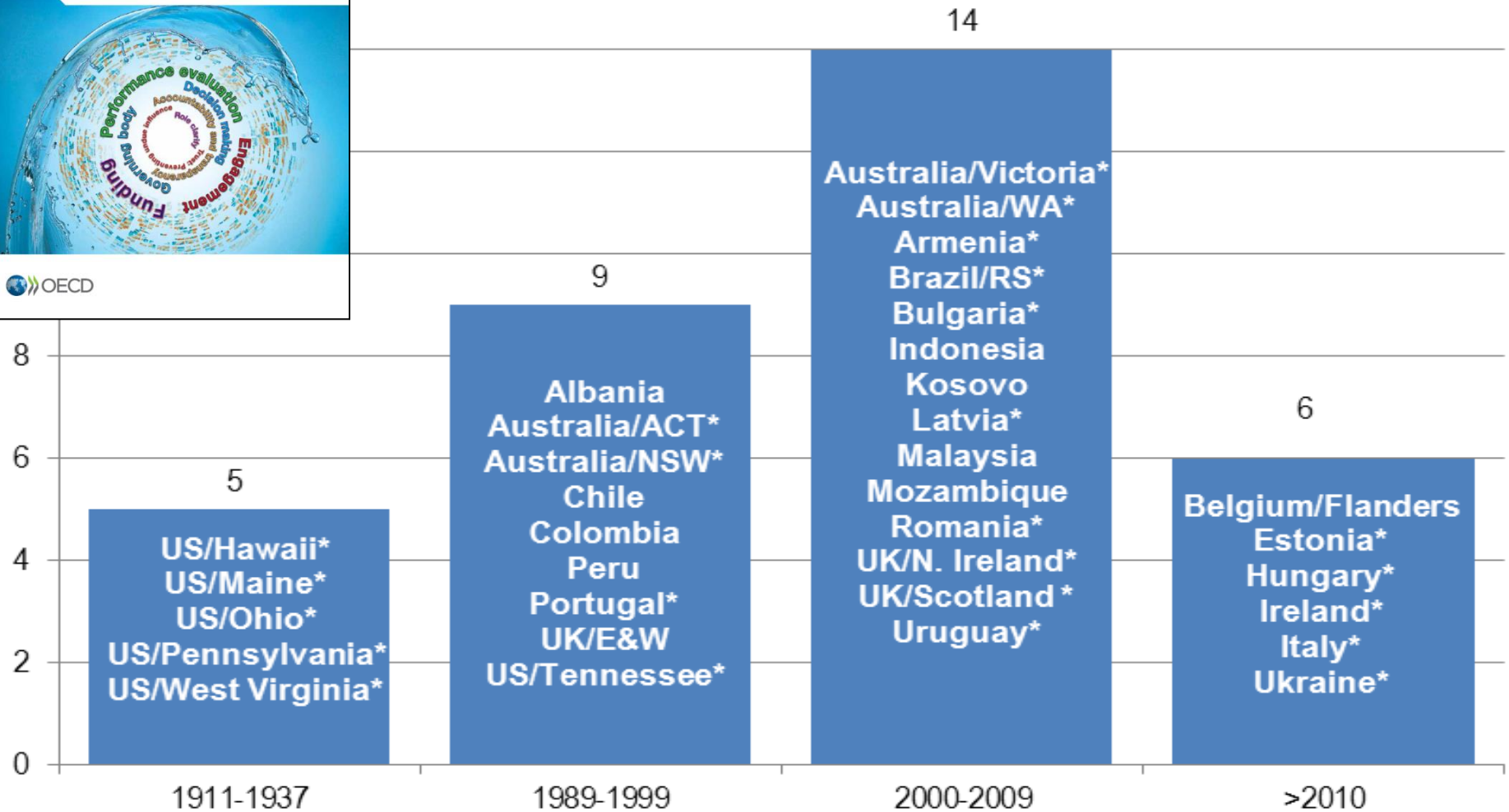
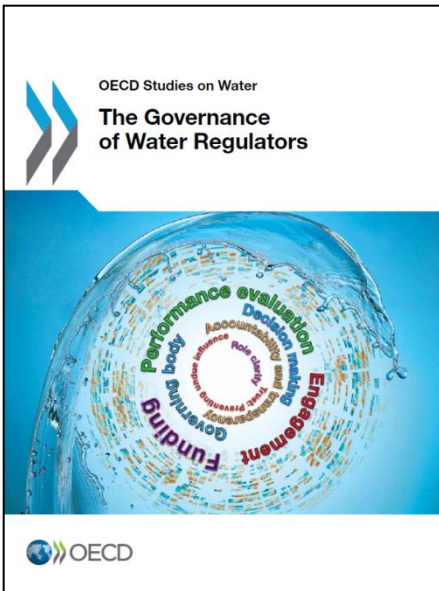


