



IRC, A CRITICAL PILLAR OF REGULATORY QUALITY

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TBT SIDE EVENT ON IRC

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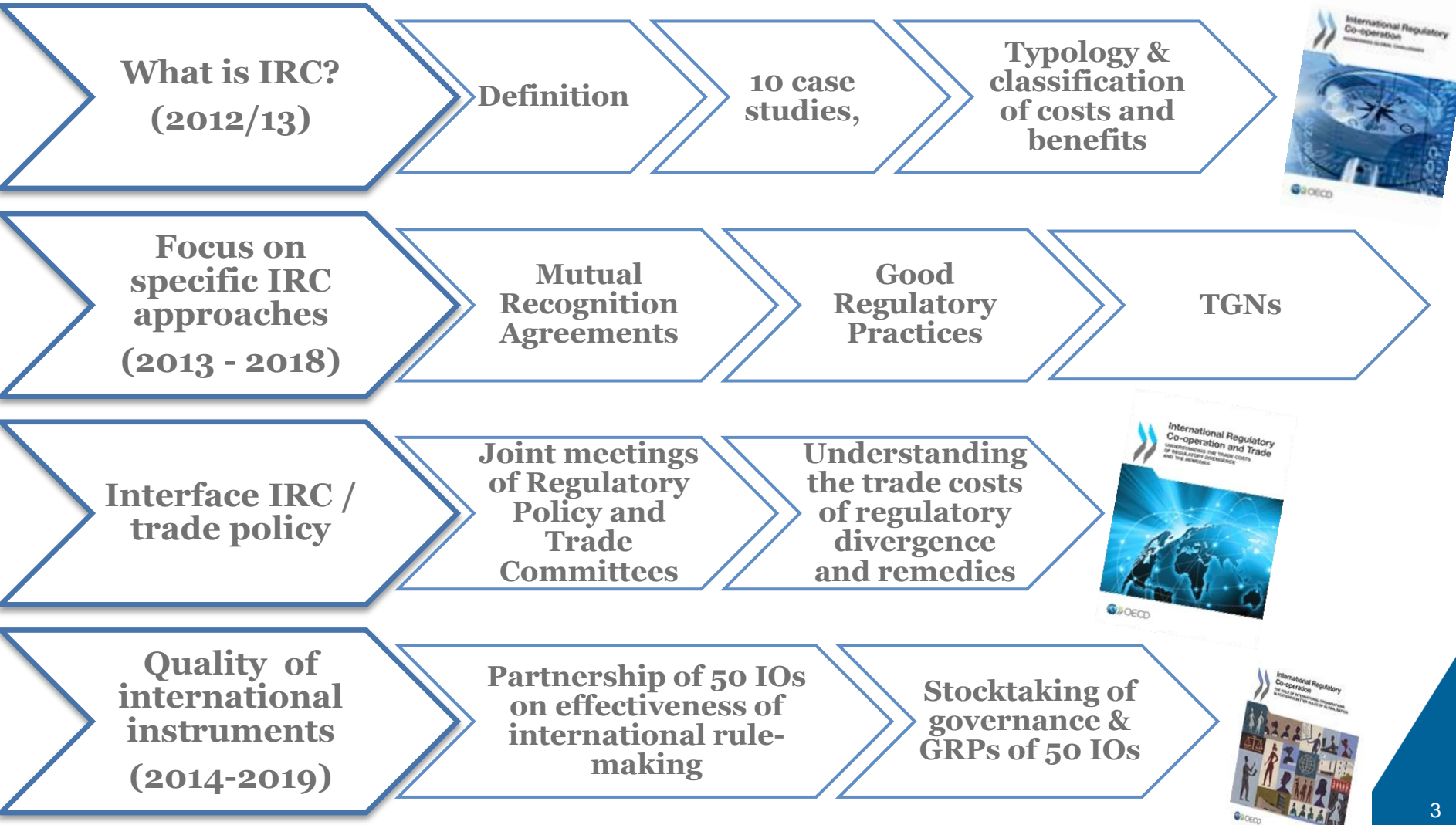
International regulatory co-operation (IRC): Quality Regulation in a globalised context





Implementing Principle 12:

OECD Regulatory Policy Committee work on IRC





What is IRC?

