

Equipping Agile Regulators

Université Dauphine Club des Regulateurs – OECD NER Seminar

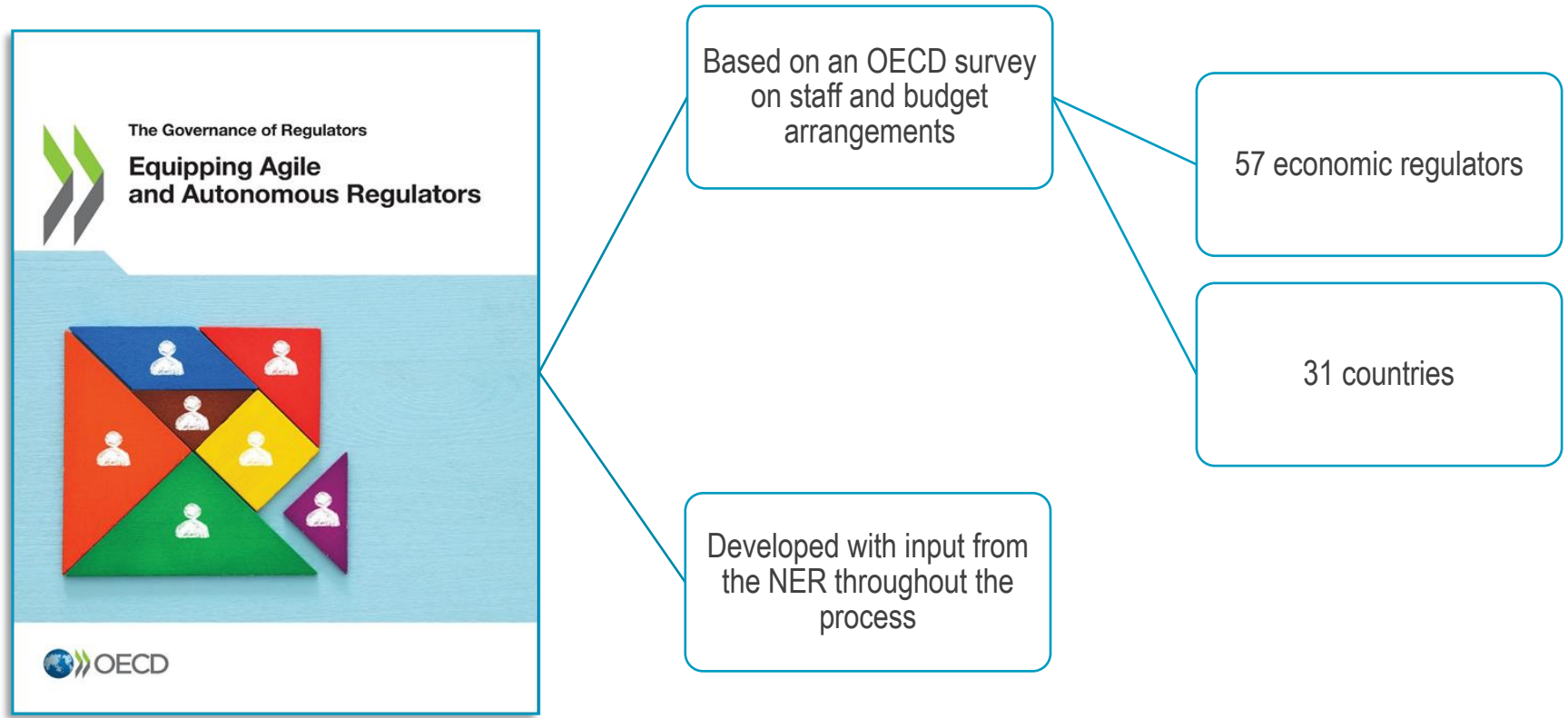
Vincent van Langen, OECD Regulatory Policy Division

