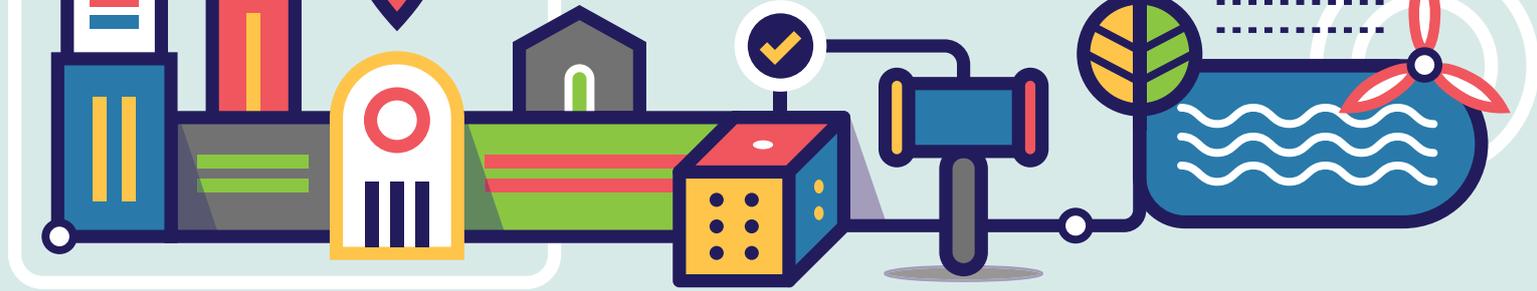




OECD Regulatory Policy Outlook 2021

Rule making today means looking beyond borders



Chapter 4

Rule making today means looking beyond borders

As citizens and companies cross borders all the time, no policy maker is an island anymore. To make rules work for all, an ambitious paradigm shift in rule making across all policy areas is crucial to keep up with today's interconnected, digital reality.

International regulatory co-operation (IRC) can improve rule making in all policy fields, allowing policy makers to learn from others and find common solutions to shared problems. Reducing global tax evasion, preserving the ozone layer or prohibiting child labour are only a few of the many important results of close regulatory co-operation among countries.

- ▶ **OECD countries are recognising that their rules have effects on populations both close to and far from them.** During the COVID-19 crisis, IRC helped save many lives, as well as time and money, by maintaining fluid international trade in food, masks and vaccines, and ensuring access to cross-border services such as the Internet, energy or transportation.
- ▶ **IRC is not yet fully embedded in regulators' DNA.** Legal and administrative processes are still designed for yesterday's economy, communication means, and transportation systems, and fail to make the most of IRC for domestic policy objectives.

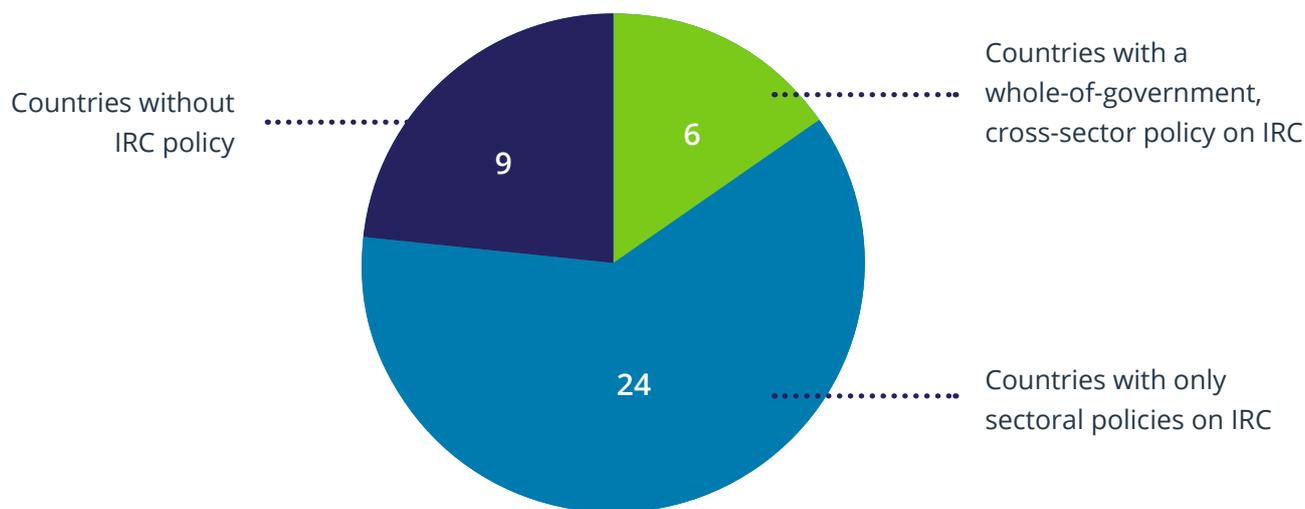
Three examples of effective IRC in facing the COVID-19 crisis