OECD Typology of IRC approaches

“Any agreement or organisational arrangement, formal or informal, between countries to promote some form of co-operation in the design, monitoring, enforcement, or ex post management of regulation”

**Integration /
Harmonisation through
supra national institutions**
(EU)

**Specific negotiated
agreements**
(treaties / conventions)

**Formal regulatory co-
operation partnerships**
(US-Canada Regulatory
Cooperation Council)

**Joint rule-making through
inter governmental
organizations**
(OECD, WTO)

**Trade agreements with
regulatory provisions**
(RTAs, FTAs)

**Mutual recognition
agreements**
(MRAs)

**Trans-governmental
networks of regulators**
(ILAC, ICPEN, PIC/S)

**Good regulatory practices
and adoption of relevant
frameworks in other
jurisdictions**

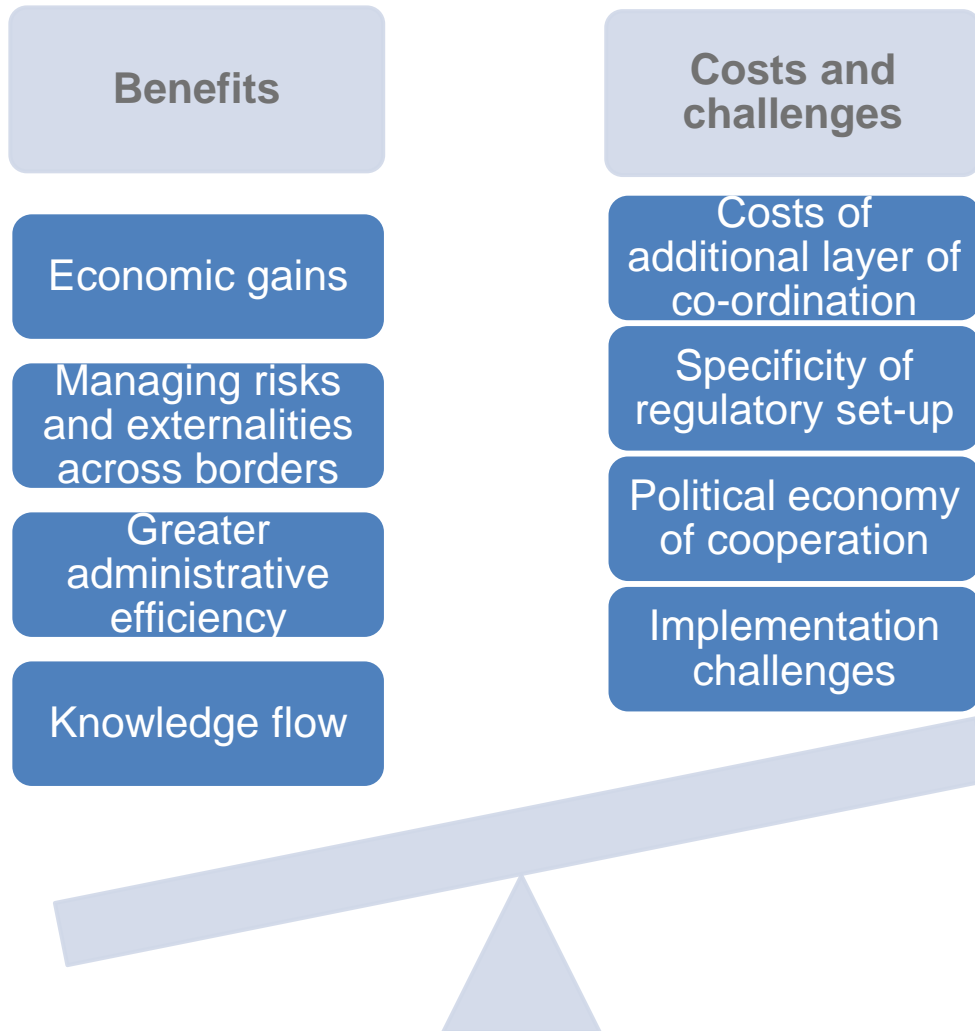
**Recognition and
incorporation of
international standards**
(ISO, IEC,...)

**Dialogue / Informal
exchange of information**
(Transatlantic dialogues)



Why should regulators co-operate?

