

For Official Use

C(2009)36

Organisation de Coopération et de Développement Économiques
Organisation for Economic Co-operation and Development

12-Jun-2009

English - Or. English

COUNCIL

Council

IN-DEPTH EVALUATION OF THE GROUP ON REGULATORY POLICY

Declassified

For further information or queries, please contact Kevin Williams:
Kevin.Williams@oecd.org; +33 1 45 24 18 67.

JT03266563

Document complet disponible sur OLIS dans son format d'origine
Complete document available on OLIS in its original format



C(2009)36
For Official Use

English - Or. English

EXECUTIVE SUMMARY

The Group on Regulatory Policy is unique in the OECD in that as a Level 1 Body it is mandated with regrouping three policy communities (competition, trade and regulatory policy) within a single structure. However, these three communities are not involved in the Group to the same degree and delegates with a regulatory policy perspective are predominant. The participation of the trade and competition policy communities in the Group's meetings is limited and, moreover, trade and competition delegates do not generally attend on a regular basis or over a prolonged period.

In the context of the evaluation, these factors gave rise to data collection difficulties in that the proportion of questionnaires being returned was unusually low. It also resulted in most data collected through both the survey and interview programme coming from policymakers with a regulatory policy perspective.

On a substantive level, the limited involvement of two of the three policy communities in the Group on Regulatory Policy indicates that it has not succeeded in fully implementing its mandate, which requires it to provide a structure for high-level multi-disciplinary dialogue on the subject of regulatory reform. This conclusion touches on the very *raison d'être* of the Group and as such is a central element in the following assessment.

ASSESSMENT

Relevance: Medium

- The Output Area of Regulatory Reform, for which the Group on Regulatory Policy is partly accountable, has been considered as a middle-ranking priority by Members over the period covered by the evaluation.
- The participation of capital-based delegates in the Group's meetings has fallen slightly since 2002, though they continue to attract delegates of a high level. However, attendance by competition and trade policymakers is low, indicating a limited level of interest in the GRP's work from their perspective.
- The Group's policy objectives are well aligned with the needs of policymakers primarily from the regulatory policy community.

Efficiency: Medium

- The Group on Regulatory Policy has not succeeded in its mandated role of being a *platform for high level, multi-disciplinary policy dialogue on regulatory reform at the OECD, drawing on the expertise of the Public Governance, Trade and Competition Committees and of their subsidiary bodies.*
- Despite the Group's ambition of being a "Committee of Committees" the development of both its mandate and programme of work takes place with very little delegate input from the Competition and Trade Committees.

- When the Group's mandate was revised in 2005, it was envisaged that the GRP would choose a Bureau on an annual basis *composed of representatives of the bureaus of Trade, Competition and Public Governance Committees or their respective subsidiary bodies*. The envisaged role of the Bureau was *to perform a liaison function among the Committees*. A Bureau was not created and delegate-level liaison does not take place between the three constituent Committees.
- All of the Output Results produced by the Group on Regulatory Policy between 2002 and 2006 have been of a high level of quality or better, as assessed by users primarily from the regulatory policy community. At the same time, the resources allocated to this body are quite modest.
- The way in which the GRP implements its work programme enables it to deliver Output Results in a timely fashion in line with the planned timeframe, while drawing on inputs from a number of directorates. Meetings are well prepared and conducted, though they have not been scheduled in a way that would facilitate the participation of Trade and Competition Committee delegates.
- Interactions and working arrangements with a small number of other international organisations and stakeholders are a positive aspect of the Group's functioning.

Effectiveness: Medium

- The impact of the work of the Group is widespread across OECD Members, as assessed primarily from the perspective of the regulatory policy community. The same group of policymakers judge that the work is likely to be giving rise to long-lasting policy changes. However, the apparently limited interest of the competition and trade policy communities in the Group's work suggests that it would not be as well known or used in these policy fields, which would mean that policy impact in these areas is likely to be low.
- Reviews of Regulatory Reform are viewed by the vast majority of reviewed countries as having a significant policy impact, though limited use has been made of them by Members as a means of drawing lessons from across a broad range of national experiences.

