



Preparing Regulatory Policy with a Whole-of-Government Perspective

Ramallah, 5 July 2010

Miriam Allam

Economist, Regulatory
Policy Division, OECD

Regulation is necessary...

Allows to achieve various policy objectives

Exists at different levels (local, national, international)

Overall trend is for more rules and not for less

...but it can become **redundant, excessive, irrelevant**

What is a “good” regulation?

**The 1995 OECD Checklist for
Regulatory Quality**

**The 2005 OECD Principles for
Regulatory Quality and
Performance**

**Guiding Principle:
Necessity and
Proportionality**

Is the problem correctly defined?

Is government action justified?

Do the benefits of regulation justify the costs?

Is regulation the best form of government action?

**Guiding Principle:
Transparency and
Accessibility**

Is the regulation clear, consistent, comprehensible and accessible to users?

Is the distribution of effects across society transparent

Is there a legal basis for regulation?

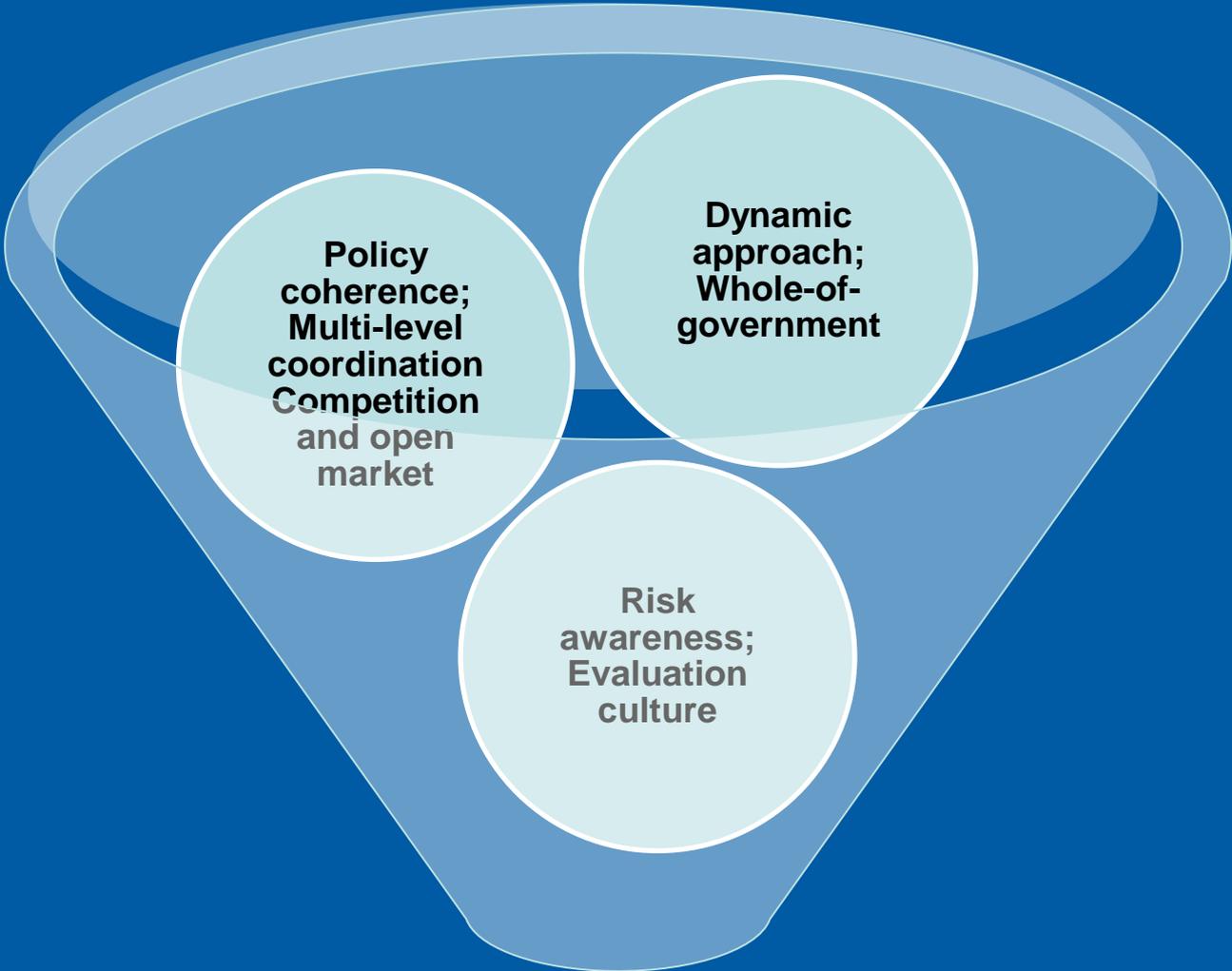
What is the appropriate level (or levels) of government for this action?