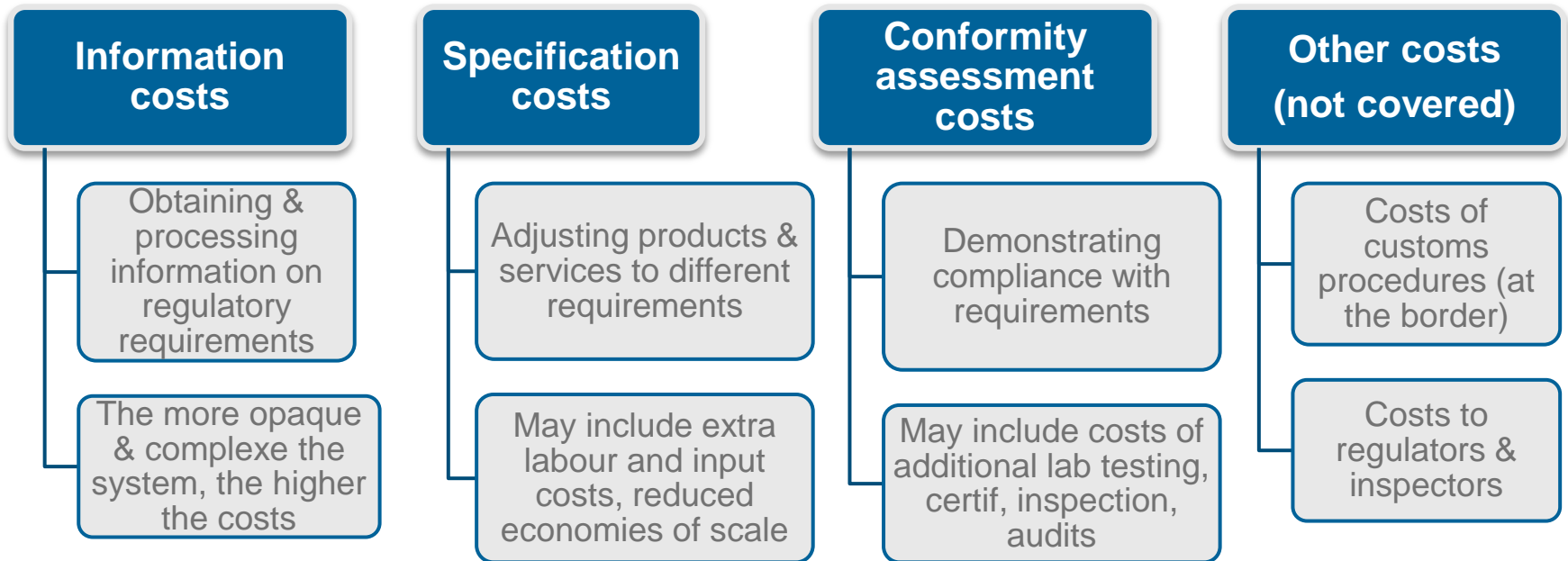
A good governance and an economic imperative





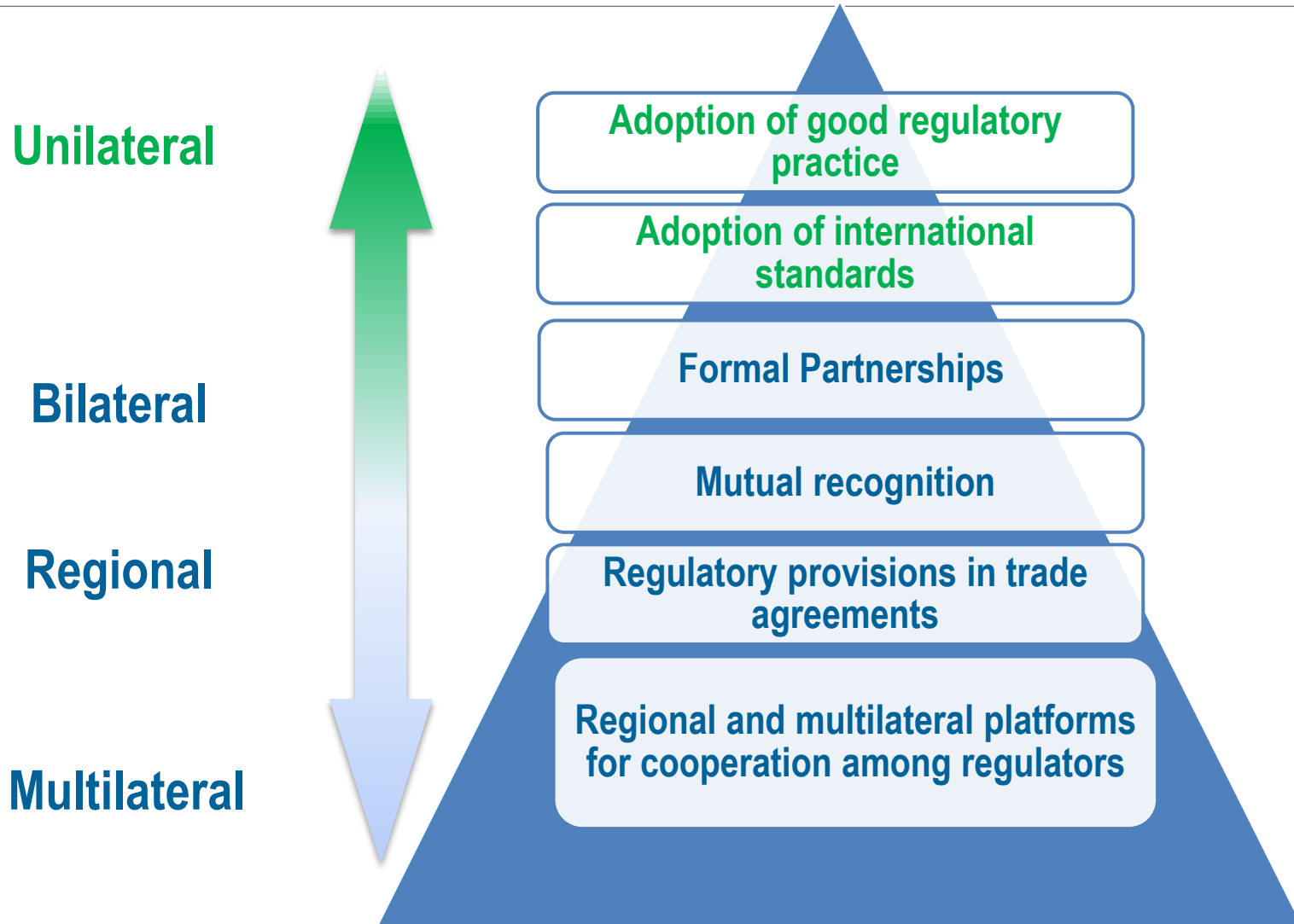
What costs of regulatory divergence are we talking about?

