



## KEY FEATURES OF SELECTED MULTILATERAL REVIEW PROCESSES

<u>IMF</u> Bilateral Surveillance (1970)	<u>WTO</u> Trade Policy Review Mechanism (1995)	<u>OECD</u> Environmental Performance Review (1991)	<u>UN Human Rights Council</u> Universal Periodic Review (2007)
<b>Nature of review</b>			
<p>Review examines all 186 member countries' economic and financial policies and measures – their implementation, effectiveness, conformity with obligations, and effect on international monetary system</p> <p>Sequence</p> <ul style="list-style-type: none"> <li>• Review preparation</li> <li>• In-country expert review</li> <li>• Staff report</li> <li>• Discussion by Executive Board (24 Executive Directors)</li> <li>• Executive Board assessment</li> <li>• Public Information Notice and staff report published with country's consent</li> </ul>	<p>Review examines all 153 WTO members' trade policies and practices – their implementation, effectiveness, and impact on the multilateral trading system</p> <p>Sequence</p> <ul style="list-style-type: none"> <li>• Member self reports</li> <li>• Expert review produces Secretariat report</li> <li>• Discussion by Trade Policy Review Body (all WTO members)</li> <li>• Reports, including minutes, published</li> </ul>	<p>Review examines all 31 member countries' environmental performance against domestic objectives and international commitments (Non-OECD countries reviewed on request)</p> <p>Sequence</p> <ul style="list-style-type: none"> <li>• Agreement on scope of review between country and secretariat</li> <li>• Tailored questionnaire prepared by secretariat completed by country under review</li> <li>• In-country expert review</li> <li>• Preparation of draft report</li> <li>• Discussion of draft report by Working Party on Environmental Performance (all member countries)</li> <li>• Assessment and recommendations approved by WPEP</li> <li>• Report published</li> <li>• Country may report on implementation of recommendations</li> </ul>	<p>Review assesses all 192 member states' performance against obligations contained in 8 interdependent human rights treaties, and related law</p> <p>Sequence</p> <ul style="list-style-type: none"> <li>• Member state, independent expert and stakeholder reports</li> <li>• Discussion by Universal Periodic Review Working Group (47 states on Human Rights Council, plus interested states)</li> <li>• Report, including member country response, adopted by UPR WG</li> <li>• Report adopted by Council</li> </ul>

<u>IMF</u>	<u>WTO</u>	<u>OECD</u>	<u>Human Rights</u>
<b>Frequency/trigger</b>			
<p>Annual</p> <p>Some flexibility for 2-year reviews for countries that are irrelevant to the global financial system, perceived as low risk, or are under Fund-supported arrangements</p> <p>Experts continually monitor all member countries</p>	<p>Differentiated:</p> <ul style="list-style-type: none"> <li>4 members with the largest shares of world trade reviewed every 2 years</li> <li>next 16 every 4 years</li> <li>others every 6 years</li> <li>possibly longer for LDCs</li> </ul>	<p>No prescribed frequency; in practice, Member countries reviewed in cycles of 8-9 years</p> <p>To date, 64 reviews, including 6 non-OECD members</p>	<p>Every 4 years; 48 member states reviewed each year according to adopted schedule</p>
<b>Institutions</b>			
<p>IMF expert review team (country- and issue-specific IMF experts)</p> <p>IMF Executive Board (24 Executive Directors based on IMF constituencies)</p>	<p>WTO expert review team (economists within Secretariat)</p> <p>Trade Policy Review Body (TPRB) (comprised of all WTO members)</p>	<p>Expert review team (comprised of Secretariat and experts from other member countries, sometimes other international organizations)</p> <p>Working Party on Environmental Performance (WPEP) (all member countries)</p>	<p>UPR Working Group (comprised of 47 states on Human Rights Council plus any interested states)</p>
<b>Review process</b>			
<ul style="list-style-type: none"> <li>Ongoing reporting by countries and monitoring by IMF</li> <li>Review team prepares preliminary analysis and sets focus of review. Information compiled by IMF expert review team from a variety of sources (including data regularly reported by the</li> </ul>	<ul style="list-style-type: none"> <li>Member submits policy statement outlining trade policies and measures and practices, economic situation and development needs</li> <li>WTO expert review to prepare detailed Secretariat report drawing on a wide variety of official and unofficial</li> </ul>	<ul style="list-style-type: none"> <li>Country and secretariat agree on scope of the review, encompassing country-specific and international environmental objectives, national conditions, policies and measures, and implementation</li> <li>Secretariat prepares a questionnaire for</li> </ul>	<ul style="list-style-type: none"> <li>Three initial reports: member state report outlining policies and measures, and conformity with human rights obligations; Secretariat report compiling input from independent experts, human rights organizations and treaty bodies, and</li> </ul>

