

**GOOD GOVERNANCE  
FOR DEVELOPMENT  
IN ARAB COUNTRIES  
INITIATIVE**



**Regional Charter  
for Regulatory Quality**



### ***Background information***

The present **Regional Charter for Regulatory Quality** (the Charter) aims at providing a common framework of principles and good practice for regulatory management in countries of the Middle East and North Africa (MENA) region. The Charter was highlighted as a priority by the Working Group IV on Public Service Delivery, Public-Private Partnerships and Regulatory Reform of the Good Governance for Development (GfD) in Arab Countries Initiative.

The Charter provides useful information for countries in the region who are interested in:

1. Integrating principles of good quality regulation into the policy-making process; and
2. Moving closer to good international practices.

The Charter can create an orderly framework for decision-making by setting out key concepts to guide administrators through the complexities of the design and implementation of an effective and high quality regulatory reform policy. This can be of great help for policy makers when identifying options and targeting priorities.

The Charter has been prepared on the basis of technical and political consultations with both OECD and MENA countries during the following meetings:

- The Second Special Session of the OECD Working Party on Regulatory Management and Reform on 25 April 2006 in Paris, France.
- The Third Regional Meeting the Working Group IV on Public-Private Partnerships, Public Service Delivery and Regulatory Reform on 15 and 16 February 2007 in Tunis, Tunisia.
- The Third Special Session of the OECD Working Party on Regulatory Management and Reform on 4 May 2007, in Paris, France.
- The Fourth Regional Meeting of the GfD Working Group on Public Service Delivery, Public Private Partnerships and Regulatory Reform on 29 April 2008, in Amman, Jordan.
- The Regional Study Visit to Canada on 27-30 April 2009 in Ottawa, Canada.
- The Fifth Regional Meeting of the GfD Working Group on Public Service Delivery, Public Private Partnerships and Regulatory Reform on 19 May 2009, in Tunis, Tunisia.

### ***The way forward***

During the Fifth Regional Meeting held on 19 May 2009 in Tunisia, delegates to the Working Group IV generally agreed to endorse this Charter during the forthcoming Ministerial Conference that will be held on 23 November 2009 in Marrakesh. The endorsement of the Chart means an acceptance of general principles for regulatory quality in a non-binding manner. Each country is responsible for integrating those principles in its regulatory management system.

## REGIONAL CHARTER FOR REGULATORY QUALITY

### ***Preamble***

To improve national economies and to strengthen the role of government in guiding economic and social development, we have drafted this charter on law drafting and regulatory quality.

We will draw on the 1995 OECD Recommendation on Improving the Quality of Government Regulation and the 2005 OECD Guiding Principles for Regulatory Quality and Performance when improving procedures to draft laws and regulations that are adapted to our institutions, cultures and potential for development.

### ***Regulatory policy: a broad programme with a whole-of-government perspective***

We recognize that regulatory reform should be supported at the highest political level, to promote consideration of regulatory policy, tools and institutions as a whole, and to communicate strategies and benefits to the public. We will strengthen co-ordination mechanisms inside the administration to foster coherence across policy objectives and to clarify responsibilities and roles.

We recognize that good regulation should (i) serve clearly identified policy goals, and be effective in achieving those goals; (ii) have a sound legal and empirical basis; (iii) produce benefits that justify costs, considering the distribution of effects across society, and taking economic, environmental and social effects into account; (iv) minimise costs and market distortions; (v) promote innovation through market incentives and goal-based approaches; (vi) be clear, simple and practical for users; (vii) be consistent with other regulations and policies; and (viii) be compatible as far as possible with competition, trade and investment-facilitating principles at domestic and international levels.

### ***Building institutional frameworks for regulatory reform***

We will develop and publicize an explicit policy for regulatory policy based on sound principles of good governance which can be the responsibility of an oversight unit to monitor, so that problems and gaps can be identified, the benefits of regulation measured, and progress reported on a consistent and regular yearly basis to the government and to the public.

We will establish institutional arrangements for regulatory quality that are accountable and transparent, including measures that promote integrity. Regulatory institutions should ensure that the public interest is respected.

### ***Use of regulatory tools to increase transparency in the process***

We affirm the importance of administrative procedures for consideration of new regulations and laws, which must be clearly stated. These procedures should promote transparency, administrative certainty and due process. Consultation should be broadly based and balanced amongst different interest groups, and consultation processes themselves must be transparent and responsive. Law-drafting procedures should be managed efficiently, to reduce delays that create uncertainty and confusion, as when implementation decrees are needed to make laws effective.

### ***Sustaining the path of regulatory reform***

In pursuit of these goals, we will develop specific action plans: (i) staff units adequately to carry out assessments of regulations against the principles of good regulation and assure compliance with quality standards, and to consider alternatives to regulation where appropriate and possible, (ii) assess and improve rule-making procedures to carry out a review of both the legal basis and the economic impacts of existing or new legislation; (iii) update existing regulations, and review regulations where change will yield the highest and most visible benefits; (iv) develop electronically accessible Websites to make rulemaking information accessible to the public, to receive public comment on regulatory matters, to make all laws available to the public, (v) assure clear and plain-language drafting, including in translations, and (vi) reduce administrative burdens and licensing and permit requirements, with particular attention whenever new regulations and laws are drafted, and measure administrative costs for citizens and business.

We recognize that regulatory reform calls for a dynamic approach, sustained over time. Capacity has to be developed in stages, incrementally. We commit to participate in regional networks and centres dedicated to administrative simplification, regulatory quality and policy, and public service delivery. We will report on progress made through annual reports or other forms as appropriate.

## **Annex**

The steps undertaken by OECD and MENA countries, in a framework of regional co-operation, are to be welcomed, as with all regional initiatives for regulatory reform. To overcome the difficulties of implementation related to the diversity and specific nature of juridical systems, linguistic diversity, and juridical methods and institutional frameworks, the charter, training and drafting guides must take these into account as part of a regional, coherent and progressive process.