Heterogeneity-related trade costs for producers and traders





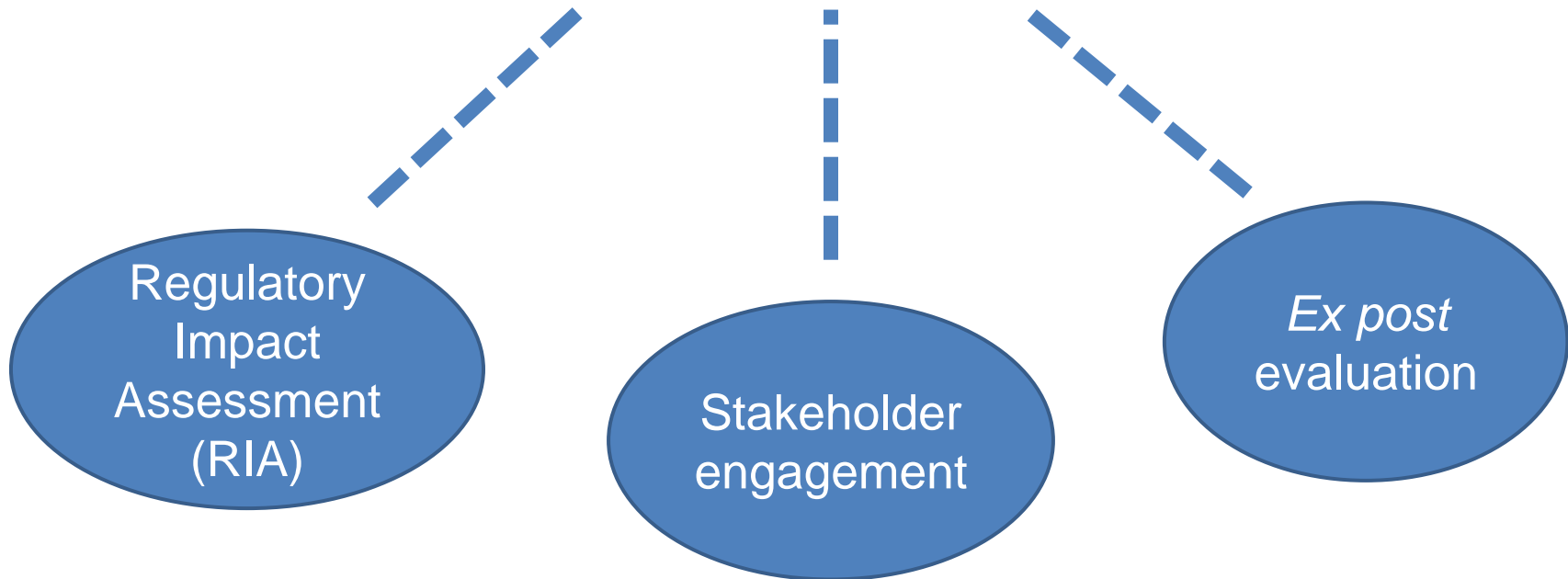
The solutions? From unilateral to multilateral, the IRC building blocks





Unilaterally, countries can foster IRC through more systematic good regulatory practices

Good regulatory practices (GRP)
comprise *inter alia*:



=> Foundation of regulatory quality and IRC

=> Support evidence-based policy making and help channel the voices of affected parties, including trade-related concerns.



