Discussion:
Session II: The consequences of competition and regulation in services

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OECD: services (de)regulation among top 5 pro-growth reform priorities

Source: OECD Reform Tracker, forthcoming.
Questions and thoughts on approaches: (ESP) Correa-Lopez et al., (EU) van der Marel et al.

- **Sample representativeness?** ESP: given size of sample and subsamples, EU: across countries,
- **Time horizon**: when would we really expect the benefits from reform to materialise? ESP: immediately, EU: in 2 years?
- **Non-linearities?** ESP: firm size, EU: enforcement/foreign/dtf.
- ESP: service intensive industries – result or assumption? EU: Foreign firms suffer from conduct more, but not from entry?
- **Exogeneity of reforms?** ESP: “services reforms are treated as exogenous and brought forward from EU wide directives and initiatives”, EU: doesn’t seem too concerned.
- **Fixed I/O tables**: what if: services liberalisation -> lower prices -> input substitution? Would this imply effects are underestimated?
- **Independent variables**: trending variables can cause problems for identification (particularly in ESP, but also in EU)
Taking the results at face value:

• How important is EU harmonisation/single market for services?
• Is what you find “low hanging fruit”? Has it been picked already?
• What about “new” service markets? Digital/data, etc.?
• Limits of measurement?
Services deregulation – the limits of liberalisation or of existing indicators?

OECD ETCR: Entry Regulation in Network Sectors

Van der Marel et al.

Correa-Lopez et al.

- United Kingdom
- Austria
- Belgium
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- Greece
- Hungary
- Ireland
- Italy
- Luxembourg
- Netherlands
- Poland
- Portugal
- Slovak Republic
- Slovenia
- Spain
- Sweden
Services deregulation – the limits of liberalisation or of existing indicators?

OECD NMR: Conduct Regulation in Professional Services (A,A,E,L)

Correa-Lopez et al.
Van der Marel et al.

<table>
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<th>2013</th>
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EU max
EU average
ESP
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OECD NMR: Entry Regulation in Professional Services (A,A,E,L)
Better design and measure regulations and understand their effects?

OECD’s Programme for Effective Market Regulation – to respond to new challenges in (measuring) regulations

- Reform tracking (IMF, OECD):
  - Better evidence (e.g. what is best practice)
  - Narrative approaches
  - Quasi-natural experiments
  - Case studies