

The OECD and Better Regulation

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The OECD



The Organisation for Economic Co-operation and Development (OECD)

- The OECD is a forum in which **governments can work together to share experiences and seek solutions to common problems**, in an effort supported by the Secretariat.
- **Established in 1961** out of the Organisation for European Economic Co-operation (OEEC, established 1948), the OECD is an international organisation that works to **build “better policies for better lives”**.
- Global reach via **38 member countries** + key partner countries and regional initiatives in Africa, Eurasia, Latin America, the Middle East and North Africa, Southeast Asia and South East Europe.



Key facts

Headquarters: Paris, France

Membership: 38 countries

Budget: EUR 374 million

OECD Secretary-General: Mathias Cormann

Secretariat staff: 3 500

Publications: 250 new titles/year



The Organisation for Economic Co-operation and Development (OECD)

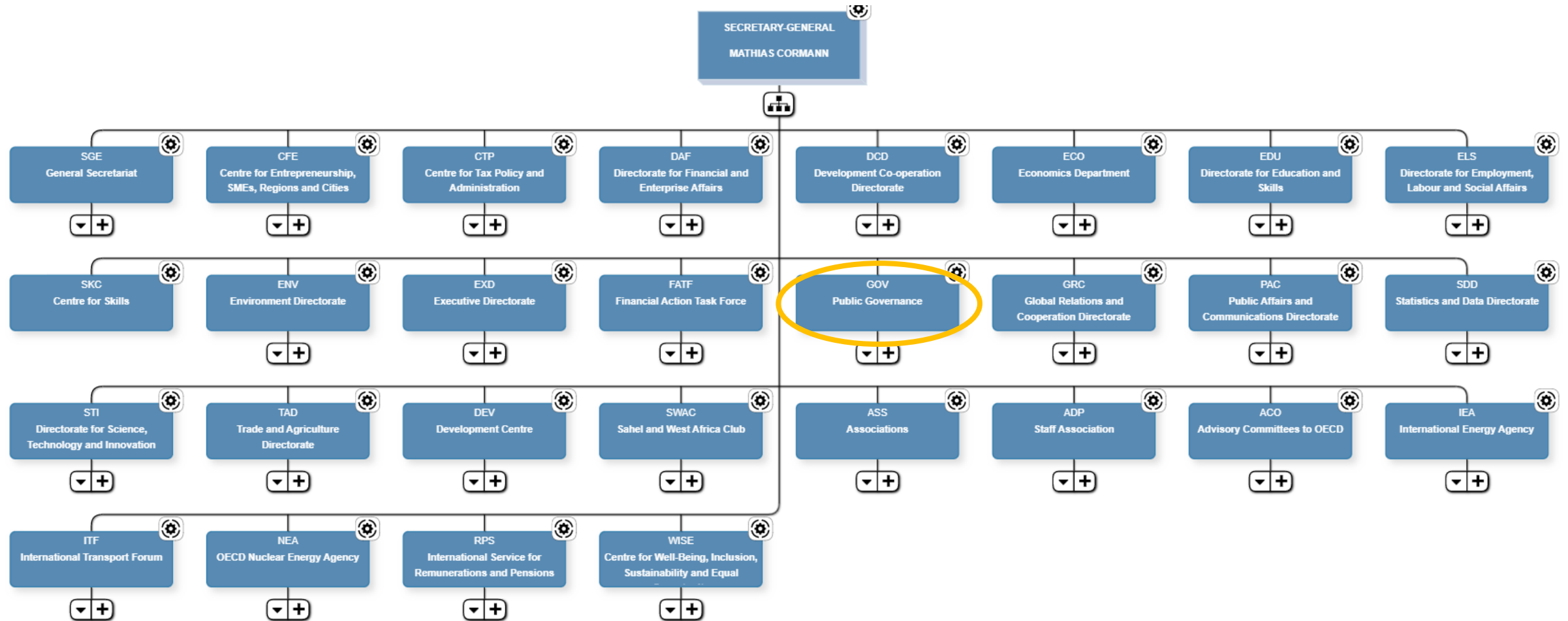
How we work:

1. **Inform and provide advice to countries as** one of the largest and most trusted sources of comparative socio-economic data and analysis
2. **Engage and influence** by bringing policy makers together to exchange ideas, share experiences and forge progress across a range of policy areas
3. **Set standards and provide policy support to** encourage countries and partners to “play by the same rules” and cooperate to reach shared objectives





Spanning almost every field of economic and social policy





The OECD and better regulation



What do we mean by “better regulation”?

