

Summary record of the webinar *Regulatory Reforms for Economic Recovery*

13 August 2020

On 13 August, the Ibero American and the Caribbean Network of Regulatory Improvement, in collaboration with the OECD and the IDB, held the webinar *Regulatory Reforms for Economic Recovery*. The main objective of the event was the exchange of good practices and experiences to boost economic recovery once the COVID-19 crisis is over. Representatives from Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Mexico, Peru, Portugal and Spain attended the meeting.

The opening session included the remarks of representatives from the National Competitive Council (CNC) of the Dominican Republic, the IDB and the OECD. Zoraima Cuello, Executive Director of the CNC, highlighted the relevance of strong public institutions, clear regulations and simple formalities, as elements necessary to modernise the public administration. On the other hand, Alexandre Meira de Rosa, Vice President for Countries of the IDB, emphasised the need to foster recovery measures that reduce inequalities, increase efficiency and correct legacy regulations that represent economic barriers. In line with this, Edwin Lau, Senior Counsellor to the Director of Public Governance of the OECD, pointed to the need of keeping citizens and businesses at the centre of the recovery response, while considering other challenges and objectives such as the Sustainable Development Goals.

The keynote presentation by Nick Malyshev, Head of the Regulatory Policy Division of the OECD, focused on the role of regulation of technologies and its implication for economic recovery. The pandemic has exacerbated the importance of digital tools in our societies and, thus, it has put regulations—their design, implementation and impacts—on the spotlight. New technologies tend to develop at a faster pace than regulations and they require relatively little infrastructure or resources to attend a great number of markets. The former leads to issues with transboundary regulations and enforcement activities, making the case for stronger collaboration not only across the administration, but also among governments. Administrations should identify new regulatory approaches and allow for increasing flexibility (e.g. regulatory sandboxes and testbeds, outcome-based regulation) and collaboration in order to navigate successfully the new realities.

The second half of the webinar included a panel session where representatives from the IDB, the Dominican Republic and Costa Rica shared the challenges and lessons learned for the simplification of public services and their impact for economic recovery. Governments in the region had to migrate to a digital environment as health and safety concerns arose with the pandemic and this has created some difficulties for the delivery of public services and the operation of the administration, but also it has brought opportunities to rethink processes, requirements and implement administrative simplification measures across the government.

Panellists identified four main challenges that are particularly pressing in the region and that have been exacerbated by the current crisis:

- **Digitalization:** The digital gap is significant in the region, the development of critical infrastructure is still pending in some areas and access to key elements such as the digital signature is still very low.
- **User perspective:** It is important to hear what the regulated parties have to say. It is ever more important to engage with all relevant stakeholders.
- **Adaptation:** Quick changes in the international and domestic environment have forced governments to adapt in order to ensure the provision of services. Although innovative solutions have been implemented in some cases, it is important to find more efficient and effective alternatives once the crisis is over.
- **Regulatory update:** Regulations have been reviewed to identify burdensome requirements, reduce response times and streamline processes. This aspect will be vital for the economic recovery.

On the other hand, some of the improvements that have been boost by this new normal are increased coordination across the administration, elimination of burdensome requirements, better risks assessments.

This was the second webinar that the Ibero American and the Caribbean Network of Regulatory Improvement—in collaboration with the IDB and the OECD—hold since the beginning of the COVID-19 pandemic. The member countries of the Network are: Argentina, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, Peru, Portugal and Spain.