



Treasury Board of Canada  
Secrétariat

Secrétariat du Conseil du Trésor  
du Canada

Canada

# Good Regulatory Practices as the Basis for International Regulatory Cooperation



TBT Side Event on International Regulatory  
Cooperation

March 19, 2018

# Purpose

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1

Regulation in Canada

2

How can GRP enable regulatory cooperation?

3

Canada-United States Regulatory Cooperation Council (RCC)

# Regulation in Canada



## Legislation

The Parliament of Canada passes legislation which enable regulations



## Regulatory proposals

Departments and agencies develop regulatory proposals



## Central challenge function

The Treasury Board of Canada Secretariat challenges regulatory proposals

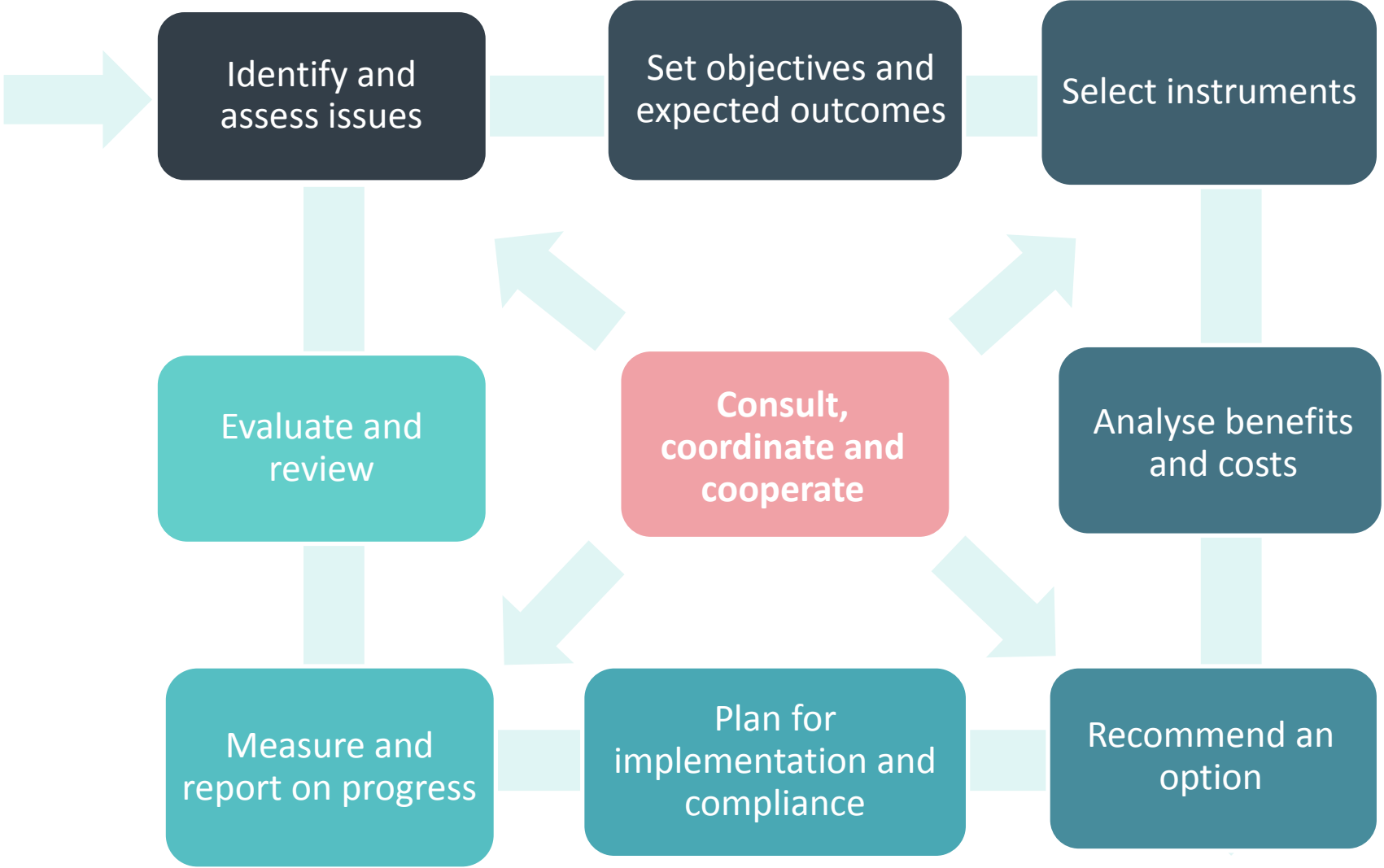


## Cabinet review and approval

The Treasury Board considers and approves proposals

FINISH

# The life-cycle approach



# What is Good Regulatory Practice?

Good regulatory practices are internationally recognizes processes, systems, tools and methods for improving the quality of regulations