Better Regulation in Europe and regulatory cooperation

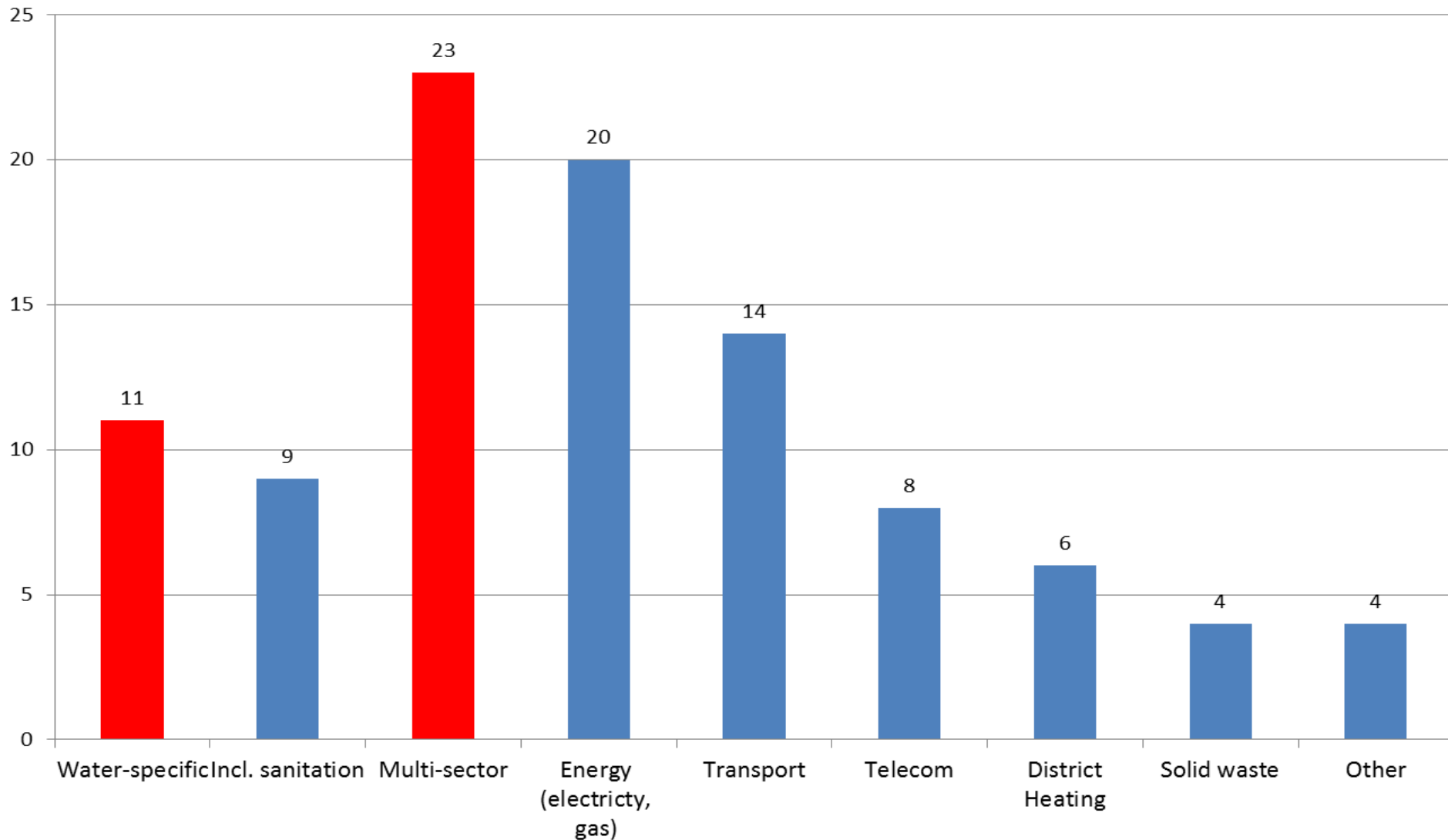
An OECD perspective

**Céline Kauffmann, Deputy Head, Regulatory Policy Division
OECD Public