- ▶ To secure the availability of critical medical products, some governments opted to recognise technical standards for medical devices issued by competent authorities in other jurisdictions. In practice, this resulted in the authorisation for domestic use of products granted market approval by a foreign authority.
- ▶ The European Commission and the Body of European Regulators for Electronic Communications (BEREC) set up a special reporting mechanism to monitor the internet traffic situation in each Member State to be able to respond to capacity issues.
- ▶ To help countries speed up the cross-border movement of COVID-19 medical supplies, the WCO and WHO developed a harmonised system classification list for these products and a list of priority medicines for custom clearing.

Source: OECD (2020), "No policy maker is an island: The international regulatory co-operation response to the COVID-19 crisis", OECD Policy Responses to Coronavirus (COVID-19), OECD Publishing, Paris, <https://doi.org/10.1787/3011ccd0-en>.

Nevertheless, despite the benefits, most OECD countries have neither an appropriate strategy nor governance structure to fully leverage international co-operation for domestic policy objectives.

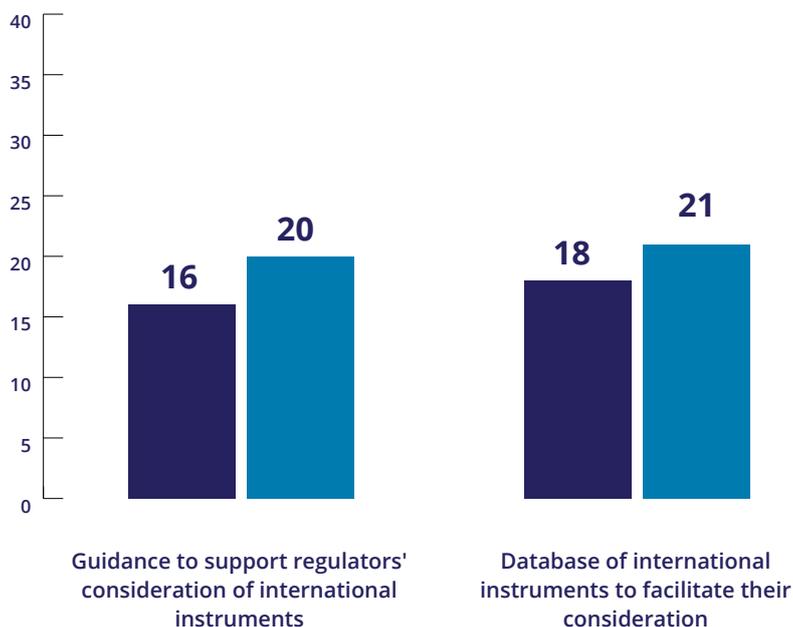
Only six OECD countries systematically embed international considerations in domestic rule making



Note: Data for OECD Countries is based on the 38 OECD member countries and the European Union.
Source: Indicators of Regulatory Policy and Governance Survey 2020.

Governments are striving at both national and international levels to facilitate the use of international expertise. At national level, more guidance or information sources are provided to encourage the use of international instruments in domestic rule making. Joint efforts by international organisations (IOs) to streamline and give access to their instruments can improve governments’ confidence in international solutions. The [OECD Best Practice Principles on IRC](#) and the [IO Compendium](#) further support the improvement of rule making for better lives worldwide.

OECD countries increasingly provide guidance and databases to facilitate the consideration of international instruments in domestic rule making



Note: Data for OECD Countries is based on the 38 OECD member countries and the European Union.
Source: Indicators of Regulatory Policy and Governance Survey 2020.



Related links

- ▶ [OECD Regulatory Policy Outlook 2021](#)
- ▶ [OECD 2012 Recommendation on Regulatory Policy and Governance](#)
- ▶ [Indicators of Regulatory Policy and Governance](#)
- ▶ [International Regulatory Co-operation: Adapting Rules to an Interconnected World](#)
- ▶ [OECD 2021 Best Practice Principles on International Regulatory Co-operation](#)
- ▶ [The Compendium of International Organisation's Practices: Working Towards More Effective International Instruments](#)

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