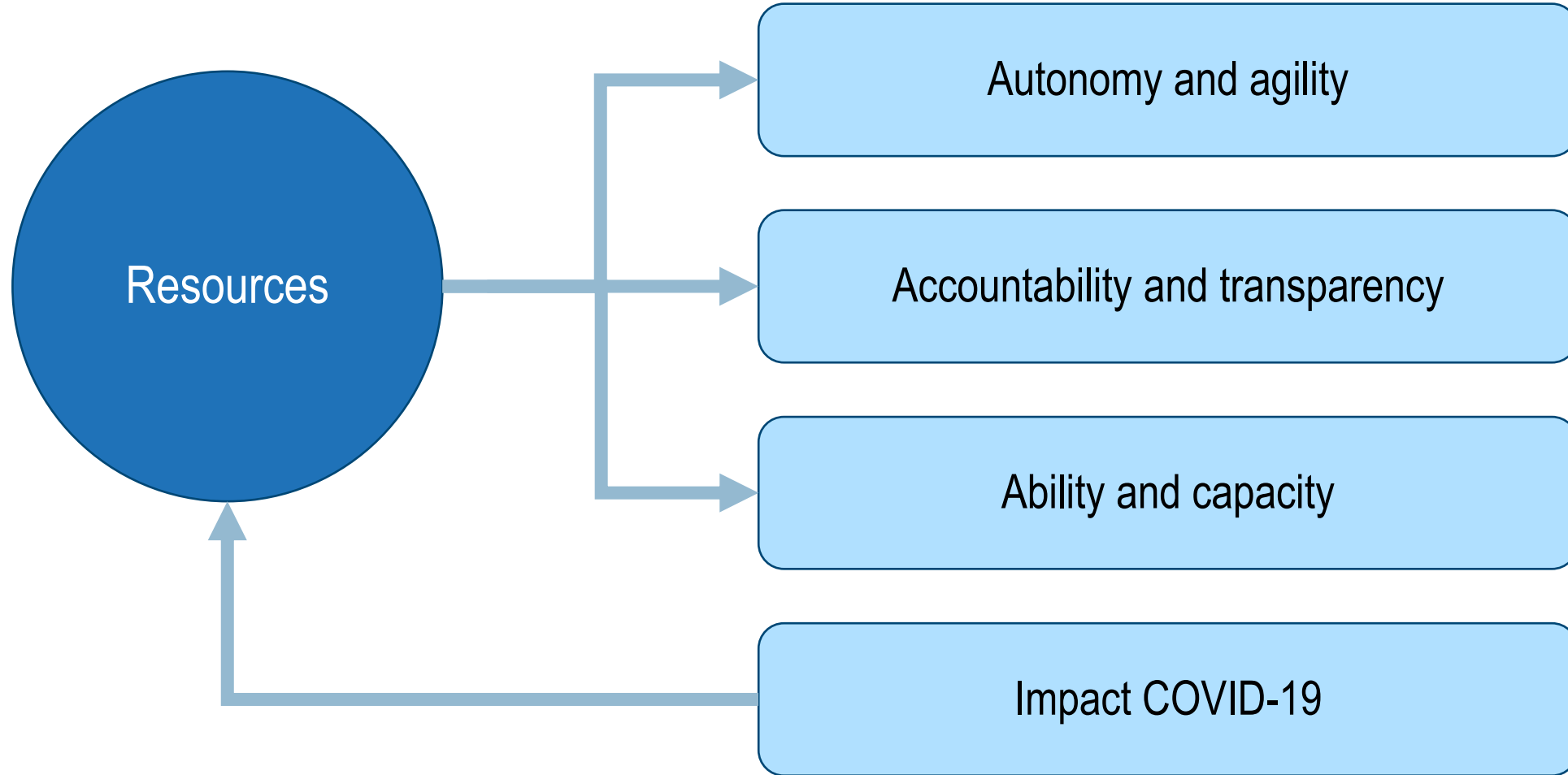
5 December 2022





The OECD Network of Economic Regulators recently published a report on resources







Today's focus is on how resources can support agility

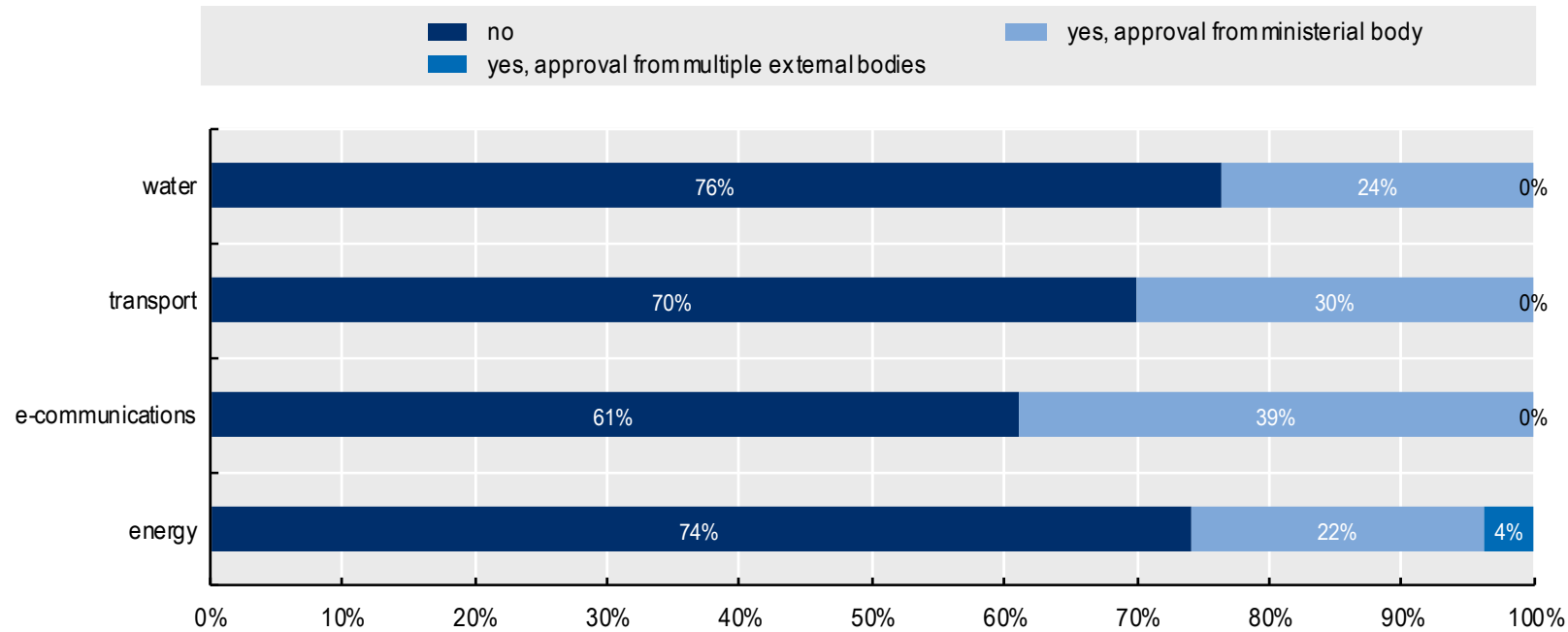
- > Regulators oversee **sectors that are more and more dynamic**, spurred by innovations as well as crises
- > OECD Recommendation on Agile Governance to Harness Innovation:
 - > *“develop governance frameworks to enable the development of **agile and future-proof regulation**”*
- > A regulator's governance can affect its ability to be agile, and **resources play a crucial role**
- > Resourcing arrangements can make regulators more agile, by:
 - > Enabling them to **recruit new talent** to respond to changing roles and demands
 - > Supporting existing staff to **obtain new skills and knowledge**
 - > **Providing stability and predictability** so regulators can plan beyond the short term
 - > Allowing regulators to **refocus the use of resources** to stay effective





More agile recruitment can increase the speed at which regulators can respond and adapt

Does the regulator need to obtain approval from an external body before it can recruit staff?



