

**10th Annual Meeting of the OECD Network of
Parliamentary Budget Officials and Independent Fiscal Institutions (PBO)**

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WELCOME REMARKS

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First let me take this opportunity to thank our Korean colleagues for your kind words this morning and to extend the OECD's deep appreciation for your generosity in hosting us. It is a great privilege to be able to be here with you in the Meeting Room of the Special Committee on Budget and Accounts of the National Assembly.

As you know, Korea's National Assembly Budget Office, or NABO, is a founding member of the OECD PBO Network and has played a significant role in its development over the years. NABO's willingness to engage in an open and frank dialogue along a range of subjects, and the technical quality of NABO's work, have earned it a high reputation among international colleagues. It is therefore very fitting that NABO was chosen to host our 10th Annual Meeting.

On behalf of the OECD, I am honoured to welcome you to the 10th Annual Meeting of the OECD Network of Parliamentary Budget Officials and Independent Fiscal Institutions. Ten years is a major achievement and we thank you for celebrating this milestone with us. It is made even more special by the fact that so many of you have made such a long voyage to be here in Seoul.

I am delighted to welcome the new Chair of our network, Mr. Robert Chote, Chairman of the UK Office for Budget Responsibility. Thank you, Chair, for agreeing to take on this responsibility. I am looking forward to our continued discussions under your able leadership.

When our host, NABO, was established in 2003, there was just a small handful of independent fiscal institutions in the OECD. Now we count around 30 such institutions within our membership and more around the globe.

The OECD's PBO Network provides an important community for this diverse group of institutions. It is a community where we debate technical issues of course, but also where we can go for frank advice and guidance, where we can share stories, and learn from each other's successes and failures.

Over the next two days we will be introduced to colleagues from new institutions in the Czech Republic, Slovenia, Brazil and Peru. We will hear highlights from the first report of the new European Fiscal Board, our first supra-national IFI. And we will learn how NABO is evolving to meet new challenges in the Korean context.

Many OECD IFIs are still very young, yet there is a strong demand for them to demonstrate their impact. We will examine the results of two evaluation processes:

- the *OECD Review of Independent Authority for Fiscal Responsibility* in Spain, and
- the recent Congressional Oversight Hearings on the US Congressional Budget Office, which came on the heels of fierce partisan attacks.

Evaluations of IFIs must be underpinned by good and, where possible, comparable data. We will explore what types of data IFIs could be collecting to better monitor performance and impact.

This network continues to play an important standard setting role. Last year we began a debate on best practices for parliamentary budgeting. This year we seek to further enrich that debate, taking a closer look at several models of legislative budgetary engagement. We have also gathered a range of new data through a series

of surveys on budget practices and procedures in the OECD. We are grateful to those of you who participated in our survey on Parliamentary Budgeting Practices – and here I would like to congratulate you because this network had the highest survey response rate.

I am personally looking forward to presenting the OECD's work on debt sustainability analysis and to discussing fiscal challenges related to health care.

As we are meeting in Asia for the first time, we have taken the opportunity to hear from an esteemed colleague in the Korea Development Institute on economic trends and the outlook for Korea and Asia

And finally, I am particularly pleased to welcome Dr. Rudy Penner, a renowned budgeting expert and former Director of the US Congressional Budget Office, who will give us additional food for thought with his keynote address tomorrow on “The Role of Experts in Today's Climate”.

There is a well-known quote from Nietzsche that “sometimes people don't want to hear the truth because they don't want their illusions destroyed”. Your work to strengthen fiscal transparency, and promote fiscal sustainability, cuts through fiscal illusion. And let's face it, giving politicians technically sound, objective, non-partisan fiscal analysis – which they frankly may not always want to hear – is no easy task. Another former CBO Director famously described the CBO's job as being the “skunk at the congressional picnic”.

Yet, to go back to the beginning of my remarks, we have seen the number of institutions providing such advice more than triple. Clearly your work is valued and it will continue to be of great value as we strive to meet the fiscal challenges of today and of the future.

Thank you again to our hosts. I hope that you all enjoy, and benefit from, the conference today and tomorrow, and that you are able to make the most of the opportunities to share experiences, formally and informally, and to strengthen existing friendships and make new connections.