RECOMMENDATIONS

These recommendations are also relevant to the Public Governance Committee in that they concern its Working Party on Regulatory Management and Reform. They are made without presumption as to the organisation of work on regulatory policy, management and reform within the Secretariat.

Recommendation N°1: The Group on Regulatory Policy should be abolished. The Working Party on Regulatory Management and Reform of the Public Governance Committee should become a Level I Committee with a new mandate and name and should encompass the work previously conducted by the Group on Regulatory Policy.

Recommendation N°2: The proposed new Committee should, in collaboration with the Public Governance Committee, the Competition Committee, the Trade Committee and other concerned committees, establish a set of co-ordination arrangements and working modalities to ensure the fullest possible involvement of interested policy communities in the programming and conducting of horizontal work on regulatory policy.

C(2009)36

Recommendation N°3: The proposed new Committee, as part of its individual country review activities, should include an initiative to support the wide diffusion of lessons and examples that could be of value to policymakers in other Member countries.

TABLE OF CONTENTS

1. The Group on Regulatory Policy and its policy environment.....	6
2. Evaluation methodology and approach.....	7
3. Conclusions and recommendations of the evaluation.....	8
3.1 Assessment of relevance.....	8
3.2 Assessment of efficiency.....	9
3.3 Assessment of effectiveness.....	11
4. Proposed action.....	12
ANNEX I ANALYSIS AND FINDINGS.....	14
1. The Group on Regulatory Policy.....	14
2. Policy context.....	15
3. Orientations and functioning.....	15
3.1 Analysis of relevance.....	15
3.2 Analysis of efficiency.....	18
4. Policy impacts arising from the work of the Group on Regulatory Policy.....	27
4.1 Analysis of effectiveness in the short to medium-term.....	28
4.2 Analysis of effectiveness in the longer term.....	28
ANNEX II METHODOLOGY.....	33
1. Approach and implementation.....	33
2. Evaluation criteria and ratings.....	34
2.1 Relevance.....	34
2.2 Efficiency.....	35
2.3 Effectiveness.....	36
3. Questionnaire and PIR Survey.....	36
3.1 Responses.....	36
3.2 Processing.....	37
3.3 PIR data.....	38
4. Persons interviewed.....	38
5. Documents reviewed.....	39
ANNEX III IN-DEPTH EVALUATION: INSTITUTIONAL FRAMEWORK.....	40

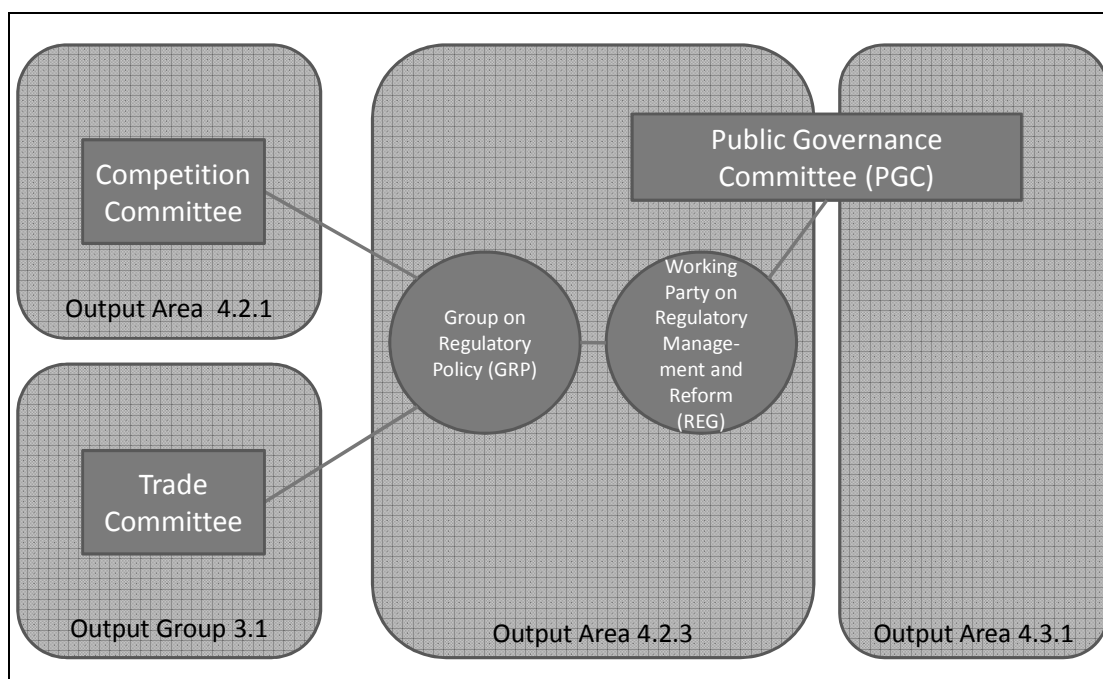
1. The Group on Regulatory Policy and its policy environment

