

Draft OECD Recommendations on Regulatory Policy and Governance.
GOV/RPC(2011)3/REV1; May 25, 2011

The OECD Recommendation is looking at overall Policy. I will comment only on the sections related to risk management.

Section 9 Risk and Regulation, Page 19

55 second last line: proposals should **be** examined for their
New sentence, “ **Monitoring of risk mitigation and regulatory impact is an important issue.**”

56 Second sentence is incorrect. Risk assessment is the wrong term to use. What is described is only risk analysis. Should read, “**Risk analysis is a key analytical tool to identify and assess the extent of a likely hazard and to estimate the probability and consequences of negative outcomes**”

A new sentence needs to be introduced to address acceptability to society. We cannot decide whether that risk needs to be mitigated if we do not first decide if it is acceptable. It needs to be something like.

“The acceptability of risk that has been thus analyzed will need to be determined based on the values and willingness of the society for accepting that degree of risk”.

58 Questions for Discussion (additional)

- **Need to be sector specific**
- **Appropriate scope for Guidance**
 1. **Identification of hazards and hazardous situations**
 2. **Need to gather data on incidence of hazards/hazardous situations**
 3. **Need to gather data on/define nature of harm**
 4. **Estimate risk**
 5. **Wide consultation to determine risk acceptability including incorporating historical information**
 6. **Need for broad communication of acceptability criteria**
 7. **Need for ongoing monitoring of effects of risk mitigation approaches**
- **Responsibility for developing guidance**
 1. **Training regulatory staff**
 2. **Outside consultation risk management experts**
 3. **Qualifications regulatory staff**
 - **Certification risk management**
 - **Advanced degrees risk management**

Box 9 Draft Recommendation

9.1 Governments should develop guidance and **training** on the methodologies....

9.2 Regulators should develop, implement, and review regulatory compliance strategies against **broadly developed risk based acceptability criteria.**