Strategic approach	Institutions	Reg. Management tools	Governance
Policy statement	Ministries	Regulatory Impact Assessment	Whole of Government
Political leadership	Oversight body	Stakeholder Engagement	International Co-operation
	Parliament	Enforcement and Inspections	National/ Sub-national Interaction
	Regulators		
	Judiciary	Ex-post evaluation	
		Innovative approaches, i.e. digital or behavioural	



Unique policy committees

- **Regulatory Policy Committee (RPC):** brings together central government officials to assist members and non-members in building and strengthening their regulatory reform efforts
- **Network of Economic Regulators (NER):** brings together over 70 regulators across sectors, 30 countries and regions of the world. Open forum that promotes dialogue, shares good practices, generates analysis and guidance.



“Soft law” and guidance



1995



2012



2021

Best practice principles → Regulatory impact assessments, enforcement and inspections (+toolkit), ex post review, one-stop shops, governance of regulators, and international regulatory co-operation

See more: <https://www.oecd.org/governance/regulatory-policy/2012-recommendation.htm>

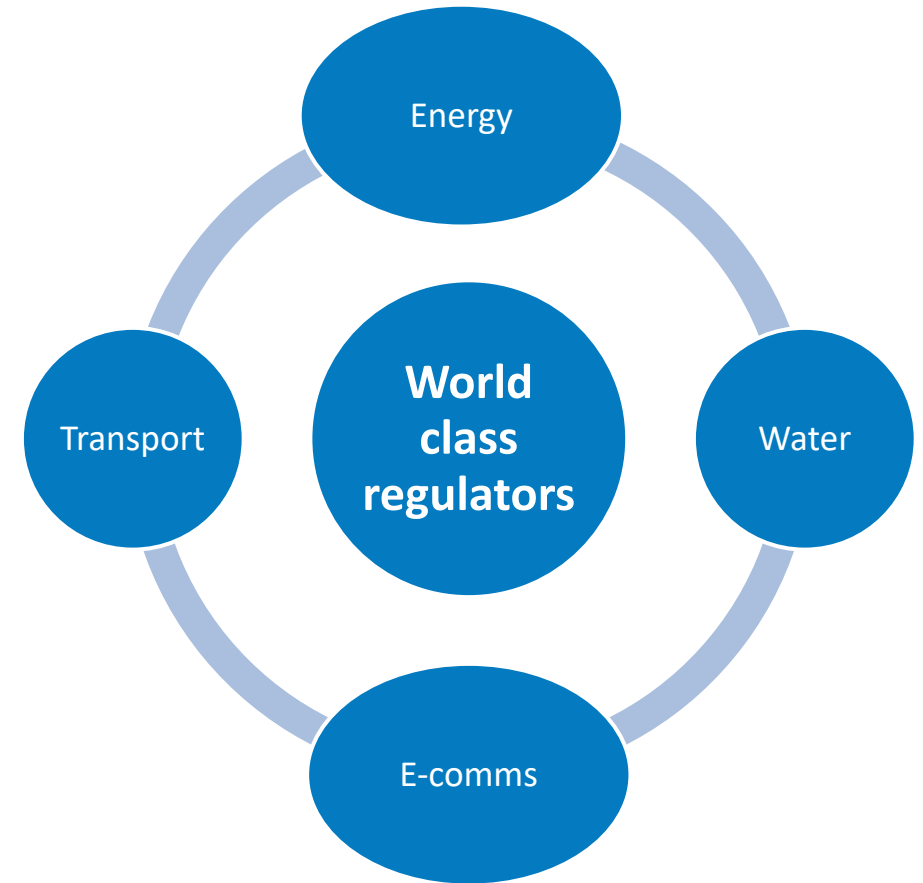


Work of the NER



The NER supports economic regulators across networks sectors on cross-cutting issues