Governance and Territorial Development**

Establishment of water regulators



A majority of multi-sector regulator

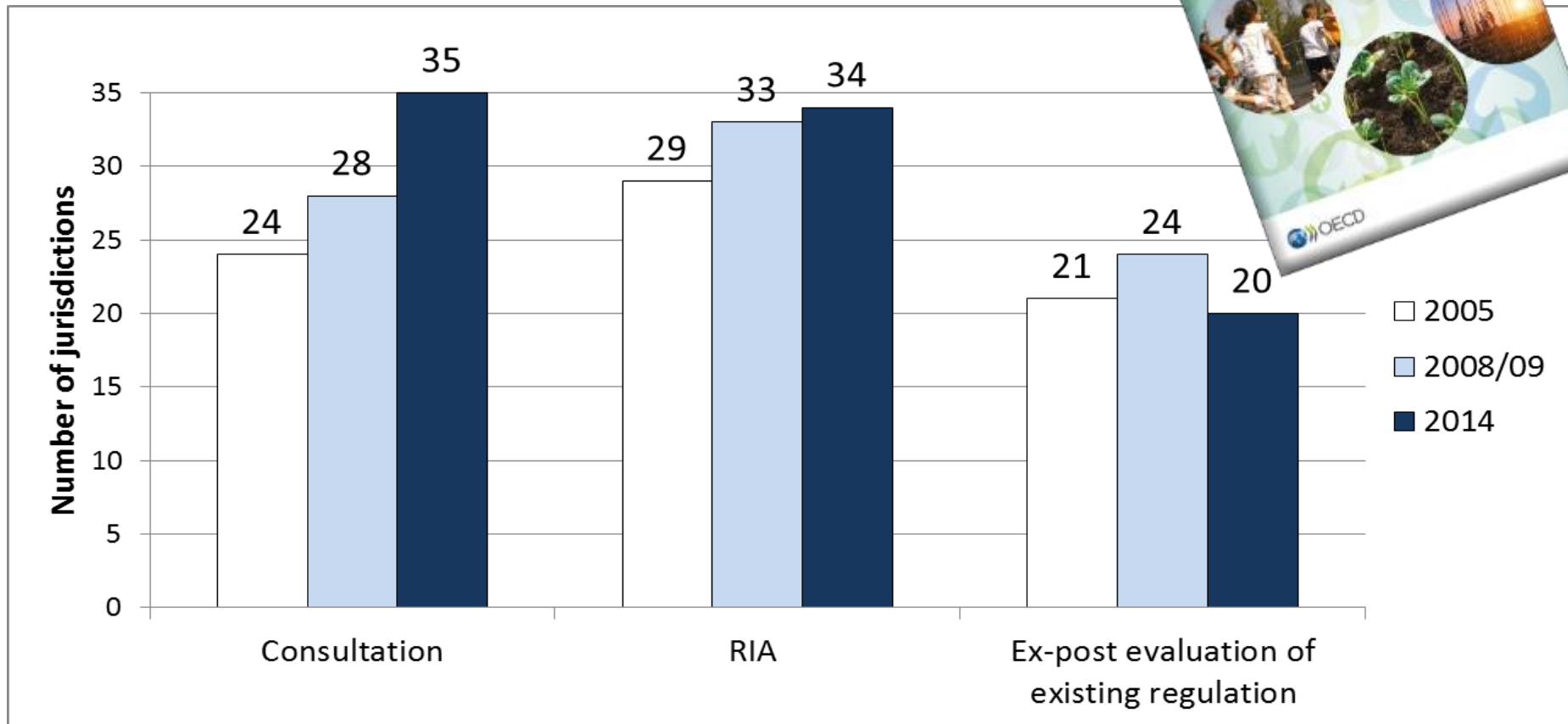
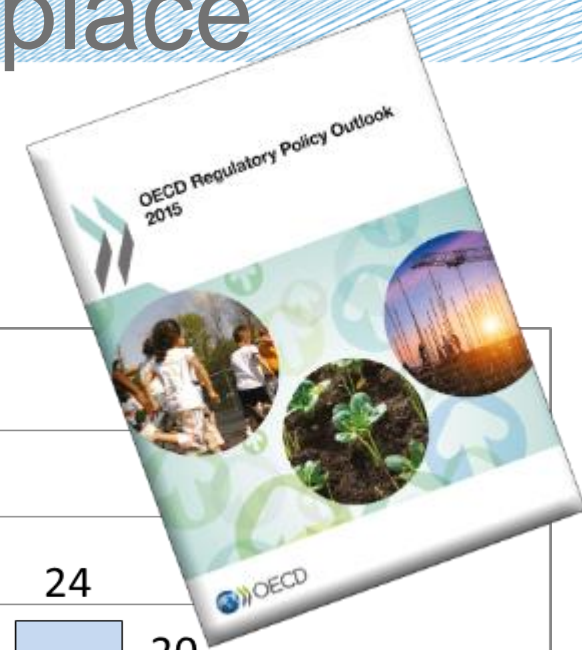


