

## II. SUMMARY OF DISCUSSION

Discussions revolved around six key issues: Firstly, there was a clear **call from participants for a more effective integration of trade and domestic regulation objectives**. Two perspectives were offered. From a bottom-up perspective, taking a domestic regulatory approach, participants discussed ways to expand the current obligations of regulators as they develop regulations: In addition to the existing obligations in the Regulatory Impact Analysis (RIA), regulators could more systematically integrate trade and market openness perspectives. Canada's experiences presented by Mr. Claudio Valle served as a case in point. Taking more of a top-down approach, from the perspective of negotiating international commitments, participants pointed to the need to involve often and early the expertise and assessments of regulators. With regulators responsible and accountable for implementing many international trade agreements, their perspective could add much value in assessing the feasibility and enforceability of international trade agreements. The representative of the United Kingdom noted that the pragmatic approach adopted in the UK was to "talk early and talk often".

Secondly, participants **recognized the use of certain regulatory tools** to improve the quality of trade related regulations and improve the assessment of international obligations with impact on free trade. Reference was often made to the Regulatory Impact Assessments (RIA), consultations and communication mechanisms used in the regulatory process.

Thirdly, the issue of **capacity-building for developing countries** was addressed by many participants as an essential prerequisite for equal opportunities in benefiting from international trade and further market openness. It was a commonly shared view that capacity is costly and not always straightforward. However, the alternative - not doing anything - is even more problematic. ("Staying blind is even more costly and it is not a sustainable alternative").

Fourthly, and related to the above, participants, discussed the challenges of **the pace of reform and the global push for compliance with high regulatory and good governance standards**. Concerns were voiced by, among others by UNCTAD,<sup>1</sup> TUAC,<sup>2</sup> BIAC<sup>3</sup> and the Commonwealth Secretariat, that sometimes the push for reform is too strong, not recognising the limited capacities and need for flexibility. Though discussants agreed on the need to allow for capacities and national decision-making systems to develop and work in its own pace, some discussants also pointed to the "need for speed" to adapt to ever-changing market developments.

Fifthly, many discussants, including New Zealand and TUAC, pointed to the need **to bridge the antagonism between regulatory and trade officials**. There was a call to share more information on many levels: On the policy-level, improving the integration of trade and regulatory policies; in terms of day-to-day activities of governments: obliging regulators and trade negotiators to take into account their respective perspectives; and culturally, by bringing together more frequently trade negotiators and regulators to share and expand their respective perspectives on inter-related issues.

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<sup>1</sup> United Nations Conference on Trade and Development

<sup>2</sup> Trade Union Advisory Committee to the OECD

<sup>3</sup> Business and Industry Advisory Committee to the OECD

Finally, some participants discussed “**OECD’s principles of efficient regulation to promote market openness**”. Based on considerations of the principles adequacy, questions were raised whether there is there a need or possibility to marginally change or revise the principles, while at the same time maintaining their general applicability. As noted by Korea and New Zealand, the principles sometimes seem too procedurally orientated, and maybe not always sufficiently focused on outcomes. Korea noted that some principles are controversial; and that it sometimes needs further investigation to find out what lies behind the application of such principles.