Have all interested parties had the opportunity to present their views?

How will compliance be achieved?

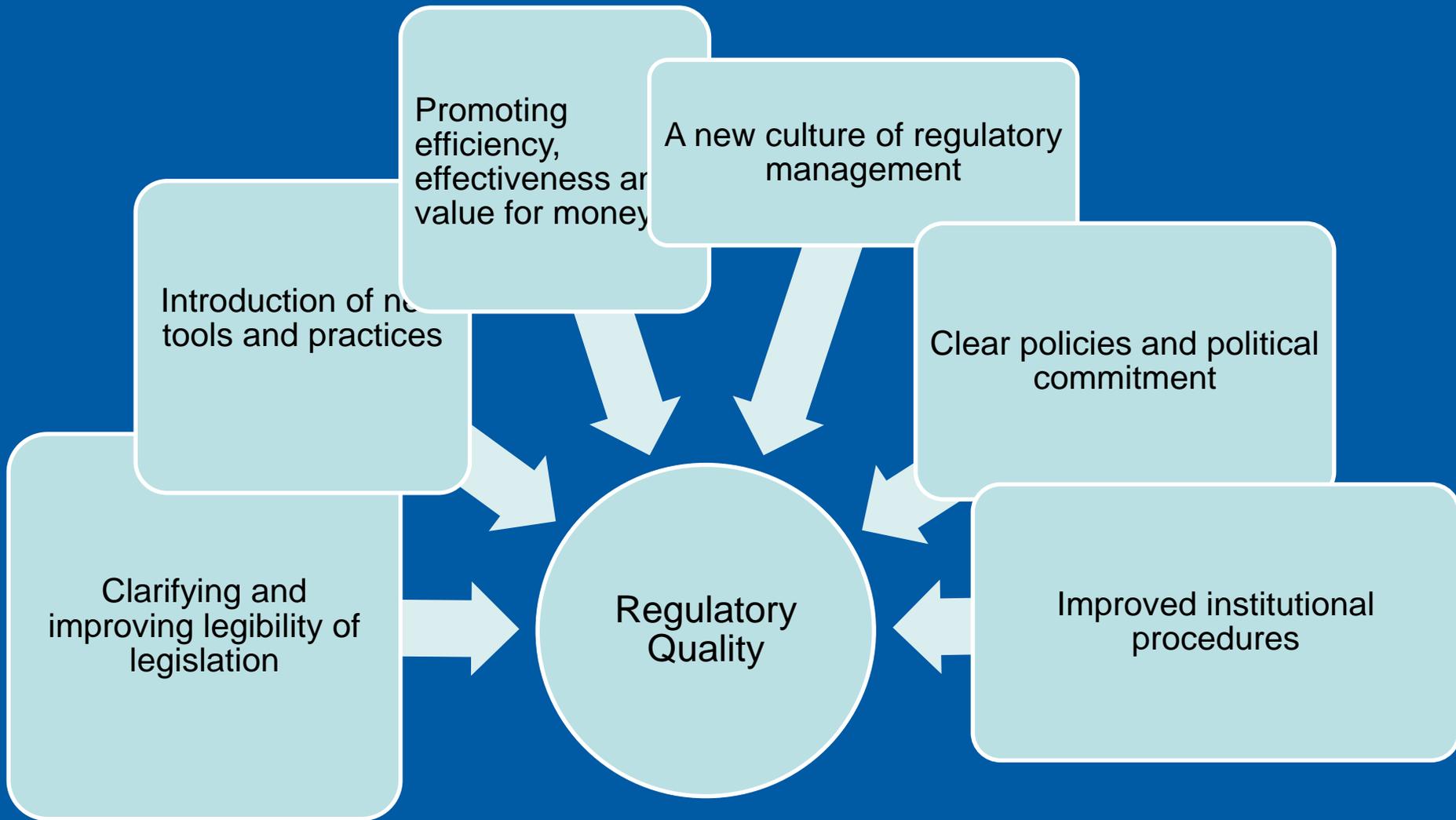