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<p>member country, the IMF, international organizations, and other publicly available information) and contains an assessment of economic policies and recommendations</p> <ul style="list-style-type: none"> <li>• In-country review, including exchange of views with government, central bank and stakeholders. Review team prepares draft staff report</li> <li>• Final report approved by IMF management and submitted to Executive Board</li> <li>• Executive Board discussion (meetings are closed; minutes made public in 5 years)</li> <li>• Board’s consultations and recommendations transmitted to member country</li> <li>• Public Information Notice (containing summary of staff’s views and Executive Board’s assessment) made public only with consent of country under review</li> </ul>	<p>sources, and providing summary observations</p> <ul style="list-style-type: none"> <li>• TPRB discussion facilitated by one discussant on the basis of member’s policy statement and Secretariat report</li> <li>• Reports are published, along with minutes of the meeting and text of the TPRB Chairperson’s concluding remarks</li> </ul>	<p>response by country under review</p> <ul style="list-style-type: none"> <li>• In-country expert review to clarify information and assess performance, including exchange of views with wide range of stakeholders</li> <li>• Expert review team prepares draft report assessing accomplishments and shortfalls, with assessment and recommendations</li> <li>• WPEP discusses draft report, including Q&amp;A with member country under review</li> <li>• Assessment and recommendations, with any amendments, approved by WPEP; report finalized by secretariat in light of reviewed country comments</li> <li>• Report, including assessment and recommendations, published by OECD Secretariat</li> <li>• Member country may provide report on implementation of recommendations (norm within 2 years of publication)</li> </ul>	<p>other UN entities; Secretariat report compiling input from NGOs and other stakeholders</p> <ul style="list-style-type: none"> <li>• In-session dialogue of UPR Working Group facilitated by Troika (three member states drawn by ballot)</li> <li>• Draft outcome report summarizing discussions and recommendations prepared by Troika with the involvement of the state under review and Secretariat</li> <li>• Reviewed member state accepts or rejects recommendations</li> <li>• Outcome report, including recommendations accepted and rejected, adopted by the Working Group</li> <li>• Outcome report presented by the Troika at next Human Rights Council session, with provision for additional questioning of state under review and statements by interested states and other stakeholders</li> <li>• Outcome report adopted</li> </ul>

<u>IMF</u>	<u>WTO</u>	<u>OECD</u>	<u>Human Rights</u>
<b>Output</b>			
<p>Public Information Notice made public with country's consent (granted in almost all cases)</p> <p>Staff report made public with country's consent (granted in most cases )</p> <p>Outcome of Bilateral Surveillance feeds into multilateral surveillance, including the World Economic Outlook, Global Financial Stability Report, and Regional Economic Outlook reports</p>	<p>Member's policy statement and Secretariat report (including observations) published together with the proceedings of the Trade Policy Review Body's meetings (including Chairperson's remarks)</p> <p>Individual reviews feed into the annual Report of the TPRB and the Director General's annual Overview of Development in the International Trading Environment</p> <p>Technical assistance made available on request to developing country members, in particular LCDs</p>	<p>Report assessing accomplishments and shortfalls and making recommendations published by OECD Secretariat</p> <p>Self-assessment by country on implementation of recommendations</p> <p>Next review monitors and reports on progress</p>	<p>Initial and final reports made public</p> <p>At next review, State must demonstrate implementation of recommendations</p> <p>Assistance provided to enhance capacity to address human rights challenges</p>
<b>Consequences/enforcement procedures</b>			
<p>If warranted, IMF can:</p> <ul style="list-style-type: none"> <li>• "intensify" ongoing consultations with member country</li> <li>• initiate Ad Hoc Consultations (provision has never been used)</li> <li>• initiate multilateral consultations to address problems of systemic or regional importance</li> </ul> <p>No compliance procedure</p>	<p>None</p> <p>Not intended to serve as a basis for enforcing specific obligations, settling disputes, or imposing new policy commitments</p> <p>Cases of alleged violation taken up in separate Dispute Settlement Procedure</p>	<p>None</p> <p>No compliance procedure</p>	<p>State has primary responsibility to implement recommendations, but all countries collectively accountable for progress or failure in implementing recommendations</p> <p>Human Rights Council can decide "appropriate measures after exhausting all efforts to encourage a state to cooperate"</p>

