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**ASIA-PACIFIC ECONOMIC COOPERATION
ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT**

**SEVENTH WORKSHOP OF THE
APEC-OECD CO-OPERATIVE INITIATIVE ON REGULATORY REFORM**

“The Integrated Checklist: Putting Knowledge into Practice”

Final Agenda

**Intercontinental Hotel
BANGKOK, THAILAND 1 NOVEMBER 2004**

A Workshop Organised by

*OECD Regulatory Reform Programme (Directorate for Public Governance and
Territorial Development) and the APEC Competition Policy and Deregulation Group (CPDG)
convened by the Federal Competition Commission of Mexico*

Introduction: The APEC-OECD Co-operative Initiative

APEC and OECD economies have embraced a similar set of pro-competition regulatory principles as the foundation for further progress on regulatory reform. The September 1999 APEC declaration for supporting growth through strong and open markets included APEC Principles to Enhance Competition and Regulatory Reform. Competition is at the core of the OECD's 1997 Report to Ministers on Regulatory Reform and the OECD's current in-depth reviews of regulatory practices in its member economies. In the 1997 Report, Ministers from OECD economies reached agreement on a broad set of principles for regulatory reform, covering economic regulations, social regulations, and government formalities.

An APEC-OECD Agreement on joint work on regulatory reform was developed in the third quarter 2000 and was endorsed at the APEC Ministerial Meeting on 12-13 November 2000 in Brunei Darussalam. The Agreement set out the framework for the co-operative initiative for APEC and OECD, with the aim of supporting implementation of the principles on regulatory reform adopted by the member economies of the two organisations. The first phase of the joint work was organised around a series of related events in Singapore (February 2000), Beijing, China (September 2001), Merida, Mexico (April 2002) and the Island of Jeju, Korea (October 2002).¹ The concluding workshop was held back-to-back with a High Level Conference hosted by the Korean Government, to assess the results of the first two years of the Initiative and to discuss the launching of a new bi-annual phase of co-operation.

Through a series of four events, the second phase of the *APEC-OECD Co-operative Initiative* will focus on the elaboration of an APEC-OECD *Integrated Checklist* for self-assessment on regulatory, competition and market openness policies, and for benchmarking on a voluntary basis progress in effective implementation of the APEC and OECD principles. The first workshop held in Vancouver, 8-9 October 2003, focused on regulatory quality, the second workshop held in Paris, 2-3 December 2003 focused on competition policy, the third workshop held in Pucón, Chile, 24-25 May 2004, focused on market openness. In parallel, participants will continue exchanging information on competition, good regulatory practices and concepts that can contribute to understanding the necessary elements for the *Checklist* at each workshop. The final conference will be held in Bangkok, Thailand, on 1st November 2004, completing the discussions and seeking an agreement on a common presentation and communication vehicle for the *Integrated Checklist*. This conference will also discuss the follow up and implementation mechanisms to be launched in the next phase of the *Co-operative Initiative*. The outcome for the work is to present for approval the *Integrated Checklist* to the respective Executive Bodies of the APEC and the OECD in 2005.

The following note and final agenda describe the Workshop.

Organisation

The Workshop is the last of four events that integrate the second phase of the APEC-OECD Co-operative Initiative.

Objectives of the workshop

Participants will continue exchanging information on competition, good regulatory practices and concepts that can contribute to understanding the necessary elements for the *Checklist*. Discussions

¹ Proceedings of all the events are published by the OECD Secretariat, distributed to all participants and posted on the OECD Web site (www.oecd.org/regreform).

will build on the agreements reached during the APEC-OECD Workshop in May 2004 in Pucón, Chile. Seeking an agreement on a common presentation and communication vehicle for the *Integrated Checklist*. This conference will also discuss the follow up and implementation mechanisms to be launched in the next phase of the *Co-operative Initiative*.

Format of the discussions

The workshop is divided into an introductory part and sessions over two days. The introductory part will provide a brief overview of the Integrated Checklist and the work undertaken so far at the three previous workshops. The subsequent sessions will focus on discussion and approval of the Draft Integrated Checklist, in this session, the revised version of the Checklist, that reflects the comments from member economies on the horizontal, regulatory reform, competition and market openness parts, will be also presented to delegates for discussion. Practical use and applications of the Checklist will also be discussed. In the last session, participants will discuss appropriate steps required to present the *Integrated Checklist* to respective Executive Bodies of the APEC and OECD in 2005, and areas for future collaboration in the APEC-OECD Co-operative Initiative on Regulatory Reform.

Each session or sub-session will begin with one lead speaker and normally two discussants, providing a variety of views from APEC and OECD economies. Presentations will be followed by an open discussion among participants. The discussions and subsequent exchanges by electronic mail and work of the Steering Group will be reflected in revisions of the prototype Integrated Checklist.