- > Brings together over 70 regulators across sectors, 30 countries and regions of the world.
- > Forum that promotes dialogue, shares good practices, generates analysis and guidance.
- > Areas of work:
 - > Performance
 - > Governance
 - > Independence
 - > Behavioural insights
 - > Market transformation
 - > Emerging technologies



The NER develops normative guidance

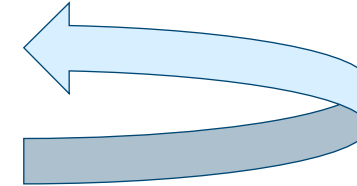


1. Role clarity

2. Preventing undue influence and maintaining trust

3. Decision-making and governing body structure

4. Accountability and transparency



7. Performance evaluation

6. Funding

5. Stakeholder engagement

Source: *The Governance of Regulators*, OECD Best Practice Principles for Regulatory Policy, <https://doi.org/10.1787/9789264209015-en>



It conducts peer reviews of economic regulators, to assess governance and performance



2015	Colombia – Telecommunications regulator (CRC)
2016	Latvia – Public Utilities Commissions (PUC)
2017	Mexico – Energy Regulatory Commission (CRE) Mexico – National Hydrocarbons Commission (CNH) Mexico – Agency for Safety, Energy and Environment (ASEA)
2018	Ireland – Commission for Regulation of Utilities (CRU)
2019	Peru – Telecommunications regulator (OSIPTEL) Peru – Energy and mining regulator (Osinergmin)
2020	Peru – Transport infrastructure regulator (OSITRAN) Ireland – Environmental Protection Agency (EPA)
2021	Portugal – Energy Services Regulator (ERSE) Latvia, follow-up review – Public Utilities Commissions (PUC) Brazil – Electricity Regulatory Agency (ANEEL)
2022	Peru – Water and Sanitation Regulator (SUNASS)
Forthcoming	Peru, follow-up review – Telecommunications regulator (OSIPTEL)



It also collects data on governance arrangements



2016: Being an Independent Regulator



2018: OECD Indicators on the Governance of Sector Regulators (GSR)



2022 (forthcoming): Equipping Agile and Autonomous Regulators report on resourcing arrangements



What are the Indicators on the Governance of Sector Regulators (GSR)?

The indicators measure the strength of regulators' governance arrangements across 3 components:

1

Independence

Degree of independence from government and the regulated industry

2

Accountability

Accountability to government, parliament, industry and the general population

3

Scope of Action

Range of activities a regulator can perform



Who is in the database?

The indicators capture the governance arrangements of economic regulators across
five network sectors



