OECD Report Praises Regulatory Reform in Denmark but Says More Steps are Needed

Denmark’s large welfare state and its open market economy have successfully delivered relatively high standards of living for Denmark’s citizens. Pragmatic moves to reform Denmark’s system of government regulation of the economy have contributed to solid economic performance and improved efficiency of government services, combined with successful adjustment to changing economic and social conditions.

However, sheltered sectors including service industries still suffer from anti-competitive practices and price fixing, contributing to high consumer prices, according to a new report, the OECD Review of Regulatory Reform in Denmark. The competition regime is weaker in Denmark than in many other countries, as are its regulatory regimes in areas such as energy. Further supply-side and market reforms can help sustain good economic performance, the report suggests, while wider use of competition in public services can improve the level and quality of services.

The report, which assesses the Danish government’s reform efforts so far and analyses what remains to be done, will be presented at a news conference at the International Press Centre in Copenhagen, Vestergade 2, 2nd floor, 1456 Copenhagen K, at 11.00 a.m. on 29 November 2000.

The report is the latest in a series of reviews of individual OECD countries’ performance in regulatory reform, undertaken at the request of the governments of the countries concerned. Other reports so far have covered regulatory reform in Hungary, Spain, Korea, the United States, Mexico, the Netherlands and Japan. It presents an integrated assessment of Danish regulatory reform in framework areas such as the quality of the public sector, competition policy and enforcement, and market openness. It also contains chapters on sectors such as electricity and telecommunications and an assessment of the macroeconomic context for reform. It makes recommendations for a balanced plan of action for both the short term and a longer-term horizon, based on best international regulatory practices.

The report will be published on the OECD’s password-protected web site at 11.00 a.m. Wednesday 29 November 2000. By prior request only, journalists will be given access to the text by e-mail, under strict embargo, 4 hours ahead of release time. Journalists may also request a copy of the report from the OECD Media Relations Division (request by fax: 33 1 45 24 80 03 or nicole.levourch@oecd.org).

For further information, please contact Meggan Dissly, OECD Media Relations Division (tel. 33 1 45 24 80 94 or meggan.dissly@oecd.org).