1. The Group on Regulatory Policy (GRP) as it is today was created in 2005. It originated in the form of the Regulatory Policy Forum in 1996.¹ This *ad hoc* body was replaced in 2003 by the Special Group on Regulatory Policy as agreed by the OECD Council on 14-15 November 2002, with a mandate for three years.² The GRP's current mandate expires on 31 December 2010.

2. The Group's stated role is one of a platform for dialogue on regulatory reform at the OECD, drawing on the expertise of the policy communities represented in the Public Governance Committee (previously the Public Management Committee), the Trade Committee and the Competition Committee. It is a unique structure within the Organisation since it is the only horizontal substantive committee that reports directly to Council.

3. The GRP is responsible for implementing part of the work in Output Area 4.2.3 (Regulatory Reform), which it does alongside the Working Party on Regulatory Management and Reform (REG), a body situated within the substructure of the Public Governance Committee (PGC).³

Figure 1 Committee structure



1. Itself the successor of the Ad Hoc Multidisciplinary Group on Regulatory Reform.
2. *The proposed establishment of a standing body also reflects the emergence of regulatory reform as a permanent feature of the economic policy agenda in all OECD countries going beyond the country review approach to enhance the policy dialogue on global issues. At the Ministerial Meeting in May 2002, Member countries agreed to emphasise more comprehensive regulatory reform as one of the elements of a policy environment in which economic efficiency, higher levels of employment and improved living standards are realised [C(2002)189/REV2 & C/M(2002)22].*
3. Prior to the PWB 2007-08, the GRP's work was located in a separate Output Area (4.2.3H) which was entitled the Horizontal Programme on Regulatory Reform.

4. The GRP and the REG are described by the Secretariat as fulfilling two different functions. As a “Committee of Committees”, the GRP is, in a multidisciplinary fashion, taking on the more global and strategic role of helping to make trade-offs between regulatory, competition and trade policy. By contrast, the focus of the REG’s activities is on regulatory reform *per se*, the results of which are in part used as inputs into the work of the GRP.

5. The Secretariat of the Group is situated within the Regulatory Policy Division of the Public Governance and Territorial Development Directorate (GOV).⁴ Given its horizontal nature, the mission of the Secretariat includes ensuring liaison with the Directorate for Financial and Enterprise Affairs (DAF) and the Trade and Agriculture Directorates (TAD), with planning being a joint responsibility of the three directorates.⁵ The GRP Secretariat is also charged with supporting REG and its work.