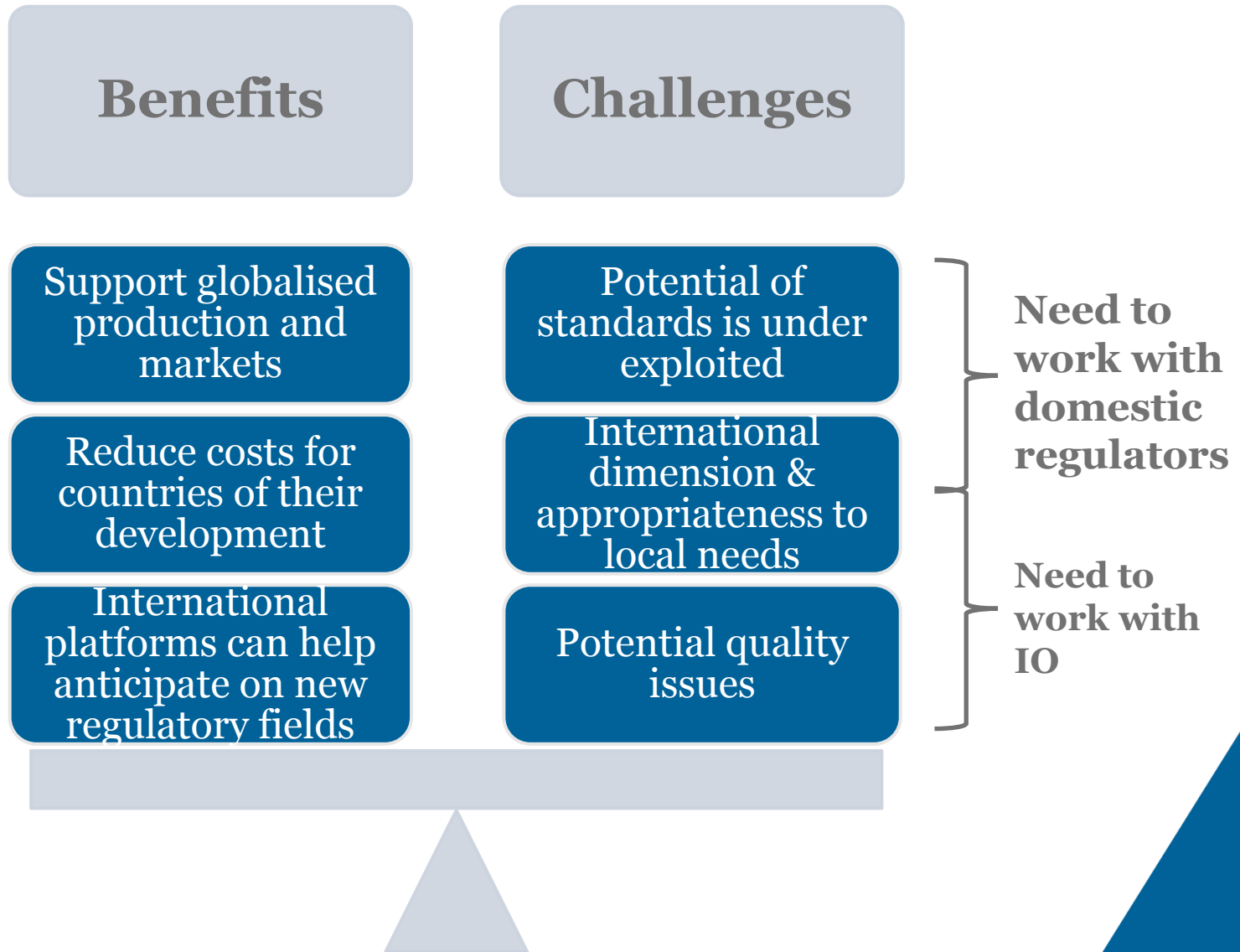
RIA provides opportunity to highlight impacts