<u>IMF</u>	<u>WTO</u>	<u>OECD</u>	<u>Human Rights</u>
			Separate Complaints Procedure under Human Rights Council, in addition to individual compliance procedures under each human rights treaty
<b>Stakeholder engagement</b>			
Representatives of business, labor unions, civil society and donor community consulted during in-country review	WTO expert review able to draw on a wide variety of official and unofficial sources	International organizations, academics, industry and NGOs consulted during in-country review	Independent experts, NGOs and other stakeholders report and may attend UPR WG dialogue
<b>Additional</b>			
<ul style="list-style-type: none"> <li>• Modest burden on member country; sizeable burden on IMF. About half of IMF's operating budget is used on Surveillance</li> <li>• Expert reviewers given broad independence to determine focus of review and to highlight risks to stability</li> <li>• Executive Directors on Executive Board serve as officers of the Fund; member country officials not present during Board discussion</li> <li>• Some flexibility in the frequency and focus of reviews; otherwise, consistent treatment of countries</li> </ul>	<ul style="list-style-type: none"> <li>• Modest burden on both members and WTO Secretariat</li> <li>• Some flexibility in the frequency of review; otherwise, consistent treatment of countries</li> </ul>	<ul style="list-style-type: none"> <li>• Considerable burden on secretariat and reviewed country</li> <li>• Agreement on scope of review between country and secretariat; otherwise, consistent treatment of countries</li> </ul>	<ul style="list-style-type: none"> <li>• Modest burden on both member state and Secretariat/UPR Working Group</li> <li>• Reports compiled by independent experts, human rights treaty bodies, UN entities and other stakeholders offers additional degree of broader input</li> <li>• Consistent treatment of countries</li> </ul>

## ***OECD Environmental Performance Review<sup>1</sup>***

The Organization for Economic Co-operation and Development is a forum where the governments of 31 democratic and market economies work together to address the economic, social and governance challenges. Originally created as an economic counterpart to NATO and growing out of efforts to coordinate the Marshall Plan for the reconstruction of Europe after World War, the OECD helps governments to foster prosperity and fight poverty through economic growth, financial stability, trade and investment, technology, innovation, entrepreneurship and development co-operation.

The OECD has a peer review arrangement which aims to help countries under review compare policy experiences, improve their policymaking, adopt best practices and comply with established standards and principles by learning from the experience of others. OECD peer reviews cover a wide range of topics, from economics and governance to education, health, environment and energy. Peer reviews can assess the performance and policies of individual countries, or examine several countries with respect to a particular selected theme.

The Environmental Performance Review (EPR) established in 1991 regularly monitors individual member country's performance against domestic objectives in environmental management and sustainable development, and in meeting international commitments.

The EPR consists of three phases: preparation, consultation and assessment. The first phase involves agreeing on the scope of the review and collecting information. Designated OECD experts (from the Secretariat and experts from a handful of member countries, with occasional observers from non-members or international organizations) then carry out an in-country review to discuss the reviewed country's achievements and challenges. In addition to government officials, consultations are held with academics and representatives of industry and environmental NGOs.

In the assessment phase, the Working Party on Environmental Performance (WPEP) – grouping all 31 OECD member countries as well as “enhanced engagement” countries China, India, Indonesia, Russia and South Africa – discusses a report of the in-country review in a question and answer discussion with the member country under review.

The examination results in a published report that assesses accomplishments, spells out shortfalls and makes recommendations. The next review considers whether the country has acted on its peers' advice and whether the situation has improved.

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<sup>1</sup> This section is mainly based on the following sources:  
<http://www.oecd.org/dataoecd/9/41/37922614.pdf>  
<http://www.oecd.org/dataoecd/15/33/34011915.pdf>

## ***WTO – Trade Policy Review Mechanism<sup>2</sup>***

The work of the World Trade Organization (WTO) includes monitoring and review of national trade policies, which is considered to be of fundamental importance for increasing the transparency and understanding of member's trade policies and practices. The monitoring and review of the 153 WTO members is carried out through the Trade Policy Review Mechanism (TPRM).

