



# OECD Recommendation on Agile Regulatory Governance to Harness Innovation

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**I.** The OECD and better regulation

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**II.** Agile regulatory governance

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## The OECD and better regulation



# The Organisation for Economic Co-operation and Development (OECD)

- **Established in 1961** out of the Organisation for European Economic Co-operation (OEEC, established 1948), the OECD is an international organisation that works to **build “better policies for better lives”**.
- Global reach via **38 member countries** + key partner countries and regional initiatives in Africa, Eurasia, Latin America, the Middle East and North Africa, Southeast Asia and South East Europe.



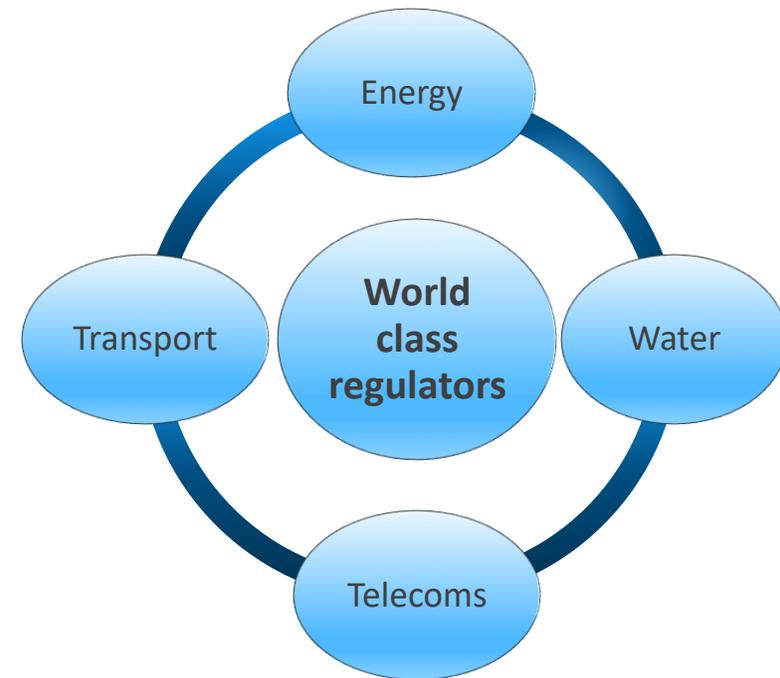
How we work:

1. **Inform and provide advice to countries as** one of the largest and most trusted sources of comparative socio-economic data and analysis
2. **Engage and influence** by bringing policy makers together to exchange ideas, share experiences and forge progress across a range of policy areas
3. **Set standards and provide policy support to** encourage countries and partners to “play by the same rules” and cooperate to reach shared objectives



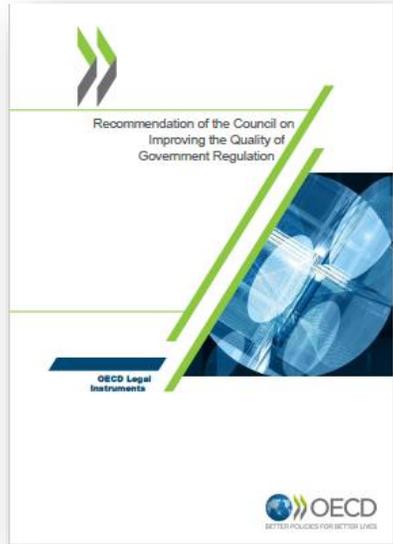
## Unique policy committees

- Regulatory Policy Committee (RPC): brings together over 100 central government officials to assist members and non-members in building and strengthening their regulatory reform efforts
- Network of Economic Regulators (NER): brings together over 70 regulators across sectors, 30 countries and regions of the world. Forum that promotes dialogue, shares good practices, generates analysis and guidance.





# “Soft law” and guidance



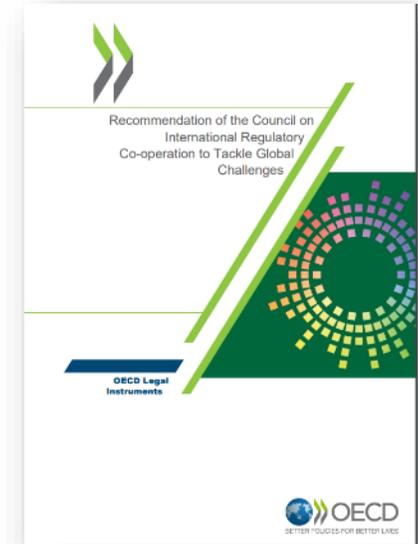
1995



2012



2021



2022

**Best practice principles** → Regulatory impact assessments, enforcement and inspections (+toolkit), ex post review, one-stop shops, governance of regulators, and international regulatory co-operation