Source: OECD (2015), *Regulatory Policy Outlook*

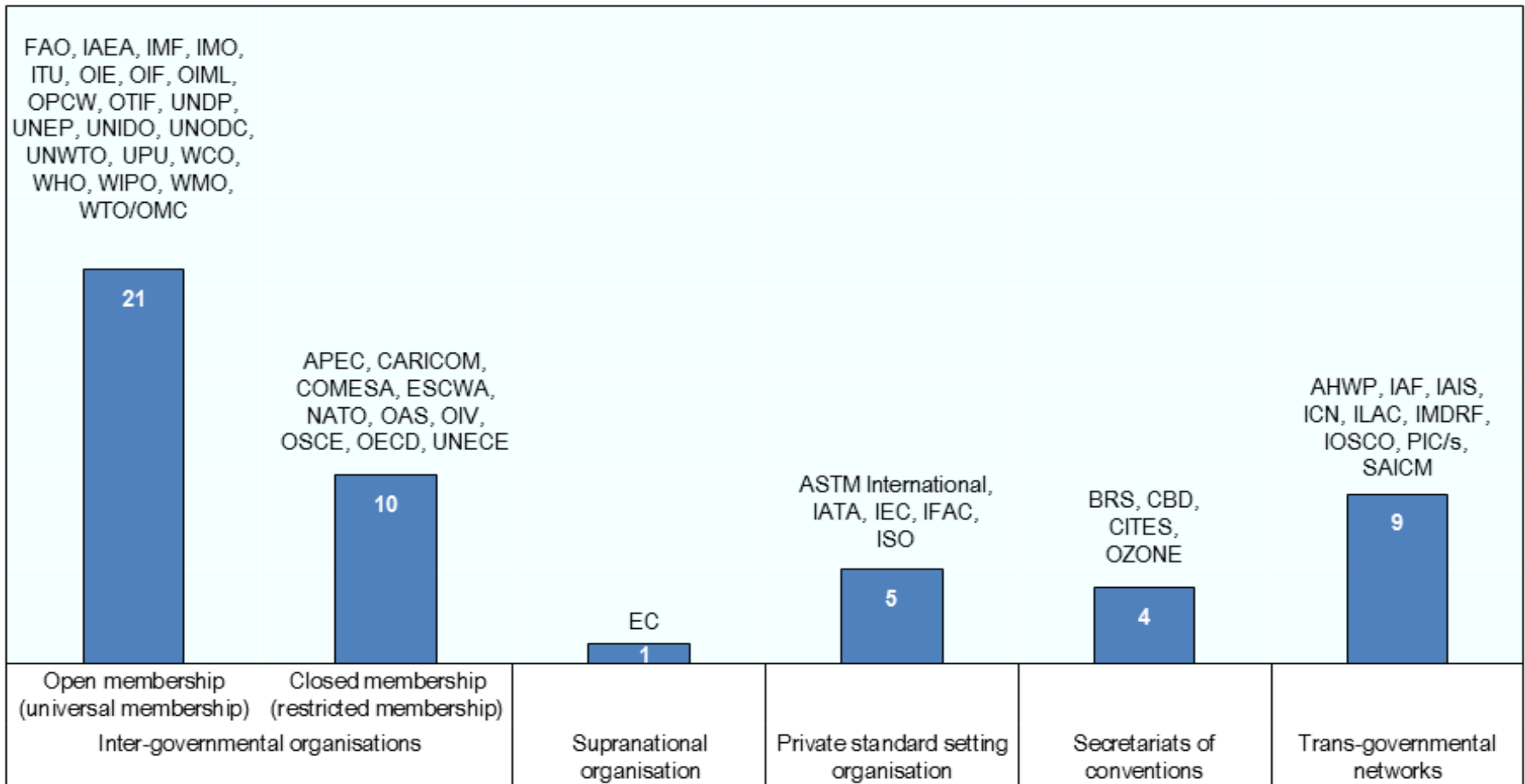


Adoption of international standards can drive regulatory convergence if they meet regulators' confidence





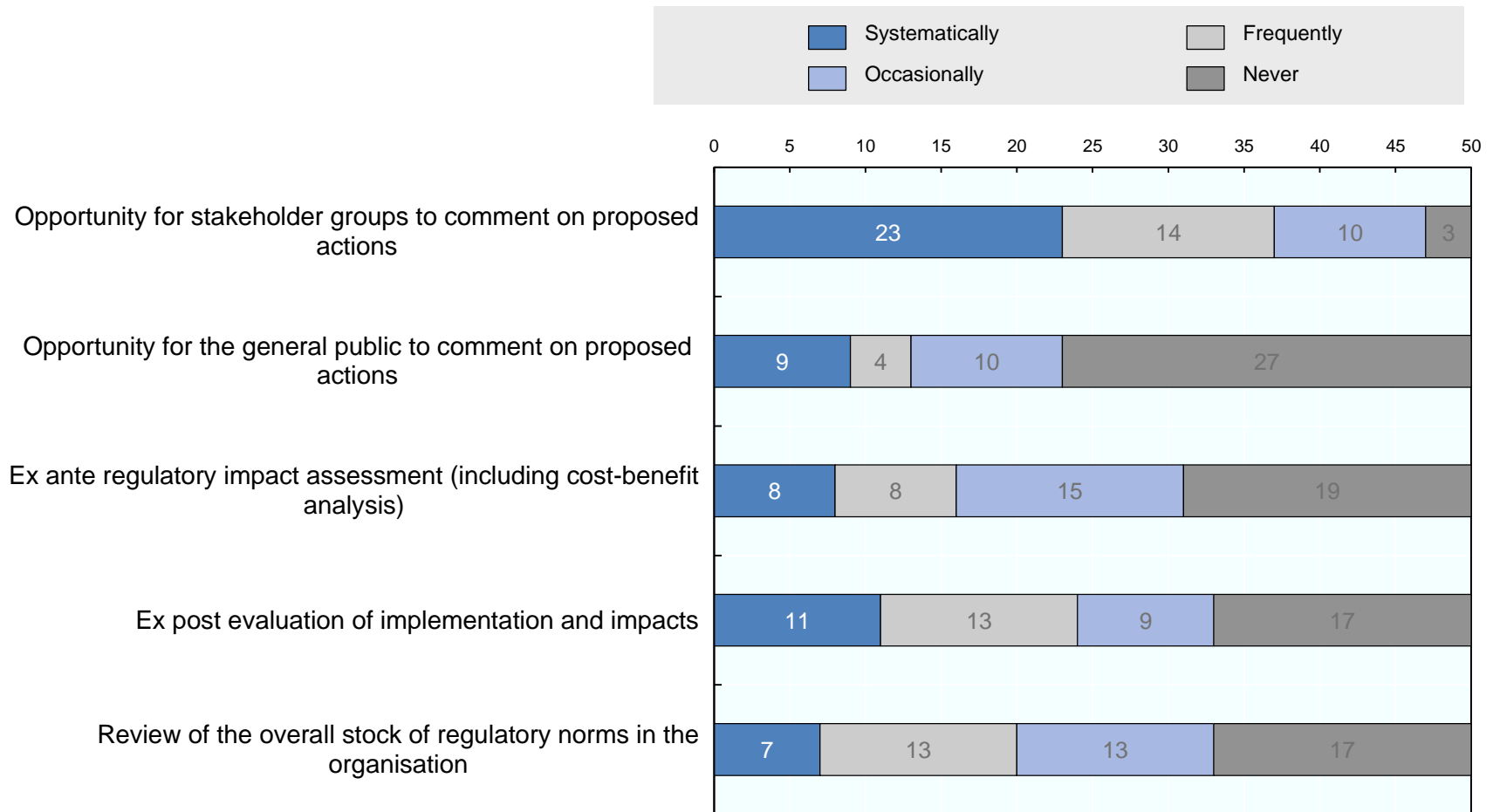
The diversity of the world of norm/standard setters



