



Integrated Country Strategy

U.S. Mission to the Organization for Economic Cooperation and Development (USOECD)

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Table of Contents

1. Chief of Mission Priorities 2

2. Mission Strategic Framework..... 5

3. Mission Goals and Objectives 7

4. Management Objectives 10

1. Chief of Mission Priorities

The Organization for Economic Cooperation and Development (OECD) has served U.S. national interests well for over five decades. From mitigating risks with economic tools to enabling coordination on seed certification that promotes global agriculture markets, and from stemming overseas bribery to enhancing international tax cooperation and fiscal policy, the OECD helps its members promote sustainable growth that improves the lives of their citizens. The United States does not always fully appreciate the value the organization brings to America's economic security. This is partly due to the technical nature of OECD's work and, more recently, a result of mission expansion and the politicization of economic analysis. The depth and breadth of OECD's work is impressive but, at times, lacks focus. As OECD brand recognition has improved, so has the risk to the quality and usefulness of its products. In this challenging world, straightforward and objective analyses is needed as never before to confront increasingly interconnected and complex problems. The question for the U.S. Mission to the OECD (USOECN) and the more than 25 U.S. agencies that engage in the multitude of OECD technical committees is whether we can keep this multilateral organization delivering on its core mission to help find those solutions.

At this mission, we believe that a key part of the answer is reforming the OECD as an institution and strengthening its accountability to its members, particularly as it expands. Our challenge is to work cooperatively with other member states to shape the OECD of the future. Several years ago, members decided to increase the organization's reach and influence, in part by bringing in new members. We must now balance managing the enlargement and accession process effectively with outreach that shares the benefits of this collective enterprise with non-members and facilitates economic growth. The goal is global impact, not universal membership. Meanwhile, as the OECD gets larger, we must examine roles, responsibilities, and working methods to ensure effective and timely decision making and implementation. We must also promote efforts to improve management practices in order to increase transparency and accountability to ensure that the financial support the United States provides is well spent and appropriate. To this end, USOECN will contribute actively to the work of the OECD's standing committees and support a first-ever external assessment of working methods and roles and responsibilities that should provide members with insights and ideas for improving the organization and our ability to work together. We must also get better at defining common objectives and ensuring that the OECD's program of work and budget captures our shared priorities.

The United States is committed to multilateral engagement that delivers results. In addition to our work to improve governance, our active engagement in technical committees helps ensure that OECD's outputs increase understanding and improve responses to the economic challenges of the day. The United States derives the greatest benefit from an OECD that gathers credible data and provides objective analysis to inform national decision-makers. Policy comparisons and peer learning can be invaluable tools for each member's internal process. Members of the OECD are fundamentally likeminded on market-based economic policy but

retain unique voices and differences that require vigorous and open debate. OECD's convening power brings countries together and helps sort through the data and options.

We are confident that the U.S. government's engagement at the OECD can help promote job creation and business opportunities, particularly at home. We have identified several opportunities where the OECD's work shows promise. Studies on market distorting practices, for example, can inform our debate and joint efforts to open markets and enable trade that helps to drive the highest possible sustainable growth. OECD's analysis of markets and discussions about the technologically driven changes that spur transformation of member economies can help U.S. businesses succeed at home and abroad. As the United States leads the way in digitalization of the economy, challenges continue to emerge, including possible threats to competition, tax evasion, loss of privacy, and the security of data flows. The United States must question responses that would tax or regulate markets in ways that disadvantage American firms and discourage innovation. The United States can also promote greater opportunities for its businesses by working within the OECD to promote safe and trusted uses of emerging technologies such as block-chain and artificial intelligence. Working with the International Energy Agency, a sub-body in the OECD family, we can help the U.S. energy sector to play a prominent role in driving an efficient and balanced use of increasingly clean energy around the world. At the same time, changes in the U.S. economy and a drive for more robust and sustainable growth raise questions about labor market participation and productivity. OECD's work on employment, education, and skills development can help identify best practices across member countries and support faster economic growth.

Globalization of the economy has also created an international financial market where macroeconomic policies affect each other in ways that require dialogue and cooperation. In this domain as well, a positive agenda at the OECD can help create and expand legitimate investment and financing opportunities in ways that advance U.S. security, commercial, and economic interests. Building on U.S. tax reform, the OECD could serve as a venue for greater cooperation to broaden members' tax base and increase receipts while ensuring that governments tax individuals and firms fairly and effectively. OECD's work can also help identify models to increase investment flows to infrastructure, particularly in the energy sector, including in environmentally sustainable ways. We can also use the OECD's expertise to channel more investment into development efforts, particularly in the lowest income countries. Finally, the OECD can continue to play a leading role in helping improve financial flow integrity, particularly in expanding efforts to stop bribery and combat broader corruption.