The TPRM was an early result of the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) 1989, and was established on a permanent basis by Annex 3 of the Marrakesh Agreement as one of the WTO's basic functions. With the entry into force of the WTO in 1995, the mandate of the TPRM was broadened to cover services trade and intellectual property.

The purpose of the TPRM is to contribute to improved adherence by all members to rules, disciplines and commitments made under various trade agreements and to achieve greater transparency in, and understanding of, the trade policies and practices of members.

The assessment takes place, to the extent relevant, against the background of the wider economic and developmental needs, policies and objectives of the member concerned, and of its external environment. However, the function of the review mechanism is to examine the impact of a member's trade policies and practices on the multilateral trading system.

All WTO members are subject to review under the TPRM. The frequency of review is differentiated based on the size of a country's volume of trade: every two years for the four largest trading entities, (currently the European Union, the United States, Japan and China); every four years for the next sixteen members; and every six years for other members, with provision for a possibly longer interval for least-developed countries. In 1994, flexibility of up to six months was introduced into the review cycles, and in 1996 it was agreed that every second review of each of the first four trading entities should be an "interim" review.

The reviews take place in the Trade Policy Review Body (TPRB), which is actually the WTO General Council — comprising the WTO's full membership — operating under special rules and procedures. The reviews are therefore peer assessments, although much of the factual leg-work is done by the WTO Secretariat. The TPRB's debate is stimulated by one discussant, selected beforehand.

Reviews are conducted by the TPRB on the basis of a policy statement by the member under review and a report prepared by economists in the Secretariat's Trade Policy Review Division, which draws on a wide variety of official and unofficial sources. In preparing its report, the Secretariat seeks the cooperation of the member, but has the sole responsibility for the facts presented and views expressed.

The report includes detailed chapters examining the trade policies and practices of the member and describing trade policymaking institutions and the macroeconomic situation, and Summary Observations presenting the Secretariat's perspective on the member's trade policies. This summary, the member's policy statement, and the Secretariat report are published after the review meeting, along with the minutes of the meeting and the text of the TPRB Chairperson's Concluding Remarks, delivered at the conclusion of the meeting.

The WTO has a separate compliance mechanism (dispute settlement procedure).

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<sup>2</sup> This section is mainly based on the following sources:

[http://www.wto.org/english/tratop\\_e/tp\\_r\\_e/tp\\_r\\_e.htm](http://www.wto.org/english/tratop_e/tp_r_e/tp_r_e.htm)

[http://www.wto.org/english/tratop\\_e/tp\\_r\\_e/tp\\_int\\_e.htm](http://www.wto.org/english/tratop_e/tp_r_e/tp_int_e.htm) [http://www.wto.org/english/docs\\_e/legal\\_e/29-tp\\_r.pdf](http://www.wto.org/english/docs_e/legal_e/29-tp_r.pdf) [http://www.wto.org/english/thewto\\_e/whatis\\_e/tif\\_e/agrm11\\_e.htm](http://www.wto.org/english/thewto_e/whatis_e/tif_e/agrm11_e.htm)

### ***IMF –Bilateral Surveillance***<sup>3</sup>

Following the collapse of the Bretton Woods system of fixed exchange rates, the International Monetary Fund (IMF) was mandated to oversee the international monetary system and monitor the economic and financial policies of its 186 member countries. Through surveillance – a condition of IMF membership, laid out under Article IV of the IMF’s Articles of Agreement – the IMF holds bilateral discussions with members and issues a consultations report. The report focuses on a member country’s hard and soft obligations and other policies that have a bearing on the country’s stability, and highlights possible risks to domestic and external stability and advising on needed policy adjustments.

Article IV consultations usually take place once a year (however IMF economists continually and regularly monitor members’ economies). IMF economists visit the member country to gather information and hold discussions with government and central bank officials, and often private investors, labor representatives, members of parliament and civil society organizations.

Upon their return to IMF headquarters, the staff mission team submits a staff report to the IMF Executive Board for discussion. The Board’s views are subsequently summarized and transmitted to the country’s authorities.

The Executive Board is comprised of 24 Executive Directors based on IMF member constituency share (derived from a formula determined by size of country, contributions and voting rights). Executive Directors are not representatives from capitals, but officers of the fund on permanent mission to Washington who meet three times a week).