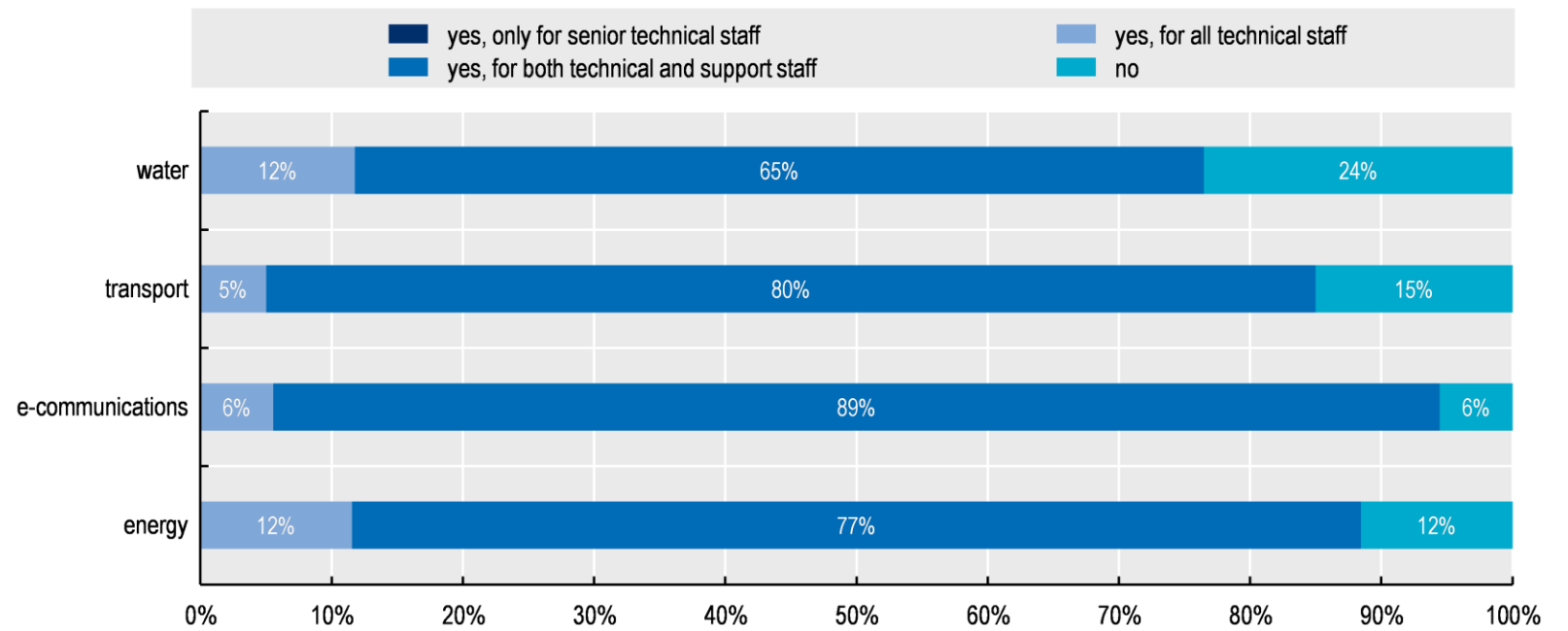
“Difficulties to recruit staff with the right skills – such as IT and data skills – can make it more difficult to absorb the impacts of technological innovations”



Obtaining qualifications and staff exchanges will support staff to build skills and knowledge

“The exchange of staff with other bodies – domestically and internationally – can bring in fresh perspectives and knowledge”

Does the regulator provide financial support to staff members that wish to obtain external qualifications?