This is an ambitious yet focused agenda. Mindful of resource limitations in support of this mission, the USOECD team will leverage what we have to work more effectively. We intend to use technology to help stay connected as a team and with our Washington-based interagency partners, working while we are on the go and collaborating with the other (now 36) member state delegations. We are also reviewing our team composition to ensure alignment with priority tasks. Finally, we will continue to find new ways to exploit OECD's intellectual resources and strengthen our institutional knowledge at USOECD.

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As we explore options for national and collective actions to solve today's global economic challenges, we recognize the limitations of multilateralism but also the importance of dialogue and evidence. We are convinced that the OECD can be a useful platform for both and are committed to making sure it provides value added to the American people.

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2. Mission Strategic Framework

Mission Goal 1: Strengthen and protect the OECD's unique value for advancing U.S. interests and enhance members' ability to determine priorities and outcomes.

- Mission Objective 1.1:** Improve the OECD's working methods, institutional governance, and responsiveness to member leadership.
- Mission Objective 1.2:** Preserve the OECD's evidence-based research and recommendations and their value to the United States.
- Mission Objective 1.3:** Ensure decisions on engagement with non-members (including new membership, accession, and other partnerships or programs) are member-led, preserve the organization's high standards, and align with U.S. priorities.

Mission Goal 2: Promote U.S. job creation and opportunities for U.S. businesses through free, fair, and reciprocal trade and through increased productivity and innovation.

- Mission Objective 2.1:** Ensure the OECD's trade-related work increases market access for U.S. goods and services, levels the playing field for U.S. businesses, and provides useful cross-national data and analysis on the future of work, skills, and education.
- Mission Objective 2.2:** Enhance the OECD, IEA and NEA's emergency response, policy analysis, and data collection to improve U.S. and global energy security.
- Mission Objective 2.3:** Encourage the OECD to analyze and support digital policies that promote a free and open internet, free flow of data, and a business environment that supports U.S. economic growth.

Mission Goal 3: Create and expand legitimate international investment and financing opportunities for U.S. business while promoting good governance and economic development to advance U.S. security, commercial, and economic interests.

- Mission Objective 3.1:** Strengthen the OECD's efforts to combat tax evasion and corruption, and improve integrity in public institutions.
- Mission Objective 3.2:** Help the OECD and its subbodies gather information and provide analysis to identify policy options for increasing investment in energy infrastructure.
- Mission Objective 3.3:** Increase investment opportunities in partner developing countries by helping the OECD mobilize private sector investment and public resource allocations.

- Management Objective 1:** Capitalize on information and communication technologies to strengthen the ability of USOECD to advance and inform U.S. priorities.
- Management Objective 2:** Invest in human capital and physical resources to address areas where there is a material weakness that affects core U.S. objectives.
- Management Objective 3:** Bolster USOECD's internal resources of institutional and historical knowledge related to OECD activities.

3. Mission Goals and Objectives

Mission Goal 1: Strengthen and protect the OECD's unique value for advancing U.S. interests and enhance members' ability to determine priorities and outcomes.

Description and Linkages: By focusing on substantive reforms, USOECD will help strengthen the OECD as an institution, enhancing the organizations capability to continue producing high quality outputs, which will lead to the organization's continued relevance. This goal supports the President's 2017 National Security Strategy, specifically pillars II "promoting American prosperity" and IV "advance American influence".

Mission Objective 1.1: Improve the OECD's working methods, institutional governance, and responsiveness to member leadership

Justification: Better working methods and governance mechanisms can help us secure a stronger role for the United States and other like-minded members in steering the direction and decisions of the OECD and in ensuring that U.S. funds are being managed effectively.

Mission Objective 1.2 Preserve the OECD's evidence-based research and recommendations and their value to the United States.

Justification: The OECD's commitment to evidence-based research and policy recommendations is one of its greatest strengths to the United States, as it ensures that the organization's work is of high quality, apolitical, and both informs and responds to U.S. policy priorities.

Mission Objective 1.3: Ensure decisions on engagement with non-members (including new membership, accession, and other partnerships and programs) are member led, preserve the organization's high standards, and align with U.S. priorities.

Justification: It is a U.S. priority to retain the OECD's status as a community of like-minded countries. A limited membership of countries that share U.S. values and philosophies allows us to discuss sensitive issues and reach agreement on new initiatives more constructively and effectively than is possible in other international fora, particularly those with universal or open membership.

Mission Goal 2: Promote U.S. job creation and opportunities for U.S. businesses through free, fair, and reciprocal trade and through increased productivity and innovation.

Description and Linkages: USOECD, in partnership with Washington-based interagency colleagues, will encourage OECD substantive committees to produce outputs in-line with market-based economic principles, which will lead to more internationally-competitive U.S.

businesses and more U.S. jobs. This goal supports the President's 2018 Trade Policy Agenda and 2017 National Security Strategy, specifically pillars II "promoting American prosperity" and IV "advance American influence.