6. The policy environment for regulatory reform, based on the descriptions provided in the PWBs of 2005-06 and 2007-08, can be summarised as:

- evolving toward regulatory governance, affecting how public authorities use regulation to achieve economic and social policy goals (particularly due to the shifting interface between the public and private sectors), in response to the expectations and pressure that governments face;
- exercising, as a result of globalisation, pressure on countries for further and faster reforms;
- being increasingly shaped by the progressively more important role being played by stakeholders in the private sector and civil society, with demands for evidence-based decision-making, transparency and accountability.

7. In the context of the current financial and economic crisis, the Organisation’s Strategic Response identifies regulatory management quality as one of the key areas to be addressed in the coming period.⁶

2. Evaluation methodology and approach

8. This In-depth Evaluation was conducted between July 2008 and February 2009. The Terms of Reference of the evaluation and the draft version of this report were discussed in meetings of the Evaluation Committee in which the Bureau of the Group on Regulatory Policy and the Secretariat were represented.⁷

9. The focus of the exercise is on the orientation of the GRP, its functioning and the Output Results for which it is accountable, as well as the policy use and impacts resulting from them. It covers the period as of 2002 to 2008 with regard to the functioning of the Group and 2002 to 2006 in the case of the impacts of its work.

4. Created in 2002 from the merger of the Public Management Service (PUMA) and the Territorial Development Service (TDS).

5. Special Group on Regulatory Policy. Mandate, Programme of Work [SG/SGR(2005)9].

6. C(2008)191/FINAL.

7. The meeting to validate the Terms of Reference took place on 18 July 2008 [CEV(2009)1]. The meeting to validate the draft final report was held on 8 April 2009.

10. The Group was evaluated with respect to the following evaluation criteria:

- **relevance**, i.e. whether it is addressing Member countries' and the European Commission's policy needs in the field of regulatory policy, and is likely to continue to do so in the medium term;
- **efficiency**, i.e. if it is optimising the relation between its financial and human resource inputs and the quality of its Output Results, with a particular emphasis on its orientation and functioning as key factors;
- **effectiveness**, i.e. whether its Output Results are being widely used and if they are bringing about widespread and long-lasting policy development impacts in line with the its objectives, at the level of Member countries and the European Commission.

11. In total, 27 interviews took place with delegates, OECD officials and representatives of stakeholder organisations. In the case of delegates, most of the contributions are from those concerned with regulatory policy. Because of difficulties in identifying suitable interviewees with a competition or trade perspective and eliciting their participation in the evaluation, contributions from these policy communities are rather limited. A survey was conducted to collect data from Members' policymakers, to which 20 OECD Members responded, a participation rate of 64.5%. However, when weighted by Members' contributions, the participation rate stands at 48.4% due to some of the larger Members not being in a position to respond. Furthermore, policymakers who did contribute to the survey were predominantly officials concerned with regulatory policy. In total, 16 of the 20 responses to the survey were, according to information provided by respondents, completed uniquely with inputs from ministries and departments responsible for regulatory policy.

12. Data from the three mid-term prioritisation exercises of 2003, 2005 and 2007, and the PIR 2005-06 were also mobilised, along with other appropriate in-house sources.

3. Conclusions and recommendations of the evaluation

13. The extent to which the work programme and policy objectives of the Group on Regulatory Policy have been relevant to the needs of its three policy communities is assessed as medium by the Evaluation Committee, as is its performance in terms of impacts and achievement of objectives and the degree to which it is functioning efficiently. While the performance of the Group is ostensibly strong, these ratings have been established on the basis that it does not sufficiently fulfil its intended role as a structure for horizontal working between the competition, trade and regulatory policy communities. In the context of these results, the Evaluation Committee has made three recommendations.

3.1 Assessment of relevance

14. The assessment of relevance is based on a qualitative appreciation and synthesis of indicators reflecting:

- the degree to which Members consider that the Output Areas for which a body is accountable represent a priority for the OECD's policy work;
- the extent of interest of OECD Members in the body's work as evidenced by delegates willingness to travel from capitals to participate in meetings;
- the degree of alignment between the body's mandated objectives/expected PWB outcomes and the policy needs of Members' policymakers, using data from the evaluation survey.

