

Regulatory Policy Committee, 13-14 April 2011

Highlights

The 4th meeting of the Regulatory Policy Committee was attended by 96 senior regulatory officials; representing 33 OECD members, as well as Russia, Brazil and South Africa.

The Draft Recommendation on Regulatory Policy and Governance was discussed extensively, with broad agreement on the 12 main recommendations. The key new features involve:

- ***an explicit emphasis on governance***, to support ***open government***, including ***transparency and participation***, as well as ***explicit regulatory quality oversight?***.
- a ***broad mention of the economic, social and environmental benefits of regulations***, with implications for ***Green Growth***,
- ***an explicit reference to risk assessment, management and communication*** strategies in the design of regulations.
- ***a recognition of the role of sub-national levels of government***, in the light of our recent work on countries such as Mexico, Australia or Italy.

These recommendations are fully in line with the OECD's stance to support country strategies at the highest level in the aftermath of the crisis which illustrated the consequences of failures in national regulatory systems. A prominent action was President Obama's recent Executive Order on Improving Regulation and Regulatory Review, which emphasises cost-effectiveness, transparency, coordination, flexibility and the need for objective scientific evidence.

The report, **Regulatory Policy and the Road to Sustainable Growth**, reflecting OECD' October 2010 regulatory policy conference will be prepared for publication. It offers a dynamic perspective building on our recent 15 reviews of EU countries, as well as other recent work covering a wide range of countries.

Communicating and measuring progress in regulatory reform is another priority of the Regulatory Policy Committee. ***Canada announced a voluntary contribution of 100.000 Euros*** to support studies to link improvements to regulatory policy to improvements in public policy outcomes, in essence, "Better Regulatory Policy for Better Lives." ***Spain offered to host an expert meeting in September 2011.*** Information on regulatory policy is also available in the 2011 edition of Government at a Glance, with recent extensions of indicators covering South Africa, Slovenia, Chile, Estonia, Israel, Brazil and Russia.

Horizontal co-operation is a major objective of the Committee, which was reflected in three areas:

- **International Regulatory Co-operation.** The work will focus on the modalities of co-operation, the tools needed for transparent and consistent implementation, a better understanding of the benefits of co-operation, and early warning mechanisms for cross-border or systemic risk. This benefited from consultations with DAF and ENV.
- **Entrepreneurship**, in coordination with the CFE. Prof. S. Zecchini, Chair of the Working Party on Small and Medium Size Enterprises and Entrepreneurship highlighted regulatory issues facing SMEs and invited the Committee to take up this agenda, building on the Committee's work on cutting red tape and one-stop-shops.
- **Environmental issues and Green Growth.** The Committee discussed how regulatory policy could foster policy coherence, through better ex ante impact assessment of regulations, with some joint work with ENV comparing environmental and regulatory impact assessments and analysing the introduction of carbon pricing in these evidence-based tools.

Finally, the Committee discussed **Regulation Inside Government, as part of the OECD Public Management Review of Mexico.** A conference to diffuse the report will be held in Mexico City, 11-12 July, with participation from several other Latin American countries to diffuse the results.