



# OECD experience with Peer Reviews

**Helen Mountford**

Deputy Director of Environment, OECD

[www.oecd.org](http://www.oecd.org)

Friends of Fossil Fuel Subsidy Reform Roundtable  
Washington DC, 18 April 2013

# OECD Peer Review processes



Policy Area	Start	OECD countries	Non-OECD countries
<b>Economic</b>	1961	<u>Mandatory</u> : every 1.5-2 years	<u>Voluntary</u> : Brazil (x4), China (x3), India (x2), Indonesia (x3), Russia (x8), Sth Africa (x3)
<b>Environment</b>	1992	<u>Mandatory</u> : every 6-8 years; voluntary self-report in between	<u>Voluntary</u> : Belarus, Bulgaria, China, Colombia (2014), Russia, Sth Africa (2013)
<b>Investment Policy</b>	1993	<u>Voluntary</u> : Chile, Estonia, Finland, France, Greece, Hungary, Ireland, Israel, Norway, NZ, Portugal, US	<u>Voluntary</u> (or to adhere to OECD Investment Instruments): Argentina, Brazil, China, Colombia, Egypt, India, Indonesia, Malaysia, Peru, Russia, Viet Nam, Zambia...

# OECD Peer Review processes contd.



Policy Area	Start	OECD countries	Non-OECD countries
<b>Innovation Policy</b>	2006	<u>Voluntary:</u> Chile, Hungary, Korea, Luxembourg, Mexico, Norway, NZ, Slovenia, Sweden, Switz.	<u>Voluntary:</u> China, Peru, Russia, Sth Africa



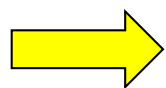
## *And we also do Peer Reviews of:*

- **Development co-operation**
- **Agricultural support**
- **Fisheries**
- **Energy (IEA)**
- **Budget Management**
- **Education policy**
- **Health policy**
- **Cities and territorial regions**
- **etc...**



# Why do countries keep coming back for more peer reviews?

- They benefit from them! Both the reviewed & reviewers
- Analysis and advice targeted to specific country circumstances – helps identify practical policy solutions
- Independent – governments can use the reviews to support their own reform efforts
- Share country experiences – highlight good practice & innovative approaches
- All in a context of mutual trust, respect and learning
- Essential elements: agreed general approach but tailored to country needs, reliable data, independent analysis



***the process of undertaking a review is at least as valuable as the final product!***

# OECD – source of reliable data on subsidies and taxes across countries

- Fossil fuel budgetary support and tax expenditures = USD 55-90 bn p.a.
- Company car & parking tax benefits = USD 35 bn p.a.
- Mapping of taxes for energy use (by sector and fuel) for all OECD countries
- Environmentally-related taxes = about USD 700 bn p.a.
- Agricultural support (PSE & CSE) = USD 366 bn in 2010
- Fisheries (GFTs)= about USD 6 bn p.a.