Why are water regulators established?





Formal requirements are in place

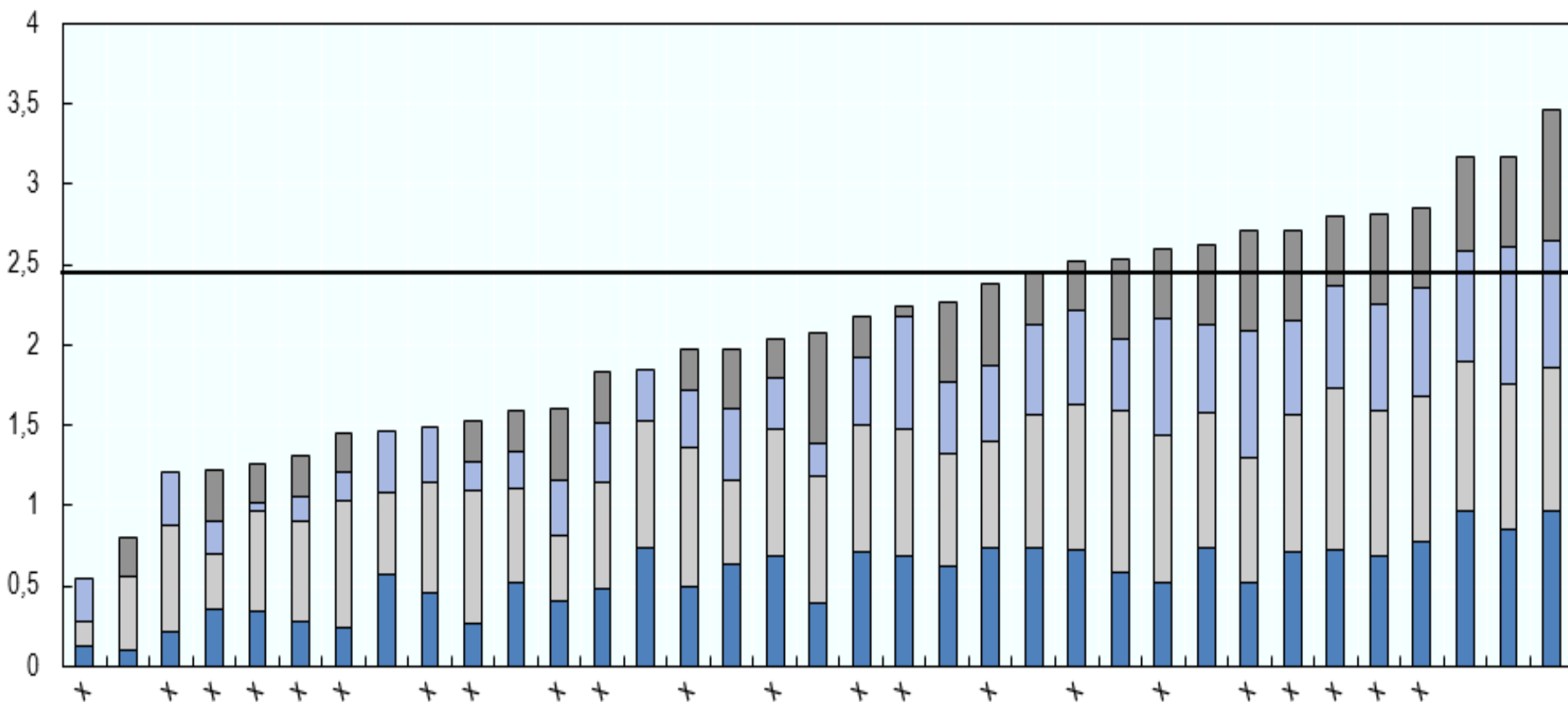


Source: 2015 Regulatory Policy Outlook

C O N F I D E N T I A L

Stakeholder engagement (subordinate regulations)

