

OECD Regulatory Reform Support in Southeast Asia

Regulations affect all areas of life. Good regulation can promote sustainable development and well-being, while inadequate regulation endangers these.

It determines the business and investment climate, as well as the protections afforded to society and the environment. Regulations function as effective “rules of the game” for businesses to respect and society to benefit. However, we tend to only see rules when they do not work, leading to a loss of trust in institutions and government itself (OECD, 2021^[1]). ASEAN countries recognise regulatory reform as a cross-cutting theme for ASEAN economic integration and regulatory coherence, as well as related measures at the level of individual members states (ASEAN, 2017^[2]).

The OECD conducts evidence-based analysis for reform and regulatory policy making, anchored in the multi-laterally backed the OECD Recommendations on Regulatory Policy and Governance (2012^[3]) and on Agile Regulatory Governance to Harness Innovation (2021^[4]). The OECD gathers and analyses evidence, distils normative frameworks and provides guidance for regulatory design and implementation. These are applied by working with countries and regions to support reform and better regulation, including in Southeast Asia through a dedicated programme (see Box below).

What we do

- ▶ Regulatory strategy and oversight;
- ▶ Regulatory impact assessments (RIA);
- ▶ Stakeholder engagement;
- ▶ Regulatory delivery;
- ▶ Agile regulatory governance;
- ▶ International regulatory co-operation; and,
- ▶ Applied behavioural insights.



How we do it

- ▶ **Reviews** that apply OECD standards combined with theoretical, practical and network knowledge of better regulation to a wide range of focus areas.
- ▶ **Capacity building** to discover more about OECD research, guidance and practical hands-on application in a given policy area(s) through in-country seminars.
- ▶ **Assistance for reforms** through hands-on mentoring by OECD experts, peer countries and the regulatory policy community.

See more: [OECD/SEAREG](https://www.oecd.org/asean/sea-reg/)

How the OECD can support Southeast Asian economies

The OECD has a long history supporting countries in applying normative guidance and evidence-based analysis towards improving regulatory design and delivery.

The OECD always stands by to support countries through tailored assistance. Any of the above can be amended or combined to suit a country's needs, stage

of development and resources. The exact topic, scope and plan is always a product of thorough discussions with the country. All forms of cooperation are also supported by OECD peers from the Regulatory Policy Committee and experts from the regulatory policy community. See examples below for more details.

OECD work on regulatory reform in Southeast Asia

The [ASEAN-OECD Good Regulatory Practices Network](#), co-chaired by Malaysia and New Zealand, meets yearly, bringing together over 70 senior officials from ASEAN and OECD member states in a platform to explore better regulation and exchange good practices.

In addition, the OECD has conducted the following projects with SEA countries:

- ▶ [Regulatory responses to the COVID-19 pandemic in Southeast Asia](#) (2021) – analyses how Southeast Asian countries approached the challenges and opportunities, associated with the pandemic, as well as shares lessons learned and practices.
- ▶ [Regulatory Reform Review of Thailand](#) (2020) – supports the Office of the Council of State implement reforms to the use of good regulatory practices (GRPs) in the Thai Government.
- ▶ [Evaluation Report on Regulatory Impact Assessments](#) (2020) – provides an assessment of the state of RIAs in the Philippines and a review of the new RIA requirements and oversight body.
- ▶ [Good Regulatory Practices to Support SMEs in Southeast Asia](#) (2018) – the first comprehensive stock-taking of the use of GRPs to support SMEs and their integration into global value chains.
- ▶ [Business Regulation Pillars: Good Regulatory Practices for ASEAN](#) (2017) – provides policy directions for developing modern business registration systems and principles.
- ▶ [Implementing Good Regulatory Practice in Malaysia](#) (2015) – examines Malaysia's early experience of implementing RIA to support evidence-based rule making
- ▶ [Regulatory Reform Review of Indonesia](#) (2012) – focuses on the administrative and institutional arrangements in Indonesia for ensuring that regulations are effective and efficient.
- ▶ [Administrative Simplification in Viet Nam](#) (2011) – explores how Viet Nam can rapidly bring about the full potential their administrative simplification programme and introduce a range of regulatory instruments.

The OECD has also been supporting regulatory reform in Southeast Asia more broadly through APEC, including the development of the [2005 APEC-OECD Integrated Checklist on Regulatory Reform](#). More recently, work on taking stock of GRP language in trade agreements and international regulatory co-operation has been supported through APEC.

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References

ASEAN (2017^[2]), ASEAN Guidelines on Good Regulatory Practices, ASEAN Secretariat, Jakarta, <https://asean.org/storage/2017/09/ASEAN-Guidelines-on-Good-Regulatory-Practices.pdf>.

OECD (2021^[4]), Recommendation of the Council for Agile Regulatory Governance to Harness Innovation, <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0464> (accessed 25 November 2021).

OECD (2021^[1]), Regulatory Policy Outlook 2021, OECD Publishing, Paris, <https://doi.org/10.1787/38b0fdb1-en>.

OECD (2012^[3]), Recommendation of the Council on Regulatory Policy and Governance, OECD, <http://www.oecd.org/governance/regulatory-policy/2012-recommendation.htm> (accessed 27 April 2021).