15. The work programme and policy objectives of the Group are assessed as being of medium relevance.

16. This rating is first of all based on the observation that over the period covered by the evaluation, there is a strong appreciation by a large proportion of policymakers from the regulatory policy community of the policy impacts the GRP wants to engender through its work. Secondly, while the Group continues to attract high-level delegates from capitals to its meetings, few of these are from the competition and trade policy communities. Finally, the Output Area for which the Group is co-responsible has been viewed as a middle-ranking priority by Members since 2003.

17. Supporting analyses and findings can be found in paragraphs 54 to 61 in Annex I to this report, while key elements of the assessment are summarised below.

18. The Group on Regulatory Reform, along with the Working Party on Regulatory Management and Reform, is responsible for implementing work in the *Regulatory Reform* Output Area (4.2.3). Successive MTO exercises over the period covered by the evaluation indicate that Members view this policy area as a middle-ranking priority in respect to Part I funding.

19. The extent to which the Group's work programme and mandate objectives address the needs of policymakers, particularly those from the regulatory policy community, is high, with all objectives being assessed as corresponding with salient needs for a majority of Members.

20. Capital-based delegate participation⁸ in the Group on Regulatory Policy has fallen slightly since 2002, though the seniority of delegates remains high. Against this backdrop, the participation of the competition and trade policy communities in GRP meetings has been significantly lower than policymakers with a regulatory policy perspective. This suggests that the work programme and the operational objectives that are implicit in it are of low relevance outside the regulatory policy community. Furthermore, a shift in the work programme from a country focus, which should provide an interest for regulatory, trade and competition delegates alike, to more of a thematic focus risks accentuating this imbalance.

3.2 *Assessment of efficiency*

21. The assessment of efficiency is based upon a qualitative analysis of the extent to which the Group on Regulatory Policy is producing Output Results of a quality commensurate with resources it draws from the Part I budget and the extent to which it orients and implements its work in an optimal fashion, primarily in terms of how well it:

- sets its strategic orientation and establishes its work programme;
- implements its work programme and delivers its Output Results;
- co-ordinates activities within its structure;
- interacts horizontally across the Organisation;
- interacts with its stakeholders from outside the OECD.

22. The performance of the Group with respect to the criterion of efficiency is assessed as medium.

8. The indicator of capital-based delegate participation is defined as the number/proportion of Members' delegations including at least one delegate from the capital.

23. This rating is motivated firstly by the strong performance of the Committee in terms of its technical efficiency, i.e. the relationship between the quality of its work and its resources. All of the Output Results produced between 2002 and 2006 have been of a high level quality or better according to users primarily from the regulatory policy community.

24. A second aspect of this analysis, focusing on process efficiency, examines how well the Group functions in particular given its mandate as a platform for collaboration across its three constituent policy communities. This analysis also covers how it prepares and implements its work programme, and how well it interacts with other organisations. The results of the analysis indicate that at the operational level, the GRP functions in a satisfactory manner, but not in the way intended when it was created as a “Committee of Committees”. Furthermore, changes to its governance arrangements as envisaged in 2005 when its mandate was revised have not been implemented.

25. Supporting analyses and findings are presented in paragraphs 64 to 95 in Annex I to this report, while key elements of the assessment are summarised below.⁹

26. Output Area 4.2.3 has accounted in recent years for 1.7% of the Part I Budget allocated to substantive policy areas. Over the period covered by the evaluation, around one-third of the budget allocated to *Regulatory Reform* has been used to finance directly the work of the GRP. Voluntary contributions made to finance country reviews and the more recent monitoring exercises have fluctuated around 50% of total GRP resources.

