

Regulatory Policy at the Crossroads Towards a New Policy Agenda

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The First International Conference of the Regulatory Policy Committee

Key messages

- » **Regulation, one of the three key levers of state power** (together with fiscal and monetary policy), is of critical importance in shaping the welfare of economies and society. In the aftermath of the crisis, regulation is more than ever in the spotlight, and is now seen to be as much a solution as a part to the problem. Therefore, it needs proper management and governance.
- » **One year after its inaugural symposium, the Regulatory Policy Committee hosted a major conference** highlighting regulatory management and governance as elements of a policy cycle supporting design, enforcement, monitoring and performance evaluation. A major Flagship report "*Regulatory Policy and the Road to Sustainable Growth*" integrated lessons from the 15 reviews of EU countries.
- » **The conference was organised in partnership** with the Belgian Presidency of the EU, the European Commission, the Bertelsmann Stiftung, and the Board of Swedish Industry and Commerce (NNR). It attracted 350 participants from 51 countries, including all OECD members, Brazil, China, South Africa, Viet Nam, MENA and others.
- » **Key results of the report include:**
 - Regulatory policy is taking shape across the OECD, and paths are converging.
 - Regulatory Policy has made a significant contribution to growth and the Rule of Law.
 - Recovery from the crisis and sustainable growth need the support of effective regulation.
 - Evidence-based impact assessment, strong institutional capacities and giving voices to users are critical for success.
 - Strong regulatory governance is missing so far.
- » **The discussion underlined that:**
 - Regulatory policy facilitates the return to growth and the rebuilding of trust in government.
 - New and existing regulations need to be subject to regular fitness checks.
 - Regulators can provide early warning of problems.
 - Greater transparency helps to prevent the risks of regulatory capture and to protect the public interest.
 - All levels of government need to engage to ensure policy coherence and effectively cut red tape.
 - International regulatory co-operation will enable countries reap the benefits from globalisation, supporting trade and common standards.
- » **Participants agreed on the following areas for further action:**
 - International regulatory co-operation, which will enable countries reap the benefits from globalisation, supporting trade and common standards.
 - *Ex post* evaluation of regulatory performance.
 - A better assessment of social impacts.
 - More effective consultation processes, tapping in the knowledge of citizens and businesses.
 - A better understanding of the full benefits of regulation, and not just of their costs.
 - Data on perception by citizens and businesses to be more responsive to their needs.
 - OECD also needs to continue to provide support for capacity building in this area.
- » **Participants called upon the OECD to renew one of its most valuable products.** Principles that would reflect this new and shared understanding. The Regulatory Policy Committee will revisit the **2005 Guiding Principles for Regulatory Policy and Performance**, engaging with all parties. The Regulatory Policy Committee intends to return to Council in a year with an updated set of principles.