## 2012 OECD Recommendation of the Council on Regulatory Policy and Governance

1. Commit to whole-of-government policy for regulatory quality

2. Adhere to principles of open government

3. Provide oversight of regulatory policy

4. Integrate Regulatory Impact Assessment

5. Conduct systematic programme reviews of regulatory stock

6. Regularly publish reports on performance of regulatory policy

7. Develop a consistent policy covering the role of regulatory agencies

8. Ensure effectiveness of systems for review of legality and procedural fairness

9. As appropriate apply risk assessment, risk management, and risk communication strategies

10. Where appropriate promote regulatory coherence through coordination mechanisms between all levels of government

11. Foster the development of regulatory management capacity at sub-national levels of government

12. Give consideration to all relevant international standards and frameworks for cooperation

# Canada's approach to Good Regulatory Practice

## Treasury Board of Canada Secretariat

Central oversight body:

- Source of expertise for GRP
- Performs challenge function
- Coordinates Government of Canada regulatory cooperation



## Cabinet Directive on Regulatory Management

Outlines requirements for RIA, consultation, evaluation, regulatory cooperation



## Administrative burden reduction initiatives

- One-for-One Rule
- Small business lens
- Forward Regulatory Plans
- Service Standards
- Administrative burden baselines
- Interpretation policies