Energy



E-comms



Rail transport



Air transport



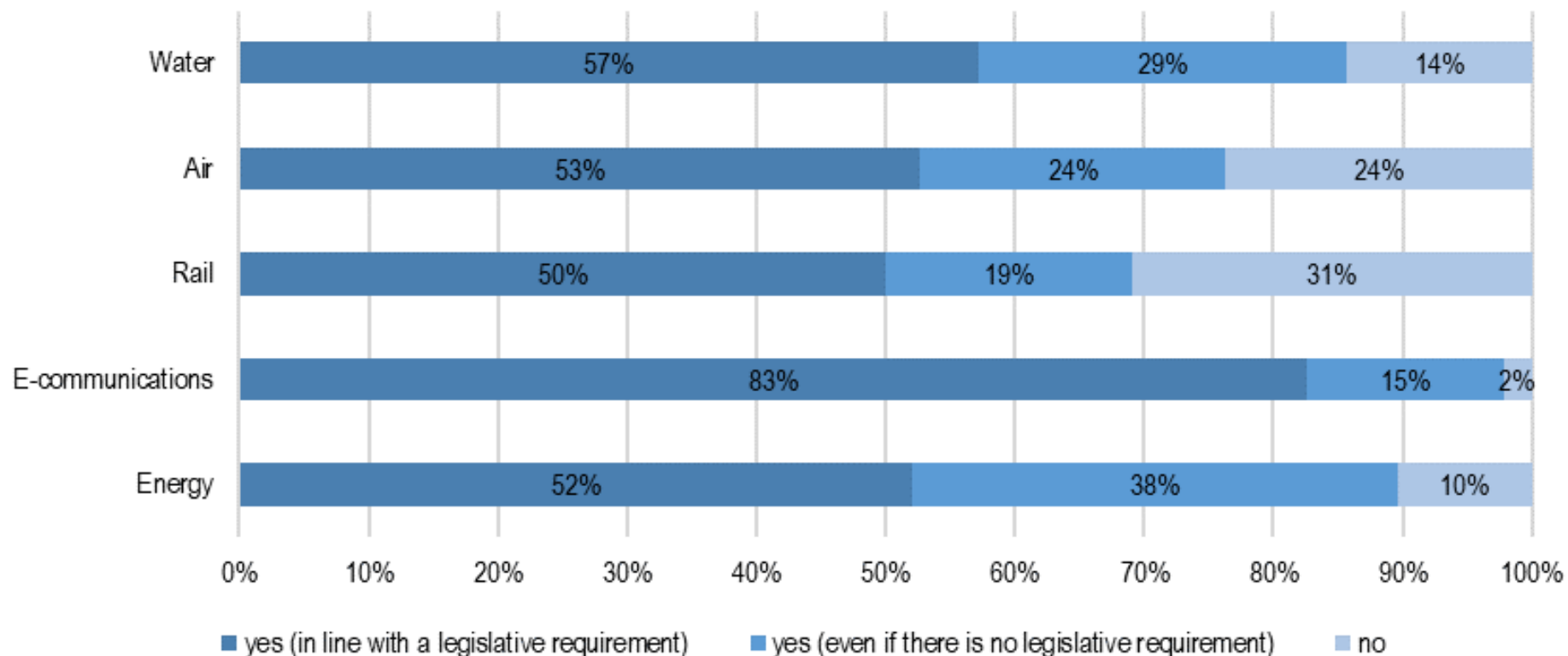
Water

The indicators attract broad participation: In the 2018 edition,
163 regulators from 47 countries participated.



Example: Publishing draft decisions and collecting feedback

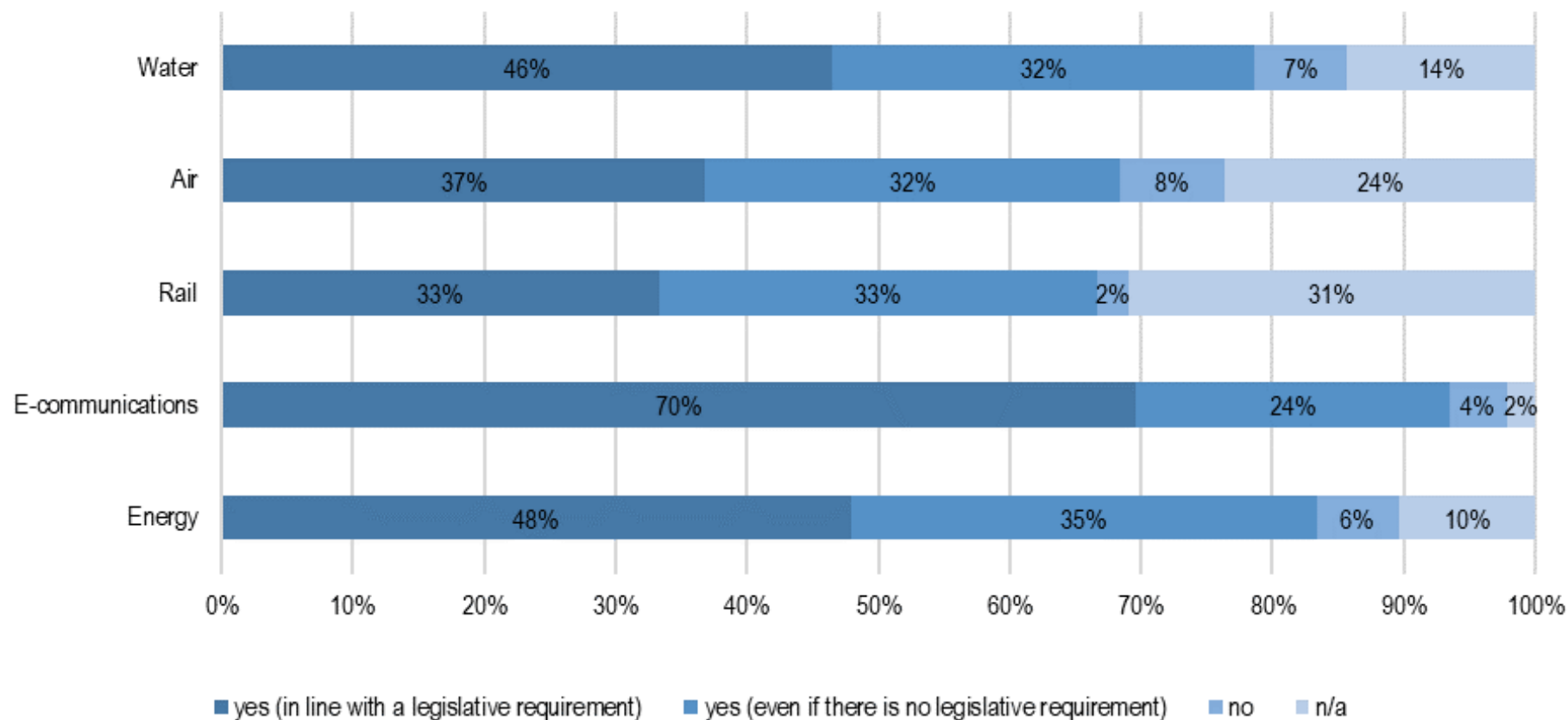
> Does the regulator publish draft decisions and collect feedback from stakeholders?