27. All of the Group’s Output Results since 2002 received at least a *high* rating in terms of quality from the perspective of a significant majority¹⁰ of Members’ policymakers, primarily from the regulatory policy community. In particular, almost all Members were positive when assessing the quality of their own regulatory reform review. Meetings, reports and reviews conducted in the framework of the Horizontal Programme on Regulatory Reform were also rated very highly in quality terms in four of the five years covered in this exercise. This positive appreciation is supported by feedback from representatives of other stakeholder organisations.

28. The way in which the GRP’s implements its work programme enables it to deliver Output Results in a timely fashion in line with the planned timeframe, while drawing on inputs from a number of directorates. Similarly, meetings are viewed as being well prepared and conducted.¹¹

29. Furthermore, while stakeholder involvement in the group is relatively limited, it takes place in a satisfactory manner and allows in particular the institutional social partners to make an appropriate contribution to the work. Longstanding relations with APEC in the framework of its Global relations activities also appear to have been fruitful.

30. Where difficulties do arise, this is at the more strategic level and with regard to the governance of the GRP in the context of its mandated function *as a platform for high level, multi-disciplinary policy*

9. See Annex I: paragraphs 64 to 67 on how the Group orients its work; paragraphs 68 to 77 on the Group’s functioning; paragraphs 78 and 79 on its Global Relations activities; paragraph 80 on interactions within the OECD structure beyond the Group’s three constituent Committees; paragraphs 81 to 84 on interactions with other international organisations and stakeholders; paragraphs 85 to 89 on the Group’s resources; and paragraphs 90 to 95 on the quality of its Output Results.

10. Two-thirds or more of Members responding to the survey.

11. There have been no reports during interviews of actions being undertaken that were not in conformity with the Rules of Procedure.

dialogue on regulatory reform at the OECD, drawing on the expertise of the Public Governance, Trade and Competition Committees and of their subsidiary bodies.

31. The preparation of the Group's work programme takes place without inputs from the Competition and Trade Committees. Consequently, they have no ownership of the programme. Similarly, the development of the mandate does not take place in interaction with delegates.

32. Despite changes to the Group's mandate in 2005 and a reference in the supporting proposal of a *liaison role* for a future GRP Bureau which would be *composed of representatives of the bureaus of Trade, Competition and Public Governance Committees or their respective subsidiary bodies*, a functioning Bureau was never established.

33. Delegates from the regulatory policy community who are predominant in the GRP are not easily able to distinguish between meetings of the Working Party on Regulatory Management and Reform (REG) and the Group. Furthermore, many delegates particularly from the competition and trade policy communities do not attend meetings on a regular basis or over a prolonged period. Consequently, the GRP is more of an extension of REG than a "Committee of Committees", as its role was originally conceived.

Recommendation N°1: The Group on Regulatory Policy should be abolished. The Working Party on Regulatory Management and Reform of the Public Governance Committee should become a Level I Committee with a new mandate and name and should encompass the work previously conducted by the Group on Regulatory Policy.

Recommendation N°2: The proposed new Committee should, in collaboration with the Public Governance Committee, the Competition Committee, the Trade Committee and other concerned committees, establish a set of co-ordination arrangements and working modalities to ensure the fullest possible involvement of interested policy communities in the programming and conducting of horizontal work on regulatory policy.

3.3 *Assessment of effectiveness*

34. The assessment of **effectiveness** primarily draws on the results of the evaluation and PIR surveys of informed policymakers in Member countries and reflects the extent to which Output Results are being used *and* are having a policy impact, i.e. influencing the development of policy in line with the Group's objectives and eventually leading to long-lasting policy changes.