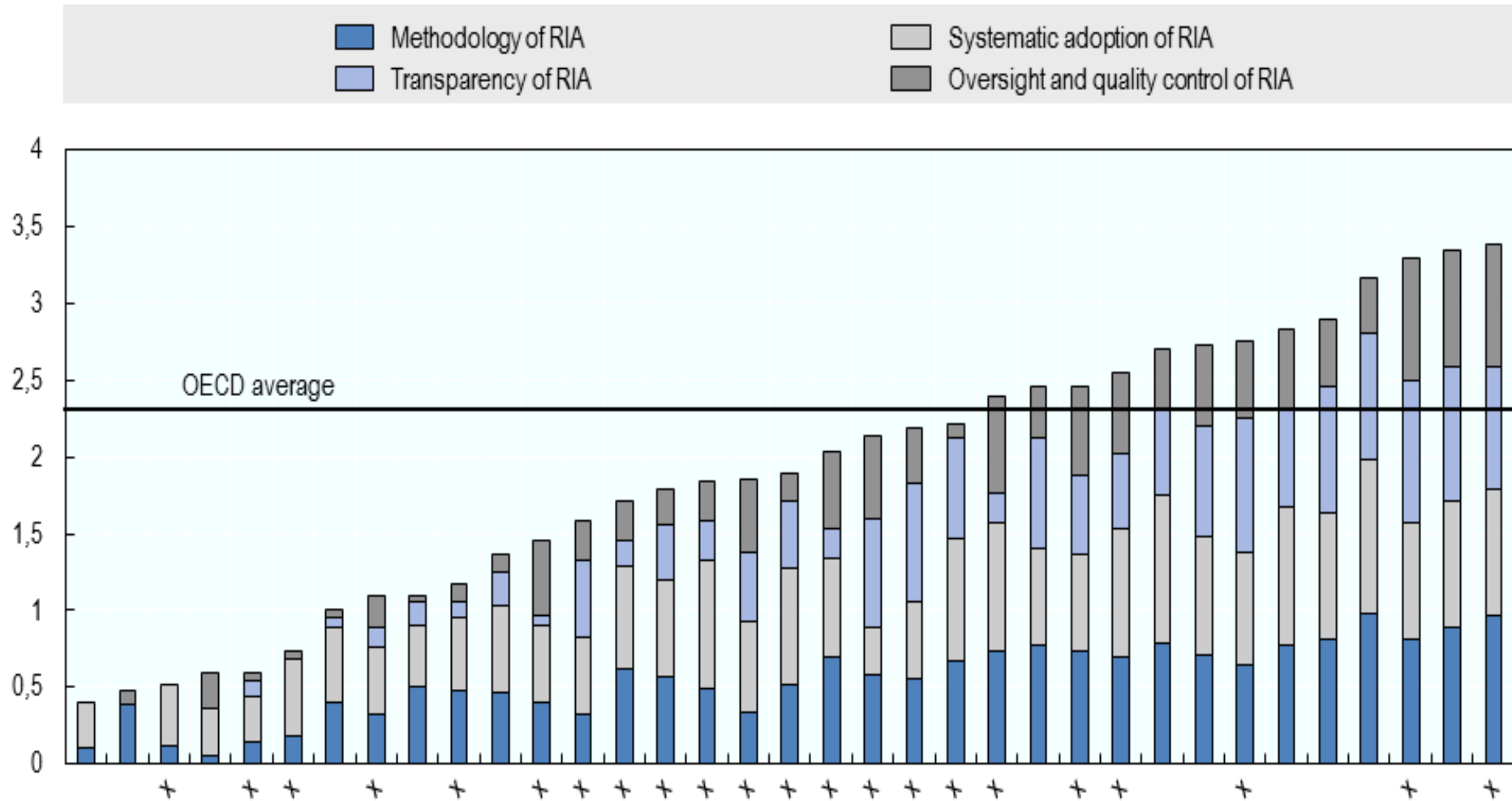
- Methodology of stakeholder engagement
- Transparency of stakeholder engagement
- Systematic adoption of stakeholder engagement
- Oversight and quality control of stakeholder engagement



