliances are manufactured in Shenzhen and the surrounding Guangdong province, and the city has become a leading start-up centre, attracting new technology entrepreneurs from China and abroad.

In particular, this session will focus on addressing the following questions:

1. How has Shenzhen managed to transform itself? What were the key drivers of its transformation?
2. What lessons can be learned from Shenzhen?
3. What role have FDIs played? And what role will FDIs play in the future?
4. What challenges have emerged during the transformation process (e.g. managerial capabilities in firms, waste management, securing labour rights, etc.)? How has the city faced them?
5. What's next for Shenzhen? What opportunities and challenges will the new digitalised manufacturing bring to the city and its entrepreneurial ecosystem?

Kick-off interventions

Rihong Liu, Deputy Director General, Policy Research Department of the Ministry of Commerce (MOFCOM), **China (People's Republic of)**

Yuyue Gao, Deputy Secretary General, Municipality of Shenzhen, **China (People's Republic of)**

Jiong Gong, Adjunct Professor of Research Institute for Global Value Chains, University of International Business and Economics, **China (People's Republic of)**

Co-Chairs

Thierry de Saint Pierre, Director, Strategic Investment Fund, Ministry of Economy, **Chile**

Jonas Borglin, CEO, NIR (International Council of Swedish Industry), **Sweden**

13:30-15:30 Lunch in the Roger Ockrent Room, Château de la Muette

15:30-18:30 SESSION 3: Government Business Roundtable on sectoral trends, dynamics and implications for policies

HOW IS DIGITALISATION CHANGING THE WAY FIRMS ARE ORGANISED, WHERE THEY ARE LOCATED AND HOW THEY CREATE VALUE?

Digitalisation is profoundly reshaping the world in which we live. Robots already work hand in hand with workers in assembling cars and furniture, and digital platforms are disrupting service delivery and consumption patterns. Our economies are interconnected, and products and services are manufactured and delivered through complex production chains that span over multiple continents. These global and regional chains will be enhanced and transformed by digitalisation in the years to come.

Digital technologies have already shown that they are much more than just a new technology. Digital technologies are rapidly changing the organisation of businesses, reshaping ways of creating and capturing value, and will continue to transform all industries in different ways. Understanding how digital technologies are transforming business is paramount to determining ways to enhance industrial competitiveness, to make businesses contribute to more inclusive and sustainable societies, and to identify mechanisms to mitigate the risks of increasing the divide between pockets of industrial excellence and the territories and people that are left behind.

Key questions

1. How is digitalisation impacting your industry? Is digitalisation reshaping global value chains? How?
2. What are the measures your industry is putting in place to reap the benefits of digitalisation and mitigate its risks?
3. What can governments do to enable a positive transition towards the digital economy? What policy areas should they prioritise?
4. How can policies take into account the different challenges and opportunities of different industries?
5. What type of partnerships is needed to ensure that needed actions, investments and agreements are reached, enabling all actors to benefit from the digital revolution?

Roundtable

Alistair Nolan, Senior Policy Analyst, Science and Technology Policy Division, Directorate for Science, Technology and Innovation, **OECD**

Stephanie Shipp, Deputy Director and Research Professor, Social and Decision Analytics Laboratory (SDAL), Biocomplexity Institute of Virginia Tech, **USA**

Jaana Remes, MGI Partner, Productivity, Competitiveness, Urbanization and Manufacturing, **McKinsey Institute**

Steven J. Wyatt, Group Vice President, Head of Marketing & Sales, Robotics, ABB and Chairman of the International Federation of Robotics Marketing Committee, **Switzerland**

Arvind Gupta, Head, Digital India Foundation, **India**

Laurent Vandebrouck, Managing Director Europe, Qualcomm Life

Gaëlle Cheruy, Assistant General Representative, AGRO EDI **Europe**

Danhui Yang, Director, Department of Resource and Environment, Institute of Industrial Economics (IIE), Chinese Academy of Social Sciences (CASS), **China (People's Republic of)**

Chair

Francisco Monge, Deputy Director General of Foreign Trade, Ministry of Foreign Trade and Chair of the OECD Initiative for GVCs, Production Transformation and Development, **Costa Rica**

18:30-20:00 Cocktail in the Roger Ockrent Room, Château de la Muette, OECD

DAY 2: 19 MAY 2017

09:00-11:00 **SESSION 4: Drivers of production transformation, participation and upgrading in GVCs**

MAKING CHANGE HAPPEN: CAN START-UPS BE DRIVERS OF TRANSFORMATION IN EMERGING ECONOMIES? FOCUS ON AFRICA

The global heartland of disruptive start-ups is still California, which according to Fortune, is home to 9 of the 20 highest market value start-ups in 2016, including Uber and Airbnb. But today new start-ups are emerging worldwide, including in Africa and Latin America. *Start-up Latin America 2016: Building an Innovative Future*, released by the OECD at the end of 2016 and discussed at the 7th Plenary Meeting of the Initiative, reviews the experiences of Chile, Colombia, Mexico and Peru in start-up promotion, and offers insights on what works and what doesn't when implementing policies to foster start-up development in emerging economies. Building on the outcomes of the 7th Plenary Meeting and responding to the growing demand of countries to strengthen the line of work on start-ups for development, this session focuses on start-ups dynamics and opportunities in Africa.