35. The performance of the Group with respect to the criterion of effectiveness is assessed as medium.

36. This rating is based on the finding that the impact of the work of the Group is widespread across OECD Members, as assessed primarily from the perspective of the regulatory policy community, and is likely to be giving rise to long-lasting policy changes as a consequence. However, the apparently limited interest of the competition and trade policy communities in the Group's work suggests that it may not necessarily be as well known or used in these policy fields, which would mean that policy impact in these areas is likely to be low.¹²

12. An examination of the results of the MTO exercises show that there is some correlation between Members not reply to the evaluation survey and those that would have liked to see a lower level or ending of activity in the Output Areas of *Regulatory Reform* in 2005 and the *Horizontal Project on Regulatory Reform* in

37. Supporting analyses and findings can be found in paragraphs 104 to 109 in Annex I to this report, while key elements of the assessment are summarised below.

38. From the perspective of the regulatory policy community, most of the Committee's Output Results produced between 2002 and 2006 have had, are having, or have the potential for at least a medium impact on policy development in 50% or more of Member countries.

39. In particular, Reviews of Regulatory Reform are viewed by vast majority of reviewed Members as having a significant policy impact. Meetings, reports and reviews conducted in the framework of the Horizontal Programme on Regulatory Reform were similarly assessed.

40. However, the apparently limited interest of the competition and trade policy communities in the Group's work suggests that it may not necessarily be as well known or much used in these policy fields, which would mean that policy impact in these areas is likely to be low.

41. It also appears that limited use has been made by Members of the package of Regulatory Reform Reviews related to the 1997 Council Recommendation as a means of drawing lessons from a broad range of experiences. Consequently, there has been little impact of this body of work across OECD Members as a whole.

Recommendation N°3: The proposed new Committee, as part of its individual country review activities, should include an initiative to support the wide diffusion of lessons and examples that could be of value to policymakers in other Member countries.

42. In a longer term perspective, policymakers, primarily from the regulatory policy community, estimate that in over seven out of ten cases the work of the GRP as a whole has been making a medium to high contribution to long-lasting policy changes in their policy field.

4. Proposed action

43. In the light of the preceding, the Council is invited to adopt the following draft conclusions:

THE COUNCIL

- a) noted document C(2009)36;
- b) noted that the Evaluation Committee assessment with regard to the Group on Regulatory Policy for the three evaluation criteria of relevance, efficiency and effectiveness was "medium";
- c) approved the following recommendations proposed by the Evaluation Committee:
 - i) the Group on Regulatory Policy should be abolished. The Working Party on Regulatory Management and Reform of the Public Governance Committee should become a Level I Committee with a new mandate and name and

2003. When these results are taken into account they indicate that a higher response rate may have given a lower level of impact, though not to the extent that it would significantly change the outcome of the analysis.

- should encompass the work previously conducted by the Group on Regulatory Policy;
- ii) the proposed new Committee should, in collaboration with the Public Governance Committee, the Competition Committee, the Trade Committee, and other concerned committees, establish a set of co-ordination arrangements and working modalities to ensure the fullest possible involvement of interested policy communities in the programming and conducting of horizontal work on regulatory policy;
 - iii) the proposed new Committee, as part of its individual country review activities, should include an initiative to support the wide diffusion of lessons and examples that could be of value to policymakers in other Member countries;
- d) invited the new Committee to submit a mandate in line with recommendation c) i) above, which includes provisions for the implementation of recommendations c) ii) and iii), to Council by the end of 2009.