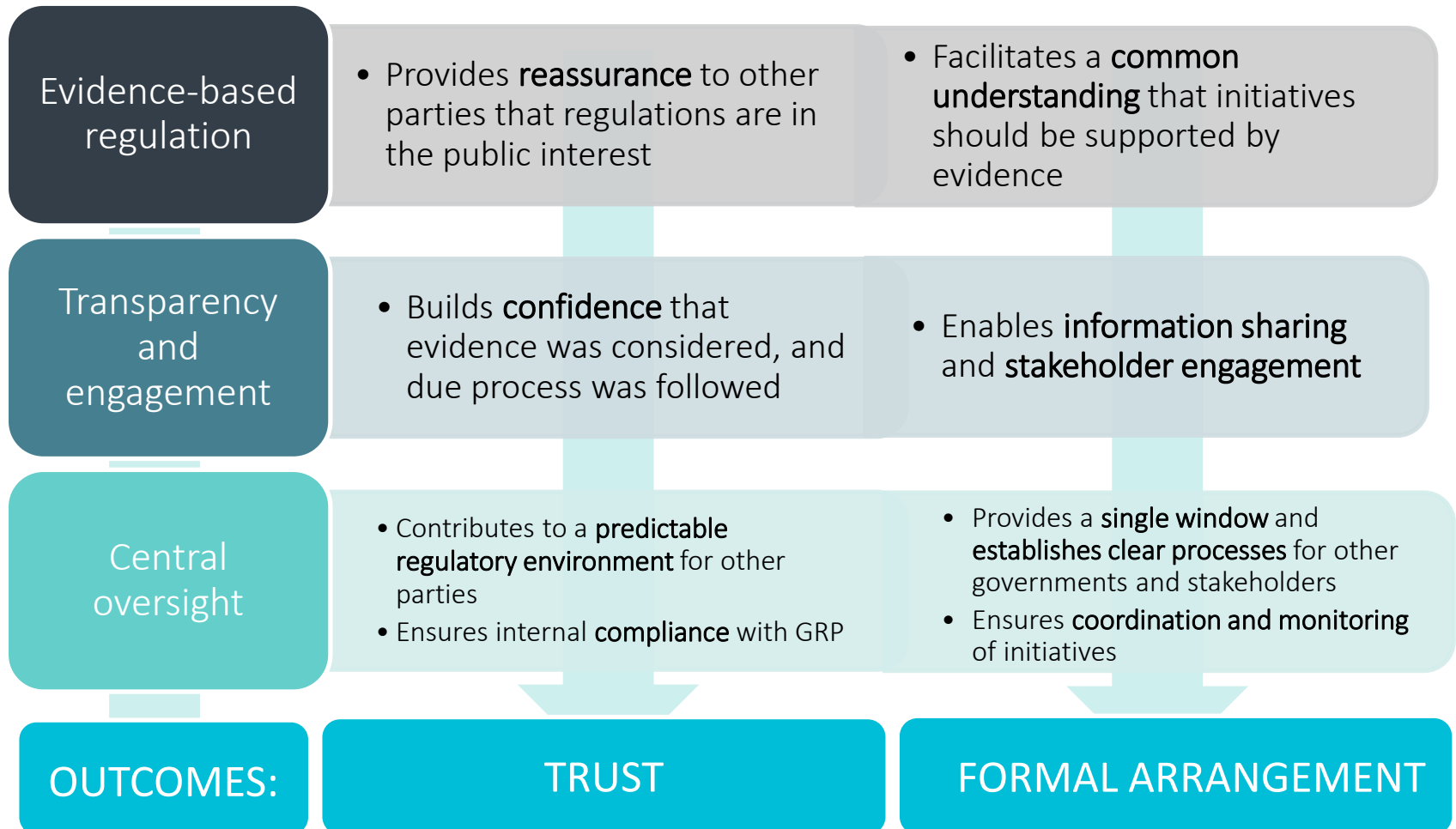
## Regulatory cooperation initiatives

- Canada – United States Regulatory Cooperation Council
- Canada-European Union Regulatory Cooperation Forum
  - Canadian Free Trade Agreement Regulatory Reconciliation and Cooperation Table



# How can GRP enable regulatory cooperation?

A foundation in GRP builds trust in the quality of regulations and enables formal regulatory cooperation arrangements



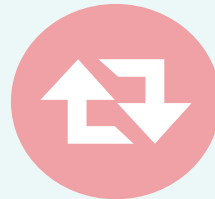
# RCC: Trust in quality of regulations

A shared foundation in GRP helps make Canada and the United States comfortable working together



## Leadership support

Joint commitment at highest level of government to pursue shared regulatory outcomes



## Trust between regulators

Practical approach to regulator-to-regulator cooperation



## Stakeholder engagement

Bi-national groups of stakeholders **working together** on mutually beneficial opportunities

**TRANSPARENCY** (e.g. consultation, online publication)

**EVIDENCE** (e.g. RIA)

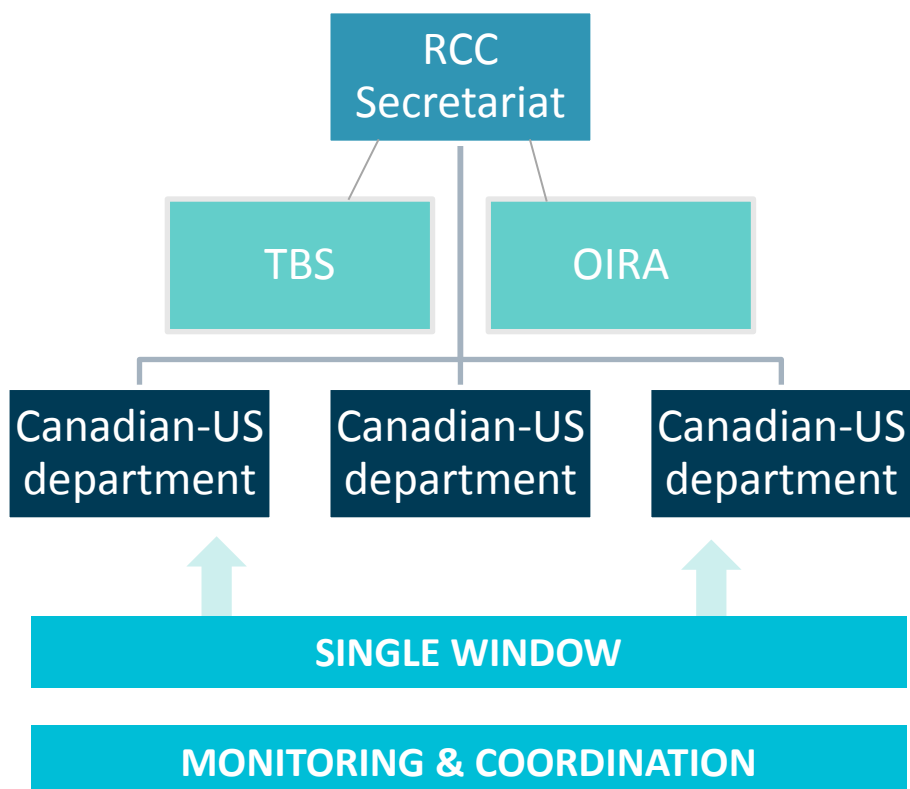
**OVERSIGHT** (TBS, OIRA)