Source: OECD (2016), International Regulatory Co-operation: The Role of International Organisations in Fostering the Rules of Globalisation.



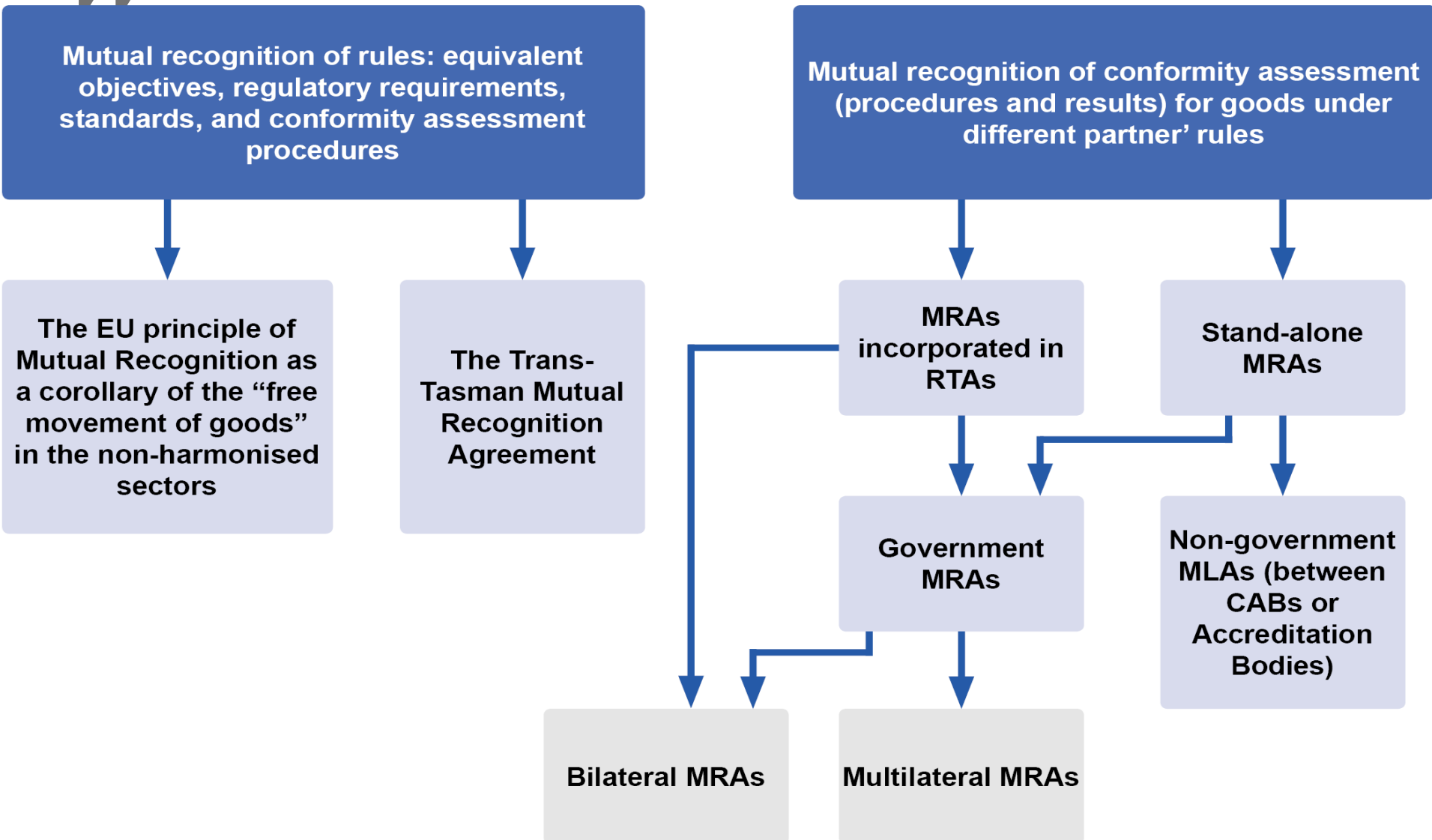
Ensuring the quality of IO instruments: fairly developed SE, limited evaluation



