Strengthening the Institutional Setting for Regulatory Reform

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An explicit focus on core governance and institutional design issues where the OECD has a unique role to play

An explicit objective of the programme of work for 2009-10

Results based on existing reviews of a dozen countries: not exhaustive, and will need some complementary fact check

Issues of institutional design need to be addressed with caution: empirical perspective, building a conceptual framework and drawing some lessons, without over extending the results

Will be a key component of the synthesis report on 10 years of regulatory reform
Analysing Institutions

An explicit focus on key institutional design issues:

- units, agencies, committees, advocacy bodies,
- Within the executive or at arms’ length from government
- With or without a Secretariat

Four key functions:

- Coordination (most widespread)
- Challenge function (fairly common, but to which extent?)
- Training and advice (less)
- Advocacy (but also other institutions)

A toolkit approach
The main elements of a an Oversight Body

- Mandate and power
- Administrative machinery
- Institutional design and location
- Coordination mechanisms
- Human and financial resources
What about institutional performance?

- Policy coherence & coordination
- Stability
- Adaptability and responsiveness
- Implementation strategies
- Forging a political constituency
Some lessons and trends

Similarities and differences
- Tradition and constitutional aspects
- Controlling the ‘regulators of regulators’

Networks of organizations

Existential trade offs
- ‘Low hanging fruits’ Vs ‘big prizes’
- Stability Vs opportunism

Spirit of the organization
- Technocratic or political ‘animal’
Some lessons and trends

- Define the starting point and end point
- Get backing of finance
- Know how to handle mistakes, accidents
- Deliver jobs, investment, security, change
Conclusion

Key messages

- Policy coherence and co-ordination
- Ensuring institutional stability
- Adaptability and responsiveness
- Strategies and approaches for implementation
- Communication
Conclusion

Success factors, and role of intrinsic national institutional histories? Link with performance and ex post evaluation?

Evidence of net benefits

Need for long-term strategy

But: ineffective civil service reform, low regional capacity, short-lived support and consensus