

## **MEETING**

# **INTERNATIONAL REGULATORY CO-OPERATION: The Role of International Organisations**

OECD Conference Centre, Room CC15

16 April 2014

The OECD is convening this closed-door meeting that will bring together officials from international organisations (IOs) and member countries to share their experience in supporting regulatory cooperation across jurisdictions in a range of policy sectors, including health, food and agriculture, trade, labour and environment. The meeting is structured in several roundtables introduced by leading academics, building on preliminary case studies, to maximise the opportunities for discussion and inputs from the participants.

International organisations play a growing role as standard setting bodies – in some cases explicit but in many cases not. IOs are developing these standards in response to the increasing needs of globalisation. These international rules help to harness the movement of goods, services, capital and individuals across borders, as well as to reach beyond national boundaries to nurture global goods and mitigate the spread of global “bads”. However, the structured evidence on the impacts of the rule making activities of IOs remains scant (economic and social gains, but also in terms of increased administrative efficiency and capacity). Current trends also raise important risks, including potential fragmentation or regionalisation of regulatory cooperation, competition among IOs and with new actors, mission creep with underfinancing and limited impacts. In addition, although institutional arrangements, operational modalities and regulatory tools have proved to be critical determinants at the domestic level of the quality of regulatory governance, there is evidence that regulatory management disciplines could be more actively used in international rule-making by IOs to garner greater legitimacy and accountability in their standard setting role.

This meeting seeks to establish a dialogue among international organisations and their constituent representatives to exchange information on the ways, means and impacts of their rule-making activities, and to work together towards improved practices in international rule-making. The immediate aim of the meeting is to strengthen the information base on the impact and the internal rule making processes of IOs as standard setters. This objective will be supported through a series of case studies being developed by the OECD and other IOs. A longer-term objective would be for IOs to develop and sign on to shared principles underpinning the development of international standards. In that perspective, the meeting could endorse the establishment of a core group of international organisations that would work together on the development of the guidance and report to the broader group.

9h30	<p><b>Welcome and Introduction by Gary Banks, Dean of Australia and New Zealand School of Government and Chair, OECD Regulatory Policy Committee</b></p>
<p>10h00 - 12h45</p>	<p><b>The role and impact of international organisations in support of IRC</b></p> <p>The OECD 2013 publication <i>on International Regulatory Cooperation: Addressing Global Challenges</i> identifies the prominent role that international organisations play in supporting regulatory cooperation in multiple areas. They do so by offering platforms for continuous dialogue on regulatory issues and the development of common standards, and guidance. Beyond standard setting, these discussions and tools foster regulatory cooperation through facilitating the comparability of approaches and practices, consistent application and capacity building in countries with a less developed regulatory culture. As permanent fora for discussion, they may also provide member countries with flexible mechanisms to identify and adapt to new and emerging regulatory areas / issues and contribute to the development of common language. However, the structured evidence on the impact of these activities remains scant.</p> <p>The two morning sessions will aim to a frank exchange among international organisations on their role and impact in supporting more coherent regulatory frameworks. Discussions seek to identify the existing evidence and remaining information and analytical gaps that future joint work could address.</p> <p><i>Chair: Rolf Alter, Director, Public Governance and Territorial Development, OECD</i></p>
10h00	<p><b>1st round of discussion: The growing trend in international regulatory cooperation and the role that IOs play in its support</b></p> <p><b>Introductory remarks:</b> Kenneth W. Abbott, Professor of Global Studies, Arizona State University</p> <p><b>Open discussion</b></p> <p><b>Key issues</b></p> <ul style="list-style-type: none"> <li>• How is rule-making adapting to the progressive emergence of an open, dynamic, globalised economy, and the intensification of global challenges?</li> <li>• What do we know of the role and impact of IOs in support of more coherent regulatory frameworks?</li> </ul>
11h00	<p><b>Coffee break</b></p>
11h30	<p><b>2nd round of discussion: The impacts of IOs as transnational standard setters</b></p> <p><b>Introductory remarks:</b> OECD, APEC, IMO</p> <p><b>Open discussion</b></p> <p><b>Key issues</b></p> <ul style="list-style-type: none"> <li>• What have we learnt from years of experience with IOs on their strengths and weaknesses in support of IRC?</li> </ul>