In recent years, the surveillance process has become increasingly transparent. Currently, 97 percent of member countries agree to publication of a Public Information Notice, which summarizes the staff’s and the Board’s views, and 88 percent of member countries agree to publication of the staff report on the IMF’s website.

IMF staff members have considerable independence, notably through the staff appraisal or concluding statement at the end of a staff report. The IMF relies almost exclusively on the evaluations of its staff, while allowing Board members and the country authorities to disagree. There is a partial peer review component in the discussion among Board members, which is then represented in the Board’s summing up or assessment contained in the Public Information Notice.

The national authorities’ views on specific policy issues are reflected in the summary record of the policy discussion conducted with the staff during missions, but they are not ultimately required to endorse the policy recommendations addressed to them. To protect the integrity of Fund documents, the authorities are not able to modify or remove themes treated in an Article IV consultation report. However, limited modifications—such as factual corrections and deletions of highly-market sensitive material—are allowed if the modifications meet the guidelines outlined in the IMF’s Transparency Policy.

The practice of surveillance has evolved considerably since the 1970s and has been undergoing a process of reform since 2007. Currently, the IMF is in the process of reexamining its mandate, including the role of surveillance. It will report back to the IMF Council later this year.

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<sup>3</sup> This section mainly draws from the following sources:

<http://www.imf.org/external/ns/cs.aspx?id=51>

<http://www.oecd.org/dataoecd/13/21/38018048.ppt>

<http://www.imf.org/external/np/exr/facts/surv.htm>

<http://www.imf.org/external/np/exr/facts/trans.htm>



## ***UN Human Rights Council – Universal Periodic Review<sup>4</sup>***

The Human Rights Council is an inter-governmental body within the UN system made up of 47 States (represented by members with 3 year terms) responsible for strengthening the promotion and protection of human rights around the globe. The Council was created by the UN General Assembly in March 2006 with the main purpose of addressing situations of human rights violations and make recommendations on them.

The Universal Periodic Review (UPR) assesses States' human rights records against various human rights obligations. A cooperative State-driven process based on "equal treatment," it provides the opportunity for each State to declare what actions it has taken to improve human rights within its borders and to fulfill its human rights obligations. The UPR also aims to provide technical assistance to States and enhance their capacity to deal effectively with human rights challenges and to share best practices in the field of human rights among States and other stakeholders.

All UN 192 Member States are reviewed once every four years – with 48 States reviewed each year. The reviews are carried out by the UPR Working Group composed of the 47 Council members plus any UN member state choosing to take. Each review is facilitated by groups of three States, or "troikas", drawn by lot who act as rapporteurs.

Three reports serve as a basis for each state review: a member state report outlining policies and measures and conformity with human rights obligations; a Secretariat report compiling input from independent human rights experts and groups, human rights treaty bodies and other UN entities and a Secretariat report compiling information from nongovernmental organizations, national human rights institutions and "other stakeholders".

Working Group reviews take place through an interactive dialogue between the state under review and the Council. Other relevant stakeholders, such as NGOs or national human rights institutions, may attend the reviews in the Working Group. NGOs can make statements at the regular session of the Human Rights Council when the outcome of the state reviews are considered.

Following the state review by the Working Group, an "outcome report" provides a summary of the discussion, including accepted and refused recommendations. The report is then adopted at a plenary session of the Human Rights Council.

The State has the primary responsibility to implement the recommendations contained in the final outcome, but all countries are collectively accountable for progress or failure in implementing these recommendations. Capacity-building and technical assistance is provided to help ensure implementation

In a case of persistent non-cooperation, the Human Rights Council can decide on appropriate measures. There is also a separate Complaints Procedure.

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<sup>4</sup> This section mainly draws from the following sources:  
<http://www.ohchr.org/EN/HRBodies/UPR/Pages/UPRmain.aspx>  
<http://www.ohchr.org/EN/HRBodies/UPR/Pages/BasicFacts.aspx>  
[http://ap.ohchr.org/documents/E/HRC/resolutions/A\\_HRC\\_RES\\_5\\_1.doc](http://ap.ohchr.org/documents/E/HRC/resolutions/A_HRC_RES_5_1.doc)  
<http://www2.ohchr.org/english/bodies/hrcouncil>