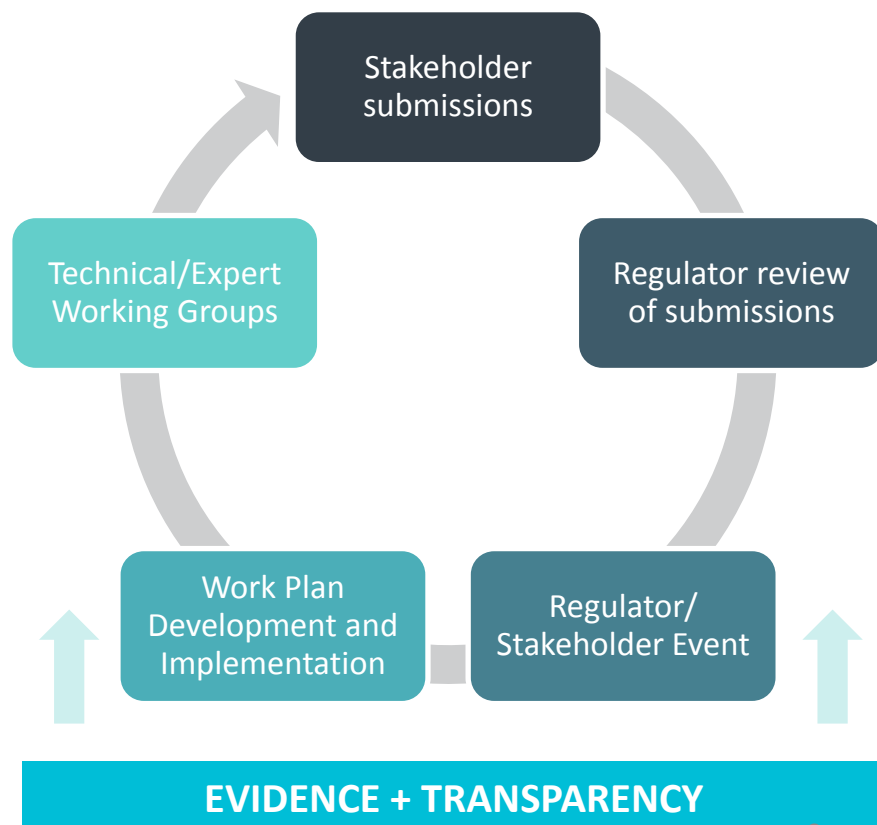
# RCC: Formal regulatory cooperation

GRP underpins the RCC's approach to regulatory cooperation

## Central oversight body



## Life-cycle approach



# RCC: Results

Trust in regulatory processes and the RCC's adoption of GRP has contributed to concrete benefits to both Canadians and Americans

## Common Electronic Submission Gateway



**What:** Companies can submit information about a health product market authorization once for both countries

**Benefit:** \$22 million of savings for the pharmaceutical industry over 10 years

## Sunscreen Inspection Pilot



**What:** U.S. sunscreens enter into Canada without being quarantined and tested for a second time at the border

**Benefit:** \$100,000 annually of savings per sunscreen for the consumer health product industry

## Energy efficiency standards



**What:** Harmonized standards for products such as refrigerators and air conditioners

**Benefit:** \$1.8 billion of savings in energy costs by 2030 for Canadian consumers, and \$1.5 million per year for manufacturers

# Next-steps for Canada

Canada-United States  
Regulatory Cooperation  
Council (2011)



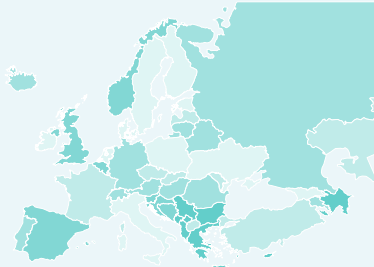
Status: Identifying opportunities  
for new initiatives (41  
stakeholder submissions)

Canadian Free Trade  
Agreement- Regulatory  
Reconciliation and  
Cooperation Table (2017)



Status: Identifying potential  
barriers for reconciliation (26  
federal submissions)

Canada - European Union  
Comprehensive Economic  
and Trade Agreement-  
Regulatory Cooperation  
Forum (2017)



Status: Consulting  
stakeholders

Draft Cabinet Directive on Regulation (2018)

Trade negotiations (e.g. NAFTA, Pacific Alliance)  
and global discussions (e.g. OECD, APEC)

# Thank you

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For more information, visit...



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[www.canada.ca/regulatory-cooperation](http://www.canada.ca/regulatory-cooperation)



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Treasury Board of Canada Secretariat



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