Documentation

This note includes as Appendix 2 the prototype of the Integrated Checklist that reflects discussions and comments received after the Pucón Workshop. The prototype of the Integrated Checklist is intended to assist participants in their discussions by providing a more concrete idea of what an integrated checklist might look like and what it might address, without prejudging the content of the issues and questions to be developed during the series of workshops of the APEC-OECD Co-operative Initiative in 2003-2004.

Participation

Participants will be officials from APEC and OECD economies and Secretariats, invited experts from other international organisations, and invited representatives of the private sector, trade unions, consumer organisations and academia.

Proceedings

The OECD Secretariat will produce a report on the event, which will be posted on the APEC and OECD web sites.

BACKGROUND TO THE WORKSHOP

Supporting regulatory reform in APEC and OECD economies

Regulatory reform continues to accelerate throughout the APEC and OECD economies, as market liberalisation deepens in many sectors, markets open to trade and investment, and reform of public sector institutions creates capacities for more transparent and efficient regulatory regimes.

Both APEC and OECD Ministers have noted that these reforms can be effective in boosting sectoral performance, enhancing economy-wide efficiency, innovation and growth, increasing consumer choice and welfare, and government effectiveness in maintaining high standards of environmental, consumer, and safety protections. Regulatory reform can be market-opening and ease trade tensions through an efficient regulatory system advocating free international trade and investment. Regulatory reform also reduces the vulnerability of economies to external shocks, reducing the risk of economic crisis. As a result, supply-side reforms that stimulate investment and competition and reduce regulatory inefficiencies have become central to effective economic policy.

The regulatory reform agenda includes objectives of good governance. Regulatory reform today is based on ideas of “regulatory quality,” or the appropriate use of regulation to support market functioning and foster public interests. Pro-competition regulations and institutions, such as competition and consumer policies and independent regulators, are needed to promote and protect market competition. Domestic regulations will continue to be essential tools of governments to carry out vital public policies such as safety and health, labour standards, environmental and consumer protection, but those regulations should be as efficient as possible to avoid wasting economic resources.

The APEC-OECD Co-operative Initiative on Regulatory Reform provides a forum for multidisciplinary policy discussions to deepen understanding of regulatory reform as a vehicle for stimulating enhanced productivity and economic growth.

In October 2002, delegates to the High Level Conference decided to embark on the preparation of the APEC-OECD Integrated Checklist on Regulatory Reform. The Integrated Checklist should promote the individual and collective implementation of the APEC Principles to Enhance Competition and Regulatory Reform and the 1997 OECD Policy Recommendations on Regulatory Reform.

The APEC-OECD Integrated Checklist could be used by governments on a voluntary basis to help build domestic capacities for quality regulation through self-assessment of regulatory, competition and market openness policies.

Why an APEC-OECD Integrated Checklist?

Regulatory checklists are flexible tools that can be used for a variety of purposes within governments. They are management instruments intended to draw attention to priority areas and facilitate action by officials responsible for regulation. They can be helpful to create a framework in which such priorities are targeted. Checklists can also raise awareness and benchmark capacities. They can identify options, provide information to decision makers, and help design legal instruments to be drafted. They also provide reference points against which the decisions themselves will be made, and quality standards to assess how well regulators are doing.

The APEC-OECD Regulatory Checklist will include the most relevant questions for achieving effective approaches to designing and implementing:

- **Regulatory reform**, which refers to changes that improve regulatory quality to enhance the economic performance, cost-effectiveness, or legal quality of regulations and related government formalities. Reform can mean revision of a single regulation, the scrapping and rebuilding of an entire regulatory regime and its institutions, or improvement of processes for making regulations and managing reform. Deregulation is a subset of regulatory reform and refers to complete or partial elimination of regulation in a sector to improve economic performance. Regulatory, competition and market openness policies are key drivers for a successful and coherent regulatory reform.
- **Regulatory policies** that are designed to maximise the efficiency, transparency and accountability of regulations based on an integrated rule-making approach and the application of regulatory tools and institutions.
- **Competition policies** that promote economic growth and efficiency by eliminating or minimising the distorting impact on competition of laws, regulations and administrative policies, practices and procedures; and by preventing and deterring private anti-competitive practices through vigorous enforcement of competition laws.
- **Market openness policies** that aim to ensure that a country can reap the benefits of globalization and international competition by eliminating or minimising the distorting effects of border as well as behind-the-border regulations and practices. These policies influence the range of opportunities open to foreign suppliers of goods and services to compete with domestic counterparts in a particular national market (e.g. through trade and investment).

The Checklist will be an integrated self-assessment tool at three levels. First, it will integrate the APEC and OECD principles on regulatory reform. Second, it will integrate the three policy areas—competition, rule-making and market openness. Third, it will integrate with governance perspectives—transparency, accountability and performance.

The last Workshop of the second phase of the *APEC-OECD Co-operative Initiative* will concentrate on appropriate steps required to present the *Integrated Checklist* to respective Executive Bodies of the APEC and OECD in 2005, and areas for future collaboration in the APEC-OECD Co-operative Initiative on Regulatory Reform.