**Guiding Principle:
Accountability**

**Guiding Principle:
Subsidiarity**

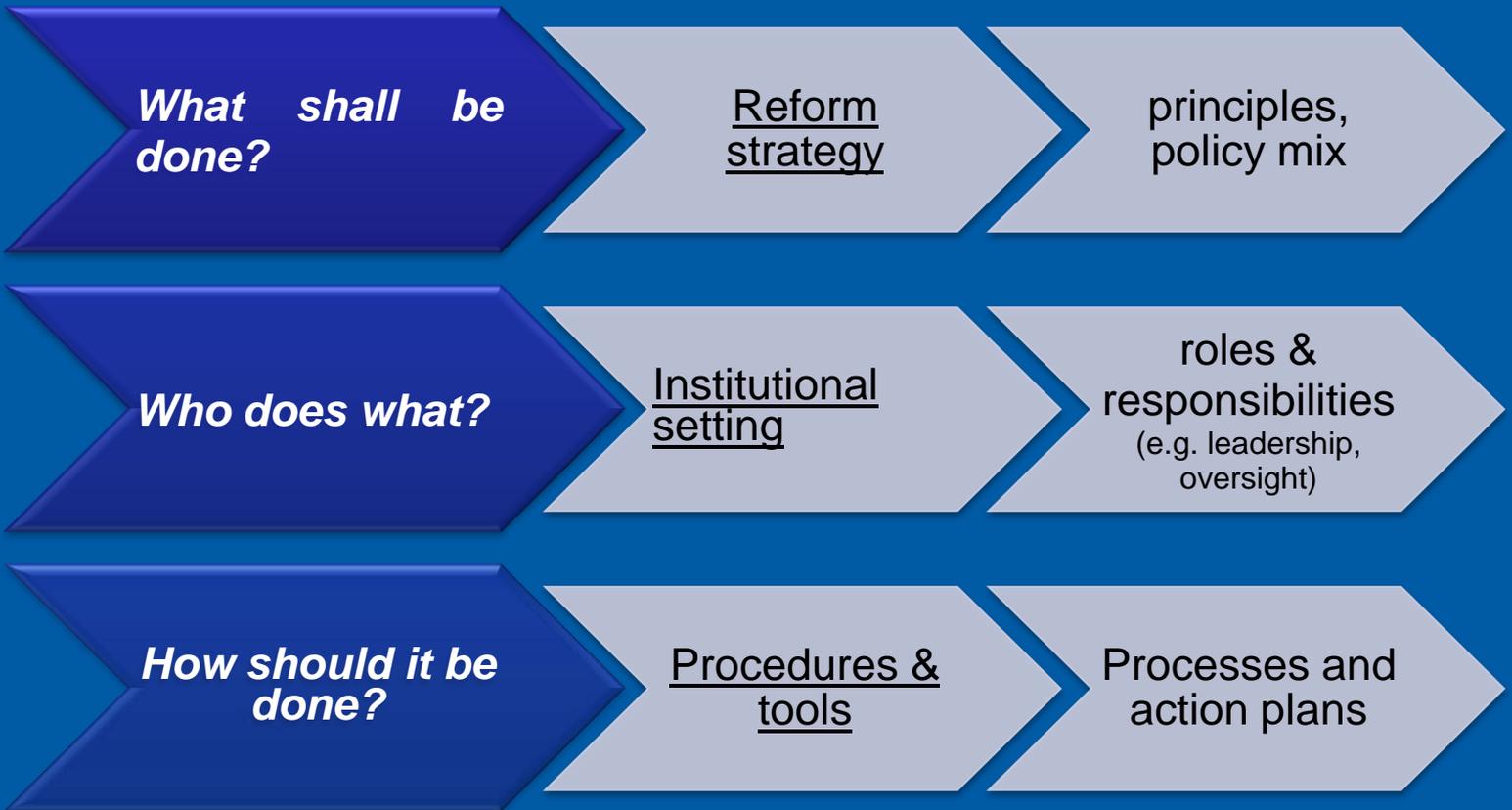


Regulatory Quality Performance

What does this mean in practice?