**New data for  
34 countries!**

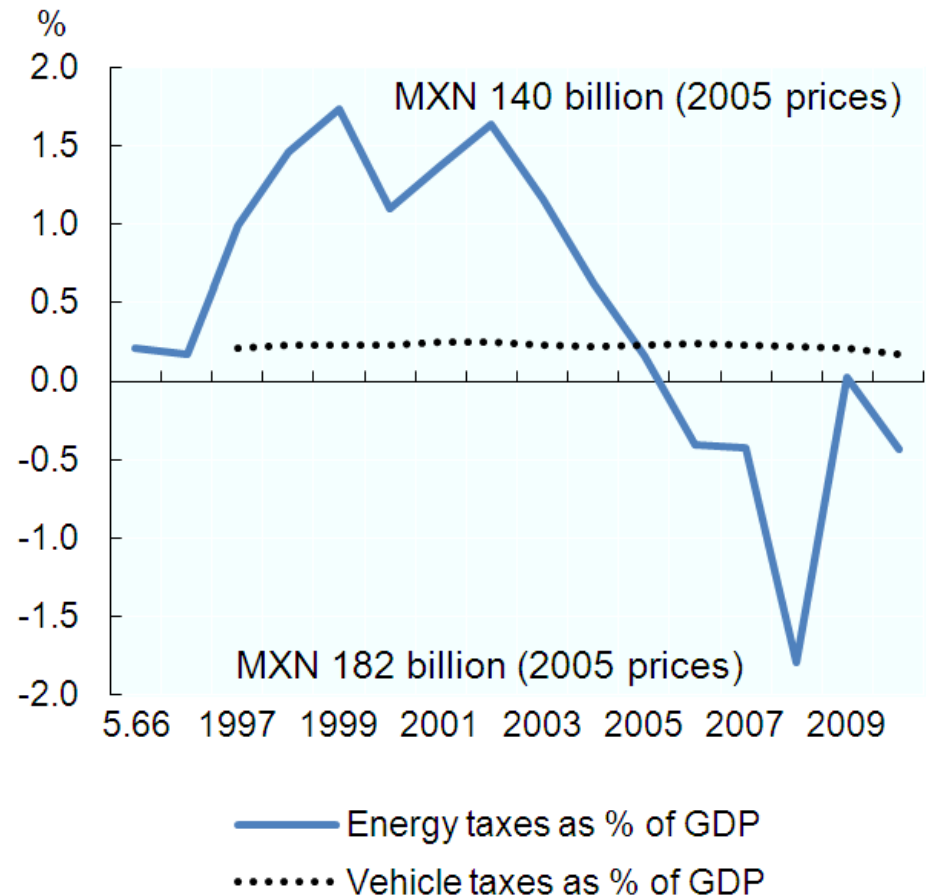


# e.g. Mexico: potential fiscal revenues from environmental tax and subsidy reform

State, 2010



Environmentally related tax revenue by tax base

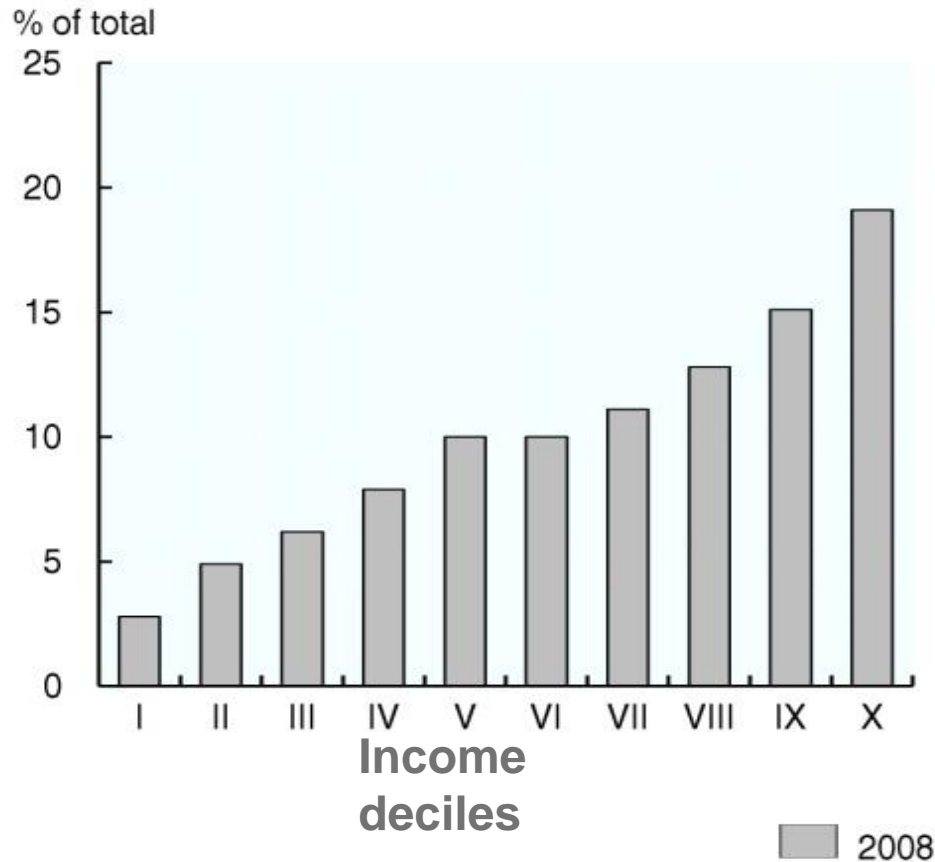




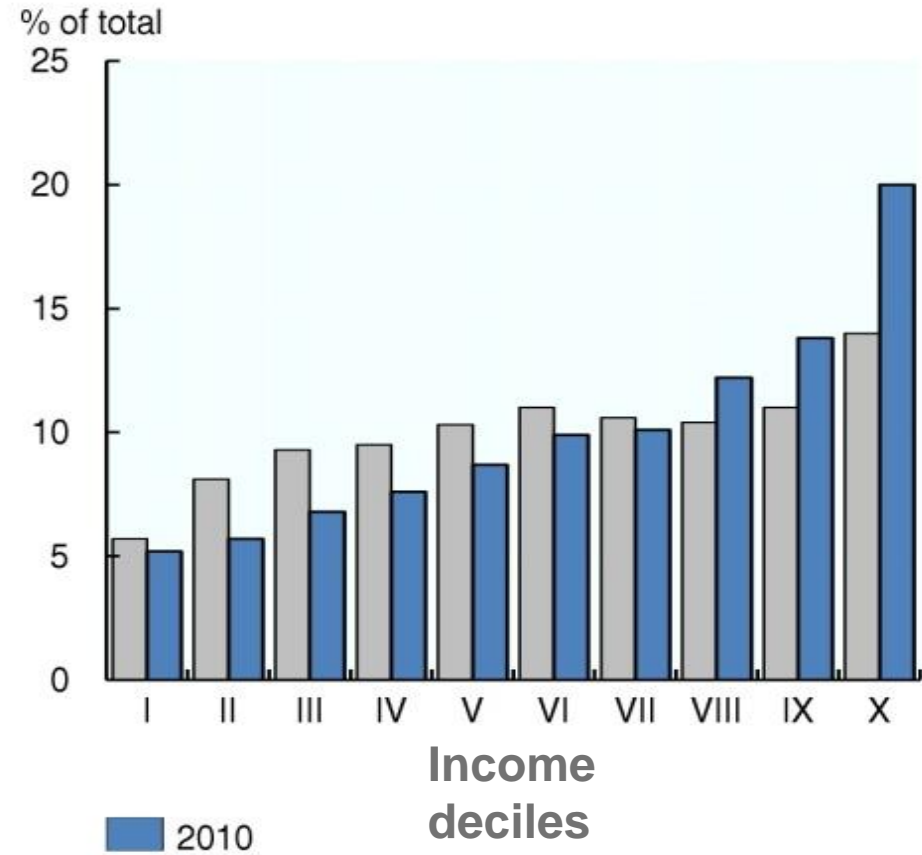
# e.g. Mexico: fossil fuel subsidies & social objectives

## *Distribution of Mexican energy subsidies across income deciles*

### Petrol and diesel fuel subsidies



### Residential electricity subsidies



Source: Ministry of Finance and Public Credit (2012 and 2010); *Distribución del pago de impuestos y recepción del gasto público por deciles de hogares y personas.*