

7th ASEAN-OECD Good Regulatory Practices Network (GRPN) Meeting 2021:
Summary of Session 2 - Supporting Businesses through Partnerships for Economic Recovery
17 June 2021

The seventh ASEAN-OECD Good Regulatory Practices Network (GRPN) meeting on the theme of *Innovative Recovery: Responsive Regulatory Systems for Economic Recovery and Prosperity* held the second of three sessions on 17 June 2021. Over 150 participants from ASEAN and OECD economies joined online to discuss *regulatory innovation for pandemic recovery*. The GRPN builds off the OECD Secretariat's longstanding work with the ASEAN Secretariat and ASEAN Member States.

Opened by Nadzri Yahya, Director, Economy and Finance Office, Vision, Finance and Cabinet Division Prime Minister's Office, Brunei Darussalam, Siti Norlailasari Abdul Rahman, Senior Director, Strategic Planning Division, Ministry of International Trade and Industry, Malaysia and Mark Steel, Director Regulatory Systems, Strategic Policy and Programmes Group, Ministry of Business, Innovation & Employment, New Zealand, this second session engaged GRPN members in a workshop on regulatory innovation for recovery to foster open exchanges on regulatory challenges and identify practical solutions. Focused discussion groups on regulatory management tools, regulatory governance and digital transformation, respectively, fostered constructive exchanges and outcomes.

Key Takeaways

- **Emerging from the pandemic, governments are searching for innovative applications of regulatory policy to drive recovery.** Focus areas include stronger governance and regulatory environments, strengthened collaboration between policy areas, better use of digitalisation, stronger risk management and fostering constructive exchanges.
- **Regulatory management tools continue to be the baseline of better regulatory policy making** by supporting evidence-based analysis, engaging citizens and businesses, and reducing burdens. While traditionally the least developed, *ex post* review will need to be widely used for governments as they look to evaluate what worked and what did not from the crisis. Engaging in two-way conversations with stakeholders and conducting robust *ex ante* RIA analysis will be important to ensure recovery is inclusive. Governments may need to invest in capacity building to facilitate the adoption of these tools.
- **Effective regulatory governance, including oversight, can support recovery efforts in the medium- to long-term.** A well-functioning regulatory oversight body with the appropriate position of authority within government can serve the dual purpose of supporting better regulation reforms through coaching and advice, while also scrutinising regulatory proposals to ensure effective outcomes. This can help foster regulatory innovation at all levels of government, enhanced trust in the system and improve cooperation within government and with stakeholders.
- **The COVID-19 pandemic has forced governments to rethink how they regulate** to ensure economic growth and pressing social and environmental challenges are not held back by regulations designed for the past. A more agile approach to the regulatory governance is needed, including using data to make more informed and evidence-based decisions. Delegates emphasised the need for coordination (including across borders), anticipation, experimentation, outcome-based approaches and effective enforcement regimes. International guidance is vital to supporting these efforts, such as through the upcoming *OECD Recommendation on Agile Regulatory Governance to Harness Innovation*.
- **The ASEAN community recognizes the importance of new approaches to better regulation, which began even before the crisis.** The ASEAN Secretariat has supported the regional approach to better regulation, including through the adoption of the ASEAN Comprehensive Recovery Framework aimed at pandemic recovery, ongoing efforts to provide a clear narrative on the digital transformation and continuing their work plan on supporting the implementation of good regulatory practices. The OECD is helping these efforts by supporting peer learning, including through the forthcoming policy brief on regulatory reforms during the COVID-19 pandemic that can help the community learn and adapt.

Next Steps

The final session for the seventh GRPN will be held in October 2021. The Government of Brunei Darussalam and the secretariat of the OECD will share details in due course.