	<ul style="list-style-type: none"> <li>• What have been the success factors and successful instruments of regulatory cooperation?</li> <li>• What are the information and other gaps to fill to improve the IRC agenda of IOs?</li> </ul>
12h45	<b>Lunch</b>
2h15 - 18h00	<p><b>The rule-making practices of international organisations</b></p> <p>International organisations have over the years developed processes and practices to support their rule-making – such as consultation mechanisms and impact evaluation. The experience of countries has shown that good regulatory management practices are critical determinants of the success of rule-making – in particular they determine the successful implementation of rules by ensuring their credibility and the buy-in of regulators, regulated entities and the public at large. However the evidence on internal regulatory management discipline of IOs remains scant. More systematic exchange of information and experience would enable these organisations to capitalise on lessons learnt and maximise the potential of existing governance arrangements and instruments, thereby improving international rule- making.</p> <p>Two afternoon sessions will aim to a frank exchange among international organisations on their governance arrangements, operational modalities and tools in support of their rule-making activities. The discussions will seek to identify the good regulatory management practices used by IOs.</p> <p style="text-align: center;"><i>Chair: Nicola Bonucci, Director, Legal Directorate, OECD</i></p>
2.15pm	<p><b>1st round of discussion: Governance arrangements and operational modalities of IO in the development of standards</b></p> <p><b>Introductory remarks:</b> Benedict Kingsbury, Director, Institute for International Law and Justice, New York University School</p> <p><b>Open discussion</b></p> <p><b>Key issues</b></p> <ul style="list-style-type: none"> <li>• How do IOs organise to support IRC, through which governance arrangements and operational modalities?</li> <li>• What regulatory policy tools are used by IOs – public consultation, simplification, implementation mechanisms, and evaluation – in support of their standard development activity?</li> </ul>
3.15pm	<p><b>2nd round of discussion: Good practices and challenges in the mechanisms and procedures for standard-setting within IOs</b></p> <p><b>Introductory remarks:</b> OECD, European Commission</p> <p><b>Open discussion</b></p> <p><b>Key issues</b></p>

	<ul style="list-style-type: none"> <li>• What have we learnt on the good practices of IOs in support of international rule-making? How can these practices be further improved?</li> <li>• What are common bottlenecks to the standard setting activity of IOs and how can they be overcome?</li> </ul>
4.15pm	<b><i>Coffee break</i></b>
4.45pm	<p><b>Next steps: Towards dialogue and shared principles for the development of standards</b></p> <p>The last session will provide an opportunity to IOs to discuss potential future joint work, in particular the possibility of developing case studies on impact and rule-making activity of specific IOs; and the establishment of a working group of IOs that would lead the work on shared principles underpinning the development of international standards.</p> <p><b><i>Introductory remarks:</i></b> OECD</p> <p><b><i>Open discussion</i></b></p> <p><b><i>Key issues</i></b></p> <ul style="list-style-type: none"> <li>• How can IOs work together towards improved IRC?</li> <li>• What could be the next steps in a closer cooperation of IOs on IRC?</li> </ul>
5.45-6pm	<b><i>Close of the meeting – Yves Leterme, Deputy Secretary General, OECD</i></b>
6pm	<b><i>Cocktail – G. Marshall Room</i></b>

## Background information

The OECD Regulatory Policy Committee has been at the forefront of regulatory policy and governance for the past decade, culminating in 2012 with the endorsement of the Recommendation of the Council on Regulatory Governance and Policy<sup>1</sup>. OECD countries have acknowledged the importance of regulatory cooperation by making it Point 12 of the 2012 OECD Recommendation of the Council on Regulatory Policy and Governance:

**“In developing regulatory measures, give consideration to all relevant international standards and frameworks for co-operation in the same field and, where appropriate, their likely effects on parties outside the jurisdiction”.**

The publication *International Regulatory Cooperation: Addressing Global Challenges*, released in 2013, represents the first systematic and synthetic stocktaking of knowledge and evidence available on the various mechanisms used by governments to promote regulatory co-operation. Building on ten case studies and a survey to OECD countries, the publication proposes a definition of international regulatory cooperation, a typology of 11 co-operation mechanisms, and a classification of benefits, costs and challenges of alternative IRC mechanisms, as a first approximation to fill the gap of evidence in this area.

**What is international regulatory co-operation?** Any agreement or organisational arrangement, formal or informal, between countries (at the bilateral, regional or multilateral level) to promote some form of co-operation in the design, monitoring, enforcement, or ex post management of regulation. IRC is not restricted to its strict equivalence with international legal obligations. It also includes non-binding agreements and voluntary approaches. IRC is not limited to the design phase of the regulatory governance cycle. It may be carried out in the monitoring or enforcement phase; or involve the full regulatory governance cycle.

OECD (2013) identifies the prominent role that international organisations play in supporting regulatory co-operation.

For more information, contact the OECD Regulatory Policy Division (Céline Kauffmann, [Celine.kauffmann@oecd.org](mailto:Celine.kauffmann@oecd.org) and Aurelia Nicault, [Aurelia.nicault@oecd.org](mailto:Aurelia.nicault@oecd.org))

Visit [www.oecd.org/gov/regulatory-policy/irc.htm](http://www.oecd.org/gov/regulatory-policy/irc.htm)

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<sup>1</sup> [www.oecd.org/gov/regulatory-policy/2012recommendation.htm](http://www.oecd.org/gov/regulatory-policy/2012recommendation.htm)