Improved regulatory quality and processes are foremost in the interest of an economy participating in a global economy. According to our experiences, good regulatory regimes, processes, practices that take into consideration the three elements of the *Integrated Checklist* enhance economic efficiency and growth and contribute to the international competitiveness of an economy and help countries to take a better advantage of globalized markets. In this workshop, important principles, practices and experiences will be discussed, such as:

- Multi-disciplinary integration
- Regulatory quality
- Competition policy

- Market openness
- Consultation in RIA, alternatives to regulation
- Transparency and government procurement
- Compliance and enforcement
- Capacity building, especially in a multi-level context
- Building constituencies for reform
- Communicating the pathway for reform and the benefits of reform
- Sequencing and priority-setting
- Sectoral regulators and institutional complexity

**PROGRAMME FOR THE SEVENTH WORKSHOP OF THE APEC-OECD CO-OPERATIVE
INITIATIVE ON REGULATORY REFORM**

THE INTEGRATED CHECKLIST: PUTTING KNOWLEDGE INTO PRACTICE

MONDAY 1 NOVEMBER 2004

9:30-10:15

Welcome and opening remarks

- **Ms. Srivicha Rackchamroon**, Deputy Director-General, Department of Trade Negotiations, Ministry of Commerce, Thailand
- **Mr. Kiyotaka Akasaka**, Deputy Secretary-General, OECD

The Integrated Checklist for Regulatory Reform

10:15 – 12:30

Session 1: Multi-disciplinary Integration and Interests of Stakeholders

- **Chair: Mr. Rolf Alter**, Deputy Director and Head of Programme on Regulatory Reform, OECD

Speakers:

Regulatory Quality

- **Mr. John Morrall**, Senior Manager, Office of Management and Budget, USA

Competition Policy

- **Mr. Anatoly Golomolzin**, Deputy Head, Federal Antimonopoly Service, Russia

Market Openness

- **Ms. Evdokia Moisé-Leeman**, Senior Trade Policy Analyst, OECD

Views of Stakeholders, Private Sector, NGOs, Consumer Interests, etc.

- **Mr. Stephen Olson**, President, Pacific Basin Economic Council
- **Mr. Pierre Hubbard**, Trade Union Advisory Committee (TUAC)
- **Mr. Samuel Scoles**, Trade Facilitation Alliance
- **Ms. Nicole Primmer**, Business & Industry Advisory Committee (BIAC)

12:30 – 14:00

Lunch

14:00 – 17:00

Session 2: Practical Use and Applications of the Checklist: Self-Assessment; Learning from Experience to Improve Social and Economic Outcomes

- **Chair: Mr. Ernesto Estrada**, Convenor of the APEC Competition Policy and deregulation Group (CPDG), and General Director for International Affairs, Federal Competition Commission, Mexico

Speakers:

Consultation in RIA, Alternatives to Regulation

- **Mr. Wang Chunzheng (tbc)**, Vice Chairman, State Development and Reform Commission, China

Transparency

- **Mr. John Morrall**, Senior Manager, Office of Management and Budget, USA

Government Procurement and Transparency

- **Mr. Elmer H. Dorado**, National Economic and Development Authority, Philippines

The Integrated Checklist and Infrastructure Investment

- **Dr. Deunden Nikomborirak**, Research Director, Economic Governance, Thailand Development Research Institute

Diminishing the Administrative Burdens for Entrepreneurs

- **Ms. Ewa Flis**, Director of Economy Competitiveness Department, Ministry of Economy and Labour, Poland

Resolving Regulatory Conflicts: SME's and the Dutch Experience

- **Mr. Edu Jansing**, Senior Policy Advisor, Ministry of Economic Affairs, Netherlands

Sectoral Regulators and Institutional Complexity: the Case of the Banking Sector

- **Dr. Choong Yong Ahn**, Chair APEC Economic Committee, President of the Korea Institute for International Economic Policy

Building Constituencies for Reform

- **Mr. Josef Konvitz**, Head of Division, Regulatory Management and Reform, OECD

Coffee breaks at the Chair's discretion

17:00 – 18:00

Concluding Session

Appropriate steps required to present the *Integrated Checklist* to respective Executive Bodies of the APEC and OECD in 2005, and areas for future collaboration in the APEC-OECD Co-operative Initiative on Regulatory Reform.

This session will be led by a panel:

- **Mr. Kiyotaka Akasaka**, Deputy Secretary-General, OECD
- **Thai Government Representative**
- **Mr. Stephen Olson**, President, Pacific Basin Economic Council
- **Mr. Rolf Alter**, Deputy Director and Head of Programme on Regulatory Reform, OECD
- **Mr. Ernesto Estrada**, Convenor of the APEC Competition Policy and Deregulation Group (CPDG), and General Director for International Affairs, Federal Competition Commission, Mexico

18:30

Cocktail, hosted by the OECD