Example: Responding to stakeholder comments

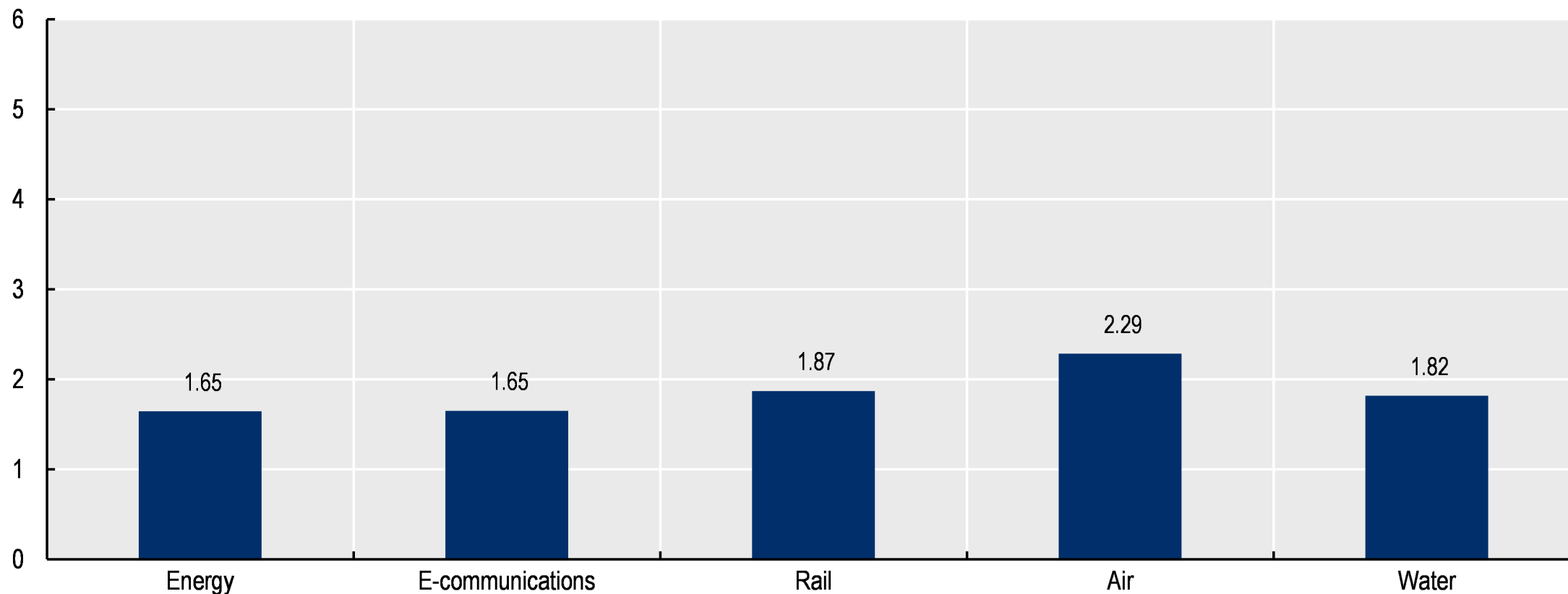
> Does the regulator provide feedback on comments received by stakeholders?