Mission Objective 2.1: Ensure the OECD's trade-related work increases market access for U.S. goods and services, levels the playing field for U.S. businesses, and provides useful cross-national data and analysis on the future of work, skills, and education.

Justification: OECD work on market-distorting practices and productivity can help inform and implement U.S. policy to address unfair trading practices and promote prosperity for the benefit of U.S. workers and businesses.

Mission Objective 2.2 Enhance the OECD, IEA and NEA's emergency response, policy analysis, and data collection to improve U.S. and global energy security.

Justification: International organizations, such as the International Energy Agency produce work that can help inform and give a platform to U.S. policies promoting the U.S. "energy realism" agenda, emphasizing innovation, technology, and access to energy.

Mission Objective 2.3 Encourage the OECD to analyze and support work on digitalization and digital policies that promotes a free and open internet, free flow of data, and a business environment that supports U.S. economic growth.

Justification: OECD work on the ongoing digital transformation will help inform and implement U.S. policy to promote free data flows and oppose barriers such as forced localization of data within a country's borders. USOECD advances U.S. priorities through the committee structure and works to build support among other country delegations.

Mission Goal 3: Create and expand legitimate investment and financing opportunities while promoting good governance and development to advance U.S. security, commercial, and economic interests.

Description and Linkages: This goal supports pillars I, II, and IV of the President's 2017 National Security Strategy by using our economic and diplomatic tools (1) to target corrupt foreign officials and work with countries to improve their ability to fight corruption so U.S. companies can compete fairly in transparent business climates; and (2) to work with like-minded partners to preserve and modernize multinational efforts to ensure transparency and adherence to international policy standards within investment projects.

Mission Objective 3.1 Strengthen the OECD's efforts to combat tax evasion and corruption, and improve integrity in public institutions.

Justification: By collaborating with likeminded countries to preserve and modernize the rules of a fair and reciprocal economic order, we build U.S. export markets, promote free market competition, and incentivize private sector growth. Utilizing the OECD, the United States can expand U.S. investment opportunities and increase the market base for U.S. goods and services by combatting corruption. Through the OECD's Base Erosion and Profit Shifting (BEPS) initiative, the United States can encourage the OECD to produce work that provides a platform for U.S. tax policy makers to shape the U.S. tax system and to increase global growth.

Mission Objective 3.2 Help the OECD and its sub-bodies gather information and provide analysis to identify policy options for increasing investment in energy infrastructure.

Justification: The International Energy Agency (IEA), the global authority on energy data collection, policy analysis, energy technology, and emergency response, produces output that can help inform and give a platform to U.S. policies promoting the U.S. "energy realism" agenda. Working with IEA committees and members, the United States can advance U.S. interest in worldwide investment in energy innovation, technology, and access. Technical knowledge and diplomatic tradecraft are key to unlocking IEA expertise in this key area.

Mission Objective 3.3 Increase investment opportunities in partner developing countries by helping the OECD mobilize private sector investment and public resource allocations.

Justification: Through the OECD, the United States will influence innovation of development finance tools so that U.S. companies have incentives and a level playing field to capitalize on opportunities in developing countries. With these changes, the United States will not be left behind as other states use investment and project finance to extend their influence.

4. Management Objectives

Management Objective 1: Capitalize on information and communication technologies to strengthen the ability of USOECD to advance and inform U.S. priorities.

Justification: Officers spend a significant amount of time working outside of mission facilities. Remote access will greatly increase productivity and collaboration while enhancing security-allowing mission staff to better achieve mission goals. Washington-based delegates regularly attend OECD meetings and need to coordinate and interact with USOECD staff. We need to encourage and facilitate their work at the USOECD platform. Methods to achieve this change include upgrading software and infrastructure, and training.

Management Objective 2: Invest in human capital and physical resources to address areas where there is a material weakness that affects core U.S. objectives.

Justification: Having well-managed physical space and staff is critical to achieving mission objectives and delivering value to the U.S. taxpayer. As USUNESCO exits the building, finding new users for the space should have positive spillovers through closer interaction with the Tri-mission community. Ensuring that we are fully staffed will allow us to advance a positive agenda related to mission goals rather than straining to respond to the organization's agenda. We will do this by establishing a task force to design and implement a plan regarding building use, filling vacant positions, and using staffing tools such as summer hire and intern programs.

Management Objective 3: Bolster USOECD's internal resources of institutional and historical knowledge related to OECD activities.

Justification: Given regular turnover by Foreign Service mission staff, knowledge management and institutional memory are critical to achieve mission goals over longer time horizons. Achieving mission goals depends on clear and regular communication between the mission and other stakeholders in Washington and embassies around the world. Currently, the mission's digital video teleconferencing equipment is faulty and knowledge management practices are not fully standardized. Updated communication equipment and processes will enable the retention of USOECD knowledge and facilitate quicker and more effective communications.