See more: <https://www.oecd.org/governance/regulatory-policy/2012-recommendation.htm>



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## OECD Recommendation on Agile Regulatory Governance



- Premise: if well-governed, innovation can lead to **substantial welfare gains**
- Innovation raises **profound and interrelated regulatory challenges**:
  - Pacing problem
  - Designing “fit for purpose” regulatory frameworks
  - Regulatory enforcement
  - Institutional and transboundary challenges





- > **Key objective of the *OECD Recommendation on Agile Regulatory Governance to Harness Innovation*:** provide guidance to help governments rethink their approaches to rule making to realise the benefits of innovation





## > Four main pillars:

- ▶ Adapting **regulatory management tools**
- ▶ Fostering **cooperation**, including **across borders**
- ▶ Developing **agile** and **future-proof** regulations
- ▶ Adapting **enforcement** to the « new normal »



# Diving into the details: The four pillars of the Recommendation

## Four pillars

**Adjusting regulatory management tools** to ensure regulations are fit for the future

- **Using regulatory management tools to continuously adapt regulatory approaches**
- Constant monitoring and *ex post* evaluation
- Adapted RIA approaches and practices
- New forms of stakeholder engagement

Laying institutional foundations to enable **cooperation and joined-up approaches** within and across jurisdictions

- Innovation frequently cut across administrative and sectoral boundaries: **a whole of government approach is essential**
- Strong transboundary nature of emerging technologies: **international cooperation is needed** for government action to be effective

Developing or adapting the **governance frameworks** to enable the development of agile and future-proof regulation

- Developing **upstream and anticipatory engagement** in the innovation process
- Creating space for **experimentation** to foster policy learning and adaptation
- Harnessing the opportunities of **'soft law' approaches**
- Implementing **outcome-based regulations**

Adapting regulatory **enforcement activities** to the "new normal"

- Adopting **responsive and compliance-promoting** approaches
- Promoting **interoperability** across regulatory frameworks
- **Harnessing digital technologies** (e.g. smart sensing, IoT, AI, etc.) to identify risks, target interventions and adapt rules



**Thank you!**  
**¡Muchas gracias!**

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[www.oecd.org/gov/regulatory-policy/better-regulation-and-innovation.htm](http://www.oecd.org/gov/regulatory-policy/better-regulation-and-innovation.htm)

[www.oecd.org/gov/regulatory-policy/ner.htm](http://www.oecd.org/gov/regulatory-policy/ner.htm)



**A complementary area of work** of the OECD Regulatory Policy Committee (in close cooperation with the Network of Economic Regulators): How to use **data-driven regulation** to complement existing regulatory tools and develop more dynamic, agile and technology-neutral regulatory approaches?

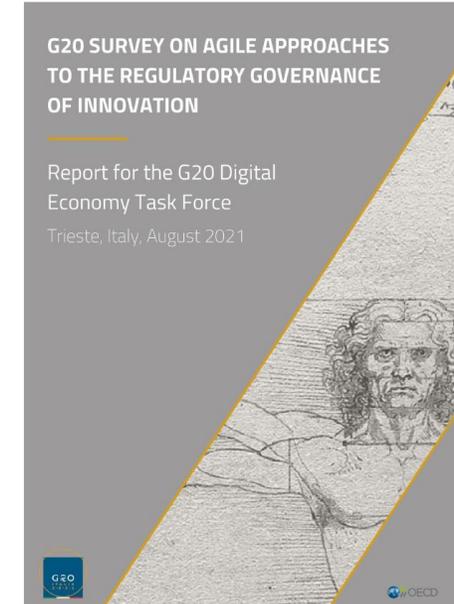


New (digital) technologies bring a number of opportunities along two main avenues:

1. Using (big) data and AI to improve the **design and evaluation of regulation**
2. Harnessing new technologies to improve **regulatory delivery**



- **G20 survey on Agile Approaches to regulation** developed for the 2021 G20 Digital Economy Taskforce
  - **Objective:** showcase ongoing efforts of G20 governments to revisit how they regulate innovation
  - Examples from 18 G20 countries and UNIDO
  
- **Public version available at:** <https://innovazione.gov.it/notizie/articoli/en/reports-for-the-g20-digital-economy-task-force/>



*“We recognise the contribution of the Survey on agile regulation across G20 Members, and the OECD’s ongoing work to developing the Principles and policy recommendations for agile regulatory governance to harness innovation”*

**Declaration of G20 Digital Ministers**  
Trieste - 2021