Source: 2015 Regulatory Policy Outlook

C O N F I D E N T I A L

Regulatory Impact Assessment (subordinate regulations)

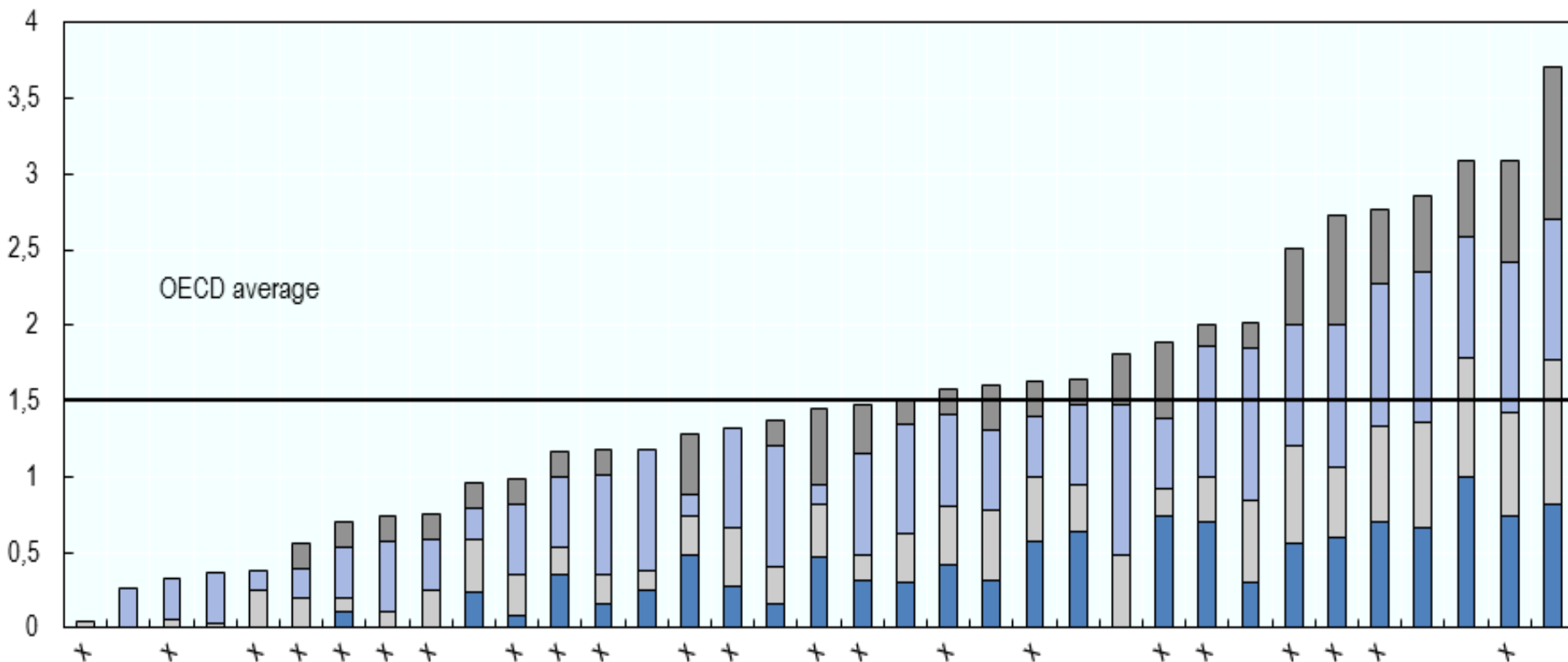


Source: 2015 Regulatory Policy Outlook

C O N F I D E N T I A L

Ex post evaluation (subordinate regulations)

- Methodology of ex post analysis
- Transparency of ex post analysis
- Systematic adoption of ex post analysis
- Oversight and quality control of ex post analysis



Source: 2015 Regulatory Policy Outlook

C O N F I D E N T I A L

The menu of cooperation models

**Integration /
Harmonisation
through supra
national institutions**
(EU)

**Specific negotiated
agreements**
(treaties / conventions)

**Formal regulatory co-
operation
partnerships**
(US-Canada RCC)

**Inter governmental
organizations**
(OECD, WTO)

**Regional agreements
with regulatory
provisions**
(RTAs, FTAs)

**Mutual recognition
agreements**
(MRAs)

**Trans-governmental
networks of
regulators**
(ILAC, ICPEN, PIC/S)

**Formal requirements
to consider relevant
frameworks in other
jurisdictions in the
same field**

**Recognition and
incorporation of
international
standards**
(ISO, IEC,...)

**Soft law: principles,
guidelines, codes of
conduct**

**Dialogue / Informal
exchange of
information**
(Transatlantic dialogues)



Advantages / disadvantages

Type of mechanism	Advantages	Disadvantages
Integration / harmonisation	The rules are the same for all. Compliance is the greatest. Less likely to regulatory capture than networks	Long process. Costs of structure & enforcement. Sovereignty & legitimacy issues.
Regulatory partnerships between countries	High-level leadership Flexible & continuous mechanism	Impact on regulators & levels of jurisdiction?