Predictability and stability in resources make it easier to plan ahead and be “future ready”



90% have annual budget appropriations



28% can see changes to their budget during the year without parliamentary oversight



89% face restrictions to carry over funds between financial cycles



80% of fee-funded regulators have a cost-recovery mechanism to set the “right” fee level

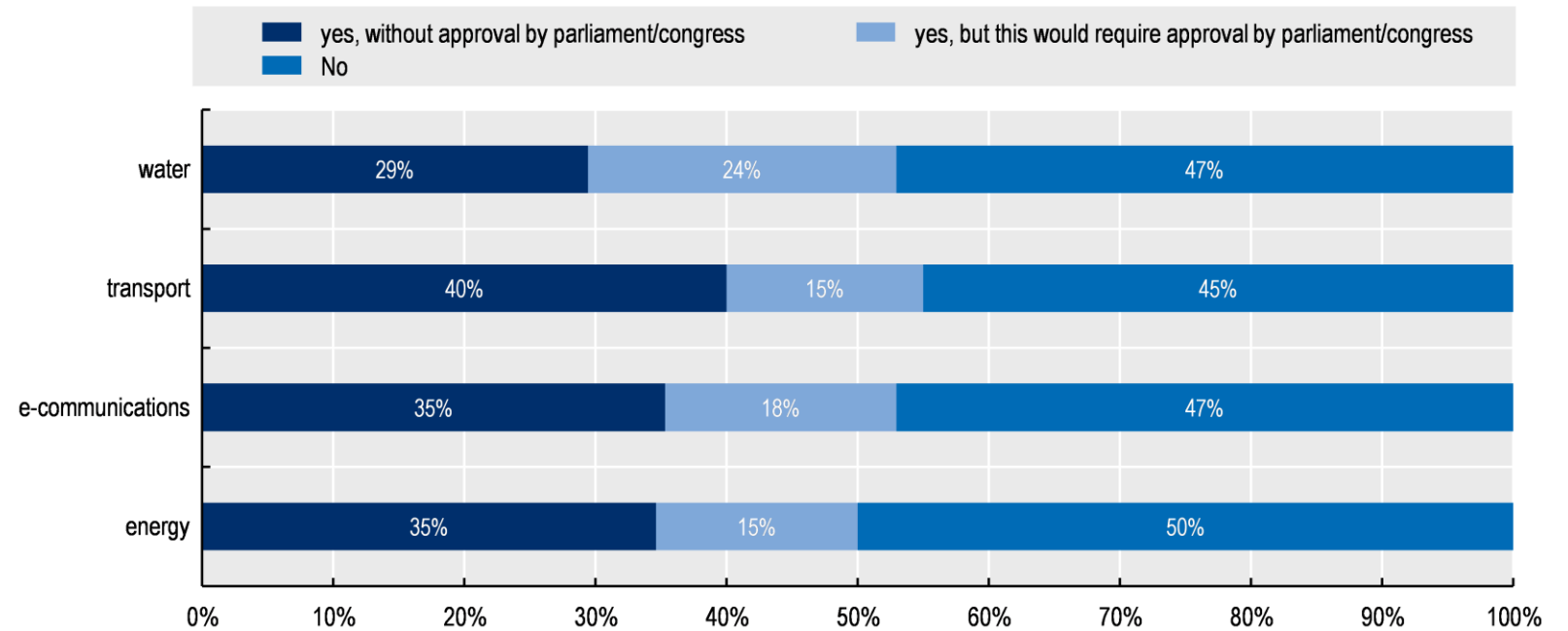
“Appropriate safeguards such as clear criteria and procedures for budgetary decision making and multiannual forecasts can improve predictability and stability”



Restrictions on spending can reduce the ability to use resources effectively

“While spending should be in line with rules on public spending and procurement, regulators should not be unnecessarily restricted in their activities or the way they spend their budget”

Can other government bodies impose any controls on the regulator’s spending after the budget has been approved, such as spending caps or other restrictions?



Thank you for your attention!

For more information:

- ❖ OECD Network of Economic Regulators: oe.cd/3NB
- ❖ The Governance of Regulators: oe.cd/3Vm
- ❖ Equipping Agile and Autonomous Regulators report: oe.cd/equipping-regulators



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5 December 2022