Source: OECD (2016), International Regulatory Co-operation: The Role of International Organisations in Fostering the Rules of Globalisation.



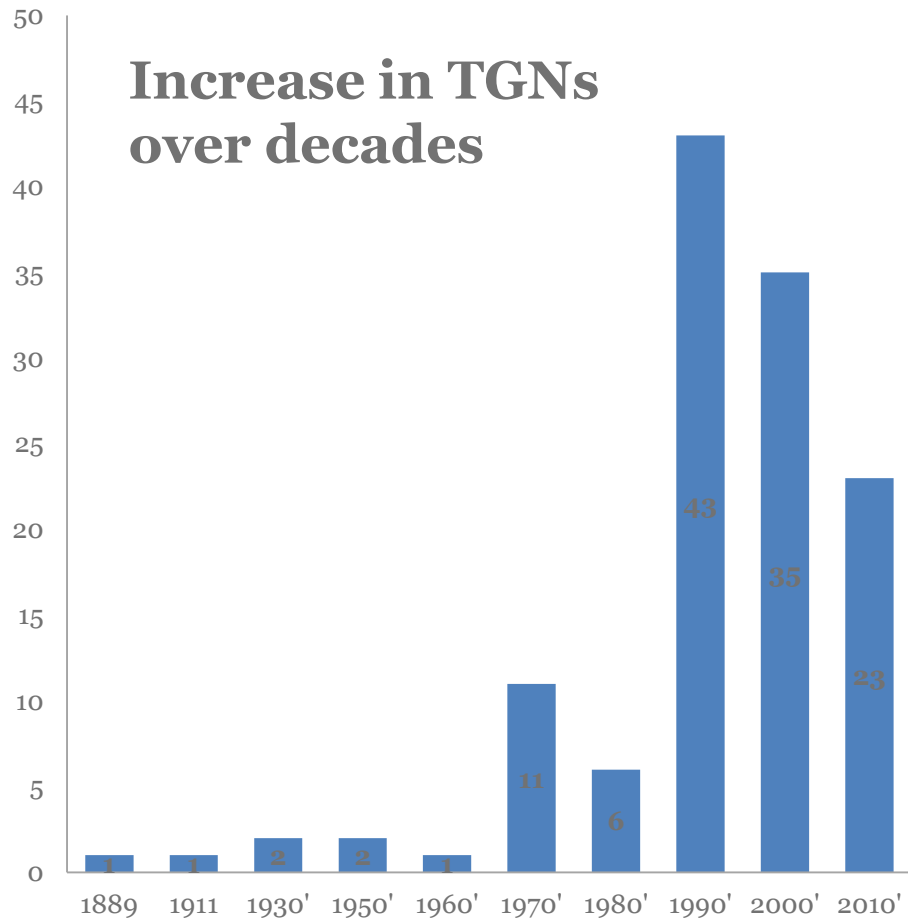
The complex world of recognition: work in big GVC, where regulatory divergence is not too high





Regulators cooperate through TGNs and bilateral relations: how to harness their value?

Increase in TGNs over decades



- Regulators cooperate through a wealth of regional & multilateral, more or less formal platforms (IOs & TGNs)
- These platforms provide opportunities to share information & practices and develop common approaches & rules
- Horizontal approach supporting diffusion but may be weak in enforcement and hard decision



Thank you

Background information:

The Regulatory Policy Committee was created by the OECD Council on 22 October 2009 to assist countries in implementing government-wide policies to promote regulatory policy and governance.

Our work on international regulatory co-operation is available at: www.oecd.org/gov/regulatory-policy/IRC

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