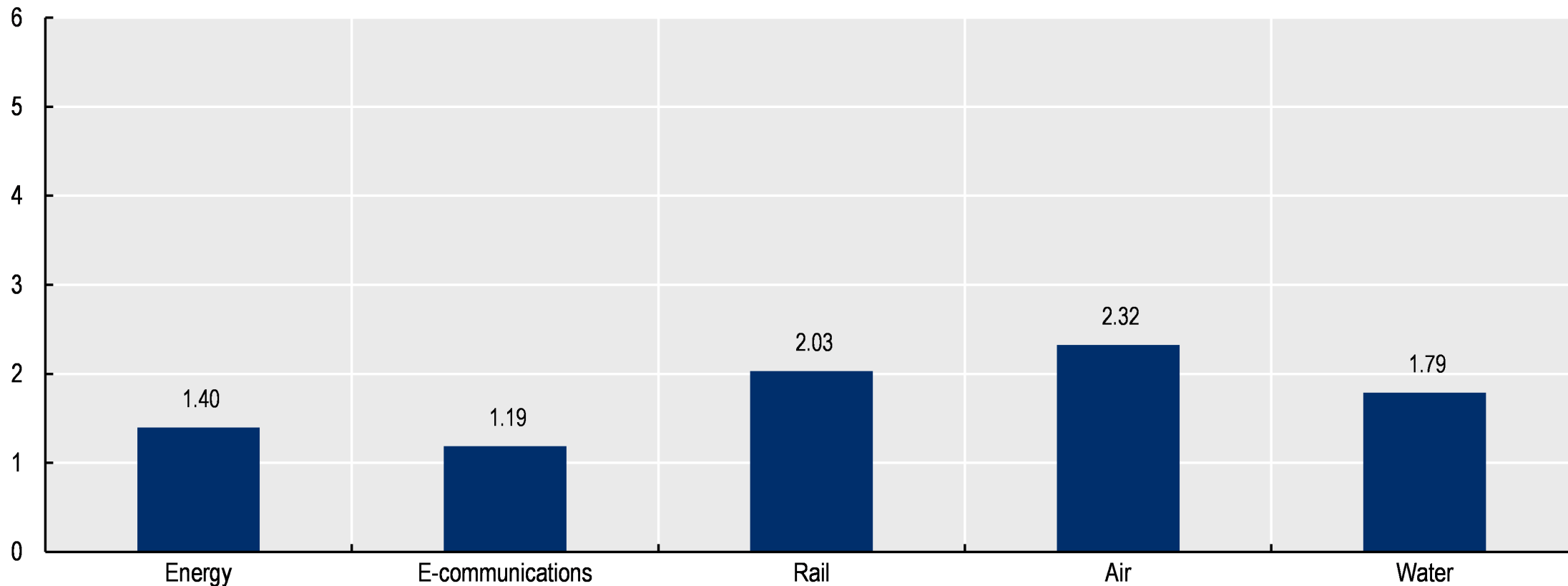
Independence across sectors

A higher score indicates that a regulator is further from good practice in the independence component





A higher score indicates that a regulator is further from good practice in the accountability component



Thank you for your attention!

For more information:

- ❖ Careers at the OECD: <https://www.oecd.org/careers/oecd-careers>
- ❖ OECD Network of Economic Regulators: oe.cd/3NB
- ❖ The Governance of Regulators: oe.cd/3Vm

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