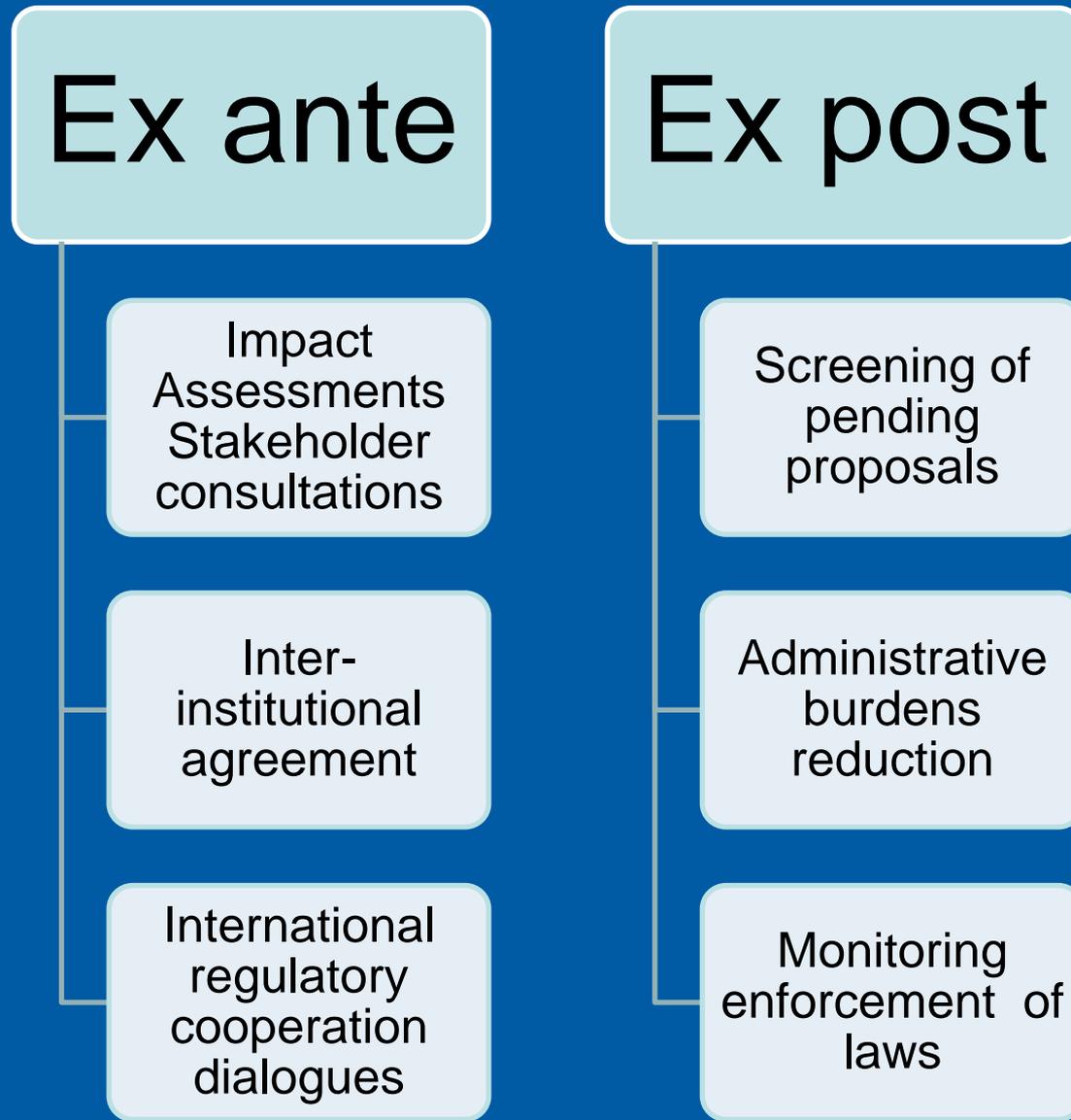


In practice:

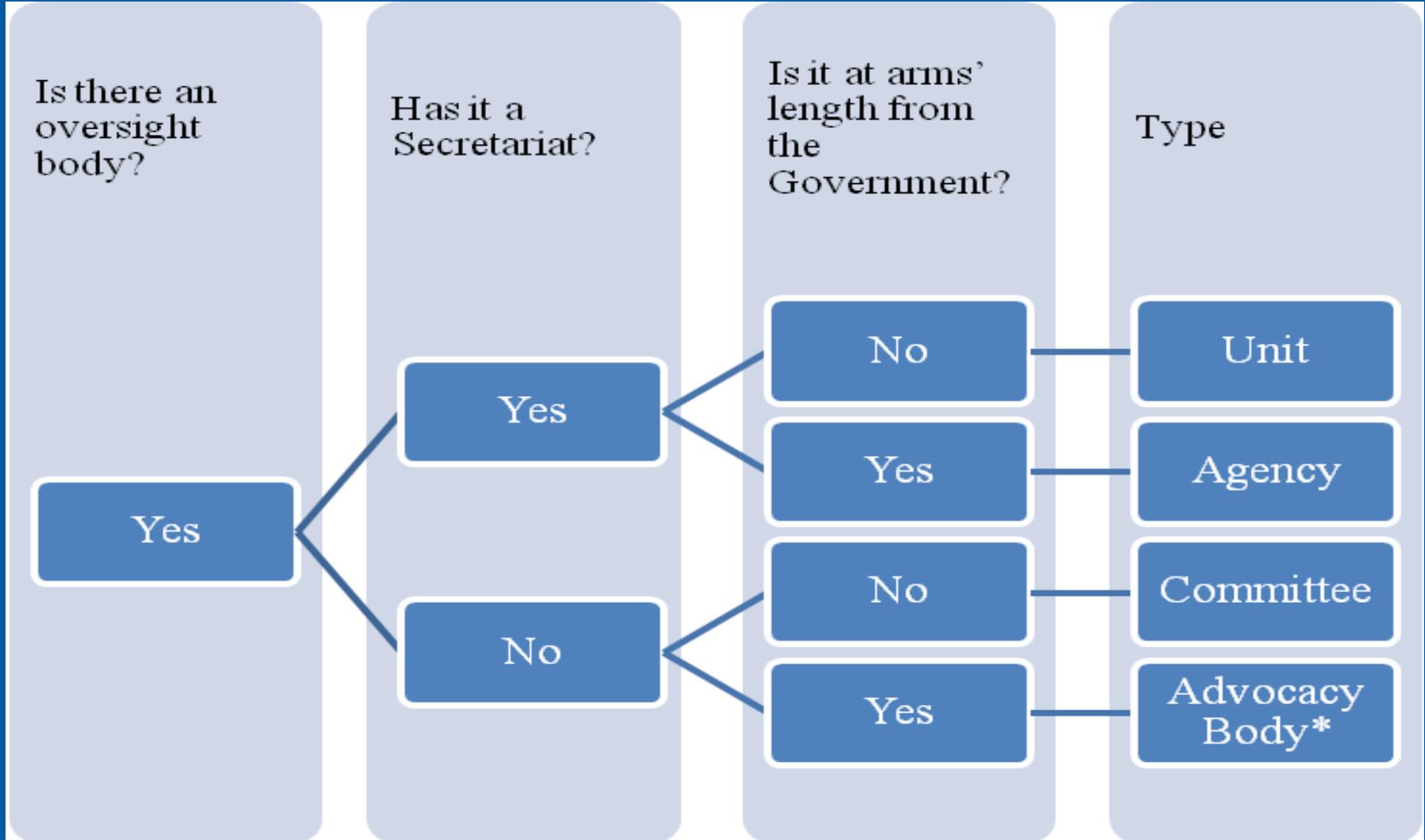


In practice:

