

# Regulatory Transparency: What We Learned in Korea

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# What We Mean by Transparency

- The capacity of regulated entities to express views on, identify, and understand their obligations under the rule of law

## **What We Mean by Transparency**

- Consultation with interested parties
- Plain language drafting of laws and regulations
- Legislative simplification and codification
- Registers of existing and proposed regulation
- Electronic dissemination of regulatory material
- Controls on regulatory discretion established through standardized, transparent procedures for making, implementing and changing regulations
- Appeals processes that are clear, predictable and consistent.

# Competition Policy vs. Industrial Policy in Developing Countries:

- Compatible through Regulatory Reform with Transparency
- Maintaining competitive environment is crucial for maintaining competitiveness of the domestic industry - protecting them to raise competitiveness will reduce their competitiveness in the long run

# Competition Policy vs. Industrial Policy in Developing Countries:

- Protection to certain industries are often provided via informal regulations - made possible due to lack of transparency
- Competitive market environment and successful regulatory reform involves consideration for all parties in the economy, not just certain industries

# Competition Policy vs. Industrial Policy in Developing Countries

- Heightened transparency gathers information from all segments of the economy - setting the stage for a successful regulatory reform.

# **Experiences of the Korean Regulatory and Administrative Reform**

- Regulatory reform should be approached in a unified and systematic fashion to raise the general expectations of the public, which would ultimately fortress the public's expectation for transparency permanently
- The government has to be recognized as a unified single entity by the public
- Reduce information burden of the public

# Experiences of the Korean Regulatory and Administrative Reform

- Maintain multiple communication channels with the public
- Eliminating uncertainty leads to higher transparency
- Plain words and expressions make transparency possible
- If it is compatible with common sense, it's transparent
- Be transparent to foreigners

# **Korean Experience on Transparency, Market Openness, and Regulatory Reform**

- Use international institutions and international standards
- Provide easier means of access to information
- Listen to foreigners
- Make the system simple, and allow it to reflect the international market mechanism

# **Korean Experience on Transparency, Market Openness, and Regulatory Reform**

- Adopt a regulatory system which can deal with the globalized environment
- Engage actively in liberalization discussions and negotiations
- Review domestic systems regularly from the user's point of view, and update the systems
- If the system is transparent to foreigners, it is likely to be transparent to all