Inter-governmental organisations	Promote continuous dialogue & anticipate emerging issues.	Progress slow to materialise Weaknesses in enforcement and compliance.
Regional agreements with regulatory provisions	Legal force and direct connection to trade and economic integration.	Proliferation of provisions Impact on regulators
Area-specific legally binding agreements	Legal force	Lack of enforcement in some cases
MRA	Preserve State sovereignty Reduce duplication efforts.	The time-consuming, costly Extensive trust Capacity to adapt with changes in regulations? Lack of enforcement
Transgovernmental networks	Low-cost, flexible and adaptable Foster experimentation & innovation Support trust building, technical approaches & may help avoid race to the bottom	Soft law / exchange of practices Limited enforcement and monitoring Exclusion issues? Legitimacy of decisions?

Further information

- OECD (2015), *Regulatory Policy Outlook*, OECD Publishing, Paris: www.oecd.org/gov/regulatory-policy/Coming-soon-OECD-Regulatory-Policy-Outlook-2015.htm
- OECD (2014), *The Governance of Regulators*, OECD Best Practice Principles for Regulatory Policy, OECD Publishing, Paris: www.oecd.org/gov/regulatory-policy/governance-of-regulators.htm
- OECD (2014), *The Governance of Water Regulators*: www.oecd.org/gov/the-governance-of-water-regulators-9789264231092-en.htm
- Recommendation of the Council on Regulatory Policy and Governance: www.oecd.org/gov/regulatory-policy/2012-recommendation.htm
- OECD Network of Economic Regulators: www.oecd.org/gov/regulatory-policy/ner.htm
- OECD work on International Regulatory Co-operation: www.oecd.org/gov/regulatory-policy/irc.htm
- OECD work on Measuring Regulatory Performance: www.oecd.org/gov/regulatory-policy/measuring-regulatory-performance.htm

Contact: Celine.kauffmann@oecd.org