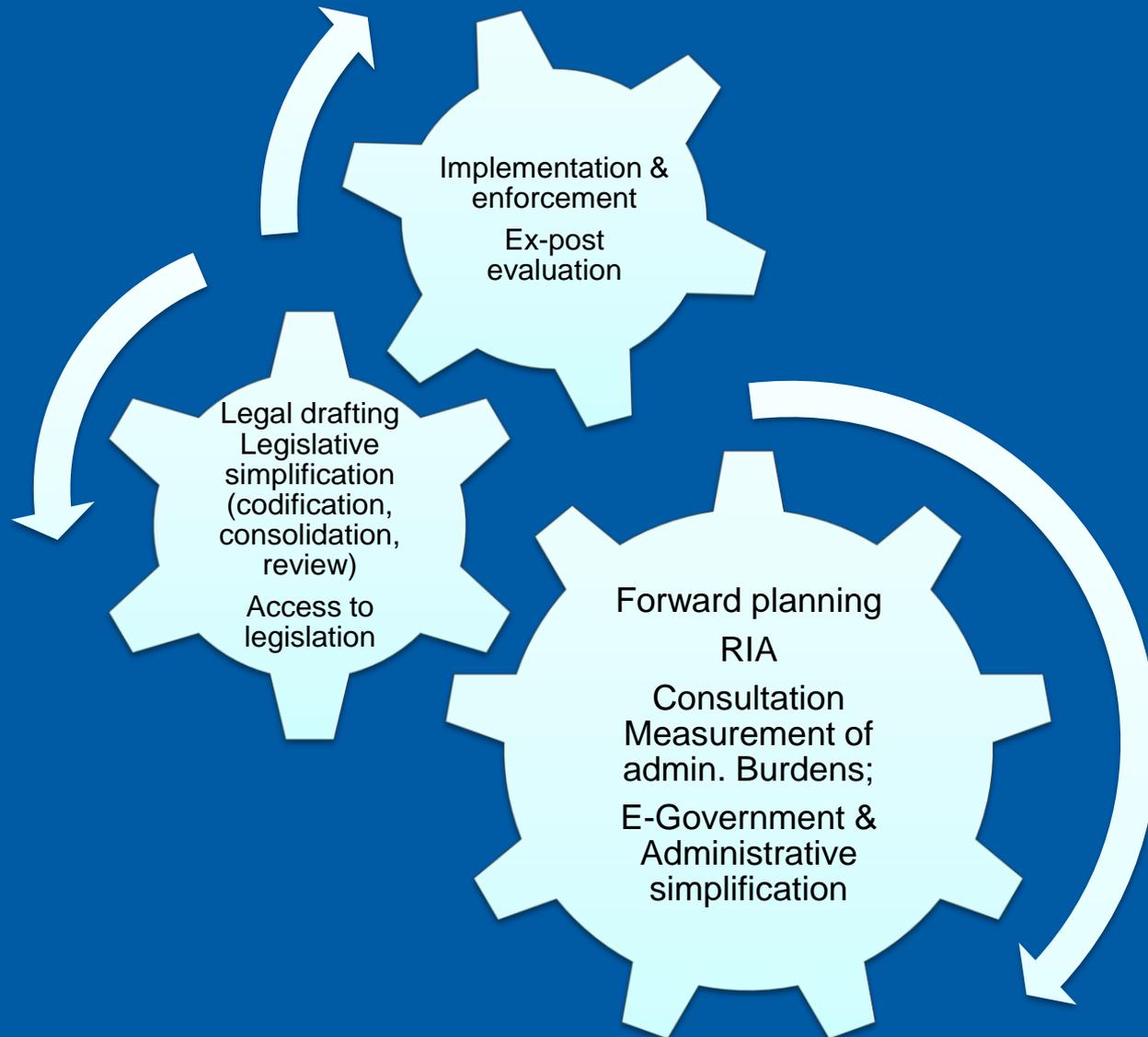
A comprehensive package that addresses:



Institutional setting (*who does what?*)



Procedures and tools *(how should it be done?)*



Do's

Technical barriers

- Legal complexity
- Lack of staff skills, capacities
- Lack of understanding
- Lack of information, data
- Digital divide
- Non-standardized procedures
- No measurement and evaluation

Do's Capacity Building

- Provide guidelines and technical assistance
- Training, training, training
- Develop data collection strategies
- Quantify costs and benefits, ex ante, ex post
- Consultation

Do's Strategic and Policy Approaches

- Establish a programme
- Ensure political support
- Define clear objectives
- Adopt a user focus
- Promote a reform attitude

Do's Support and sustainability

- Use success stories: start small and build a constituency
- Find champions to promote the regulatory quality programme
- Consider the set-up of a monitoring body, or watchdog
- Indicators on performance: benchmarking, awarding

Lessons of experience

Drivers

Increasing
Economic Growth
and
Competitiveness

Crises as catalyst
for change

Do's

Leadership as most
important ingredient
for success

Role of central regulatory
bodies to change
administrative culture

Need for communication
strategy to build
constituency for reform

Balancing the need of
analysis and
responsiveness

Don'ts

Harmful effects of
short-term
perspective

Lack of proper
monitoring system

Conclusions

No simple “plug & play” fix

Not cost-free (human and financial resources)

Requires political commitment, legitimacy, credibility

Whole-of-Government approach embedded into other reforms, e.g.:

- → HRM
- → Performance management
- → e-Government

Create a new regulatory culture

Main challenges

Capacity building

Multi-level regulatory reform

Communication

Political economy of reform