Key questions

1. Who are the start-uppers of Africa? What factors enable or hinder start-up creation and expansion?
2. Are large companies active in start-up promotion in Africa? What are current and future necessary actions?
3. How can we better measure start-up dynamics in Africa? How can we benefit from new data, from platforms and online databases?
4. What are governments doing to unleash the potential of African entrepreneurs? What could they do?
5. What is the role of cities and that of regional/continental initiatives in promoting start-ups?

Kick-off interventions

Rebecca Enonchong, Africa Business Angels Network (ABAN) Co-founder, Venture Capital 4 Africa (VC4A) Advisor, CEO of AppsTech

Alesimo Mwanga, Research & Development Executive, Sustainable Entrepreneur Accelerator (SEA) Africa & Global Entrepreneurship Network (GEN) Africa, **South Africa**

Charles Sekwalor, Founder & CEO, Movemeback, **Nigeria**

Koffi Konan, Chair, Katavia Cocoa Cooperative, **Côte d'Ivoire**

Fabio Petroni, Director of Programs, ALTIS, E4Impact Foundation, Catholic University of Milan, **Italy**

Co-Chairs

Annalisa Primi, Head, Structural Policies and Innovation Unit, Development Centre, **OECD**

Stephen Karingi, Director, Capacity Development Division, **ECA**

11:00-11:30 *Coffee break*

11:30-13:00 **SESSION 5: Statistics and methodologies for evidence-based policy making**

ANTICIPATING CHANGE BY LEARNING FROM FIRMS AND PRODUCTION SYSTEMS: NEW FRONTIERS IN QUANTITATIVE AND QUALITATIVE APPROACHES

Complementing better national account measures with new forms of getting information at the firm level will contribute to better identify the “winners” and “losers” from globalisation and digitalisation, and can be instrumental to define better targeted policies that mitigate downsides and foster inclusive gains. Our understanding of global trade dynamics had advanced sensibly with the OECD/WTO Trade in Value Added Database, however there is a growing demand to better measure the distributional impacts of globalisation and digitalisation. On the one hand, better targeted granularity in the way official and detailed business statistics, used in producing a country’s national accounts, are compiled is needed. In fact, by convention these make little distinction between firms that are foreign or domestically-owned, and whether these domestically owned firms have operations abroad. On the other hand, better capturing dynamics within and between firms is important. Business cases, firm and system-level information could enable more forward looking analysis, deliver more timely data and better inform policies. However, how to do it?

Key questions

1. How can we obtain more timely and accurate qualitative and quantitative information from businesses and their strategies and value chains? How can we better measure the role of the overall production system (including intermediary associations, scientific and research laboratories, etc.) in firms’ performance?
2. What type of quantitative and qualitative information is available (or could be developed) to better map firms’ dynamics and organisation in value chains?
3. How to generate more “forward-looking” information based on companies’ information and business strategies?
4. How can firm-level information be better combined with the information available in the OECD/WTO TiVA database?
5. How can we better measure the performance of MNEs and SMEs and the impacts that globalisation and digitalisation have on them?

Kick-off interventions

Nadim Ahmad, Head, Trade and Competitiveness Statistics Division, Statistics Directorate, **OECD**

Go Shimada, Associate Professor of Economics, Graduate School of International Relations, University of Shizuoka/Visiting Scholar, Japan International Cooperation Agency, **Japan**

Iza Lejarraga, Head of Investment Policy Linkages Unit, Directorate for Financial and Enterprises Affairs, **OECD**

Chair

Umut Gür, Head of Department, General Directorate of Economic Sectors and Coordination, Ministry of Development, **Turkey**

13:00-15:00 *Lunch in the George Marshall Room, Château de la Muette*

15:00-16:00 **MOVING FORWARD**

- Update on the Transforming Economies Report 2017/18
- Roundtable discussion: conclusions, updates and news from participants
- Countries willing to host future Plenary Meetings are invited to express their intention in this session.
- Next steps and AOB

Francisco Monge, Deputy Director General of Foreign Trade, Ministry of Foreign Trade and Chair of the OECD Initiative for GVCs, Production Transformation and Development, **Costa Rica**

16:00-16:30 **CONCLUSIONS**

Pierre Duquesne, Ambassador, **Permanent Delegation of France to the OECD** and Chair of the Governing Board of the OECD Development Centre

Mario Pezzini, Director of the Development Centre and Special Advisor to the OECD Secretary General on Development, **OECD**

We apologise in advance for any errors in names/titles. In the unforeseen event that this occurs, please contact kim.millin@oecd.org with any corrections.