ANNEX I

ANALYSIS AND FINDINGS

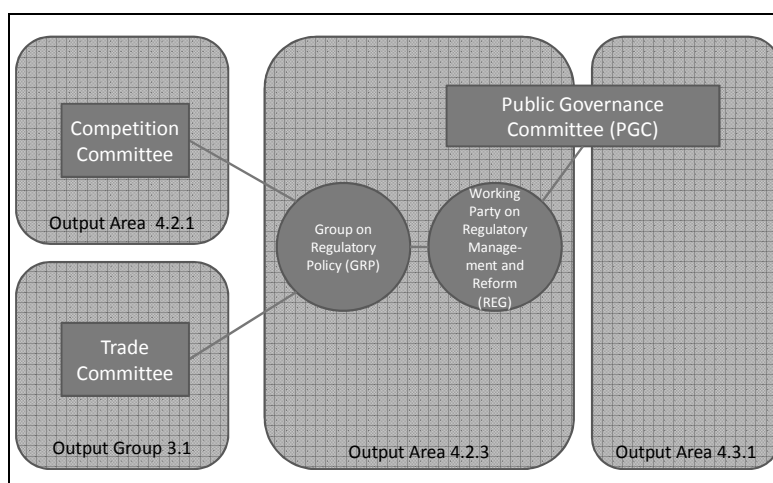
1. The Group on Regulatory Policy

44. The Group on Regulatory Policy (GRP) as it is today was created in 2005. It originated in the form of the Regulatory Policy Forum in 1996.¹³ This *ad hoc* body was subsequently replaced in 2003 by the Special Group on Regulatory Policy as agreed by the OECD Council on 14-15 November 2002, with a mandate for three years.¹⁴ The GRP's current mandate expires on 31 December 2010.

45. The Group's stated role is one of a platform for dialogue on regulatory reform at the OECD, drawing on the expertise of the policy communities represented in the Public Governance Committee (previously the Public Management Committee), the Trade Committee and the Competition Committee. It is a unique structure within the Organisation since it is the only horizontal substantive committee that reports directly to Council.

46. The GRP is responsible for implementing part of the work in Output Area 4.2.3 (Regulatory Reform), which it does alongside the Working Party on Regulatory Management and Reform (REG), a body situated within the substructure of the Public Governance Committee (PGC).¹⁵

Figure 2 Committee structure



13. Itself the successor of the Ad Hoc Multidisciplinary Group on regulatory Reform.

14. *The proposed establishment of a standing body also reflects the emergence of regulatory reform as a permanent feature of the economic policy agenda in all OECD countries going beyond the country review approach to enhance the policy dialogue on global issues. At the Ministerial Meeting in May 2002, Member countries agreed to emphasise more comprehensive regulatory reform as one of the elements of a policy environment in which economic efficiency, higher levels of employment and improved living standards are realised* [C(2002)189/REV2 & C/M(2002)22].

15. Prior to the PWB 2007-08, the GRP's work was located in a separate Output Area (4.2.3H) which was entitled the Horizontal Programme on Regulatory Reform.

47. The GRP and REG are described by the Secretariat as fulfilling two different functions. As a “Committee of Committees”, the GRP is, in a multidisciplinary fashion, taking on the more global and strategic role of helping to make trade-offs between regulatory, competition and trade policy. By contrast, the focus of the REG’s activities is on regulatory reform *per se*, the results of which are in part used as inputs into the work of the GRP.

48. The Secretariat of the GRP is situated within the Regulatory Policy Division of the Public Governance and Territorial Development Directorate (GOV).¹⁶ Given the horizontal nature of the Group, the mission of the Secretariat includes ensuring liaison with the Directorate for Financial and Enterprise Affairs (DAF) and the Trade and Agriculture Directorates (TAD), with planning being a joint responsibility of the three directorates.¹⁷ The GRP Secretariat is also charged with supporting REG and its work.

2. Policy context

49. The policy environment for regulatory reform, based on the descriptions provided in the PWBs of 2005-06 and 2007-08, can be summarised as:

- evolving toward regulatory governance, affecting how public authorities use regulation to achieve economic and social policy goals (particularly due to the shifting interface between the public and private sectors), in response to the expectations and pressure that governments face;
- exercising, as a result of globalisation, pressure on countries for further and faster reforms.
- being increasingly shaped by the progressively more important role being played by stakeholders in the private sector and civil society, with demands for evidence-based decision-making, transparency and accountability.

50. In the context of the current financial and economic crisis, the Organisation’s Strategic Response identifies regulatory management quality as one of the key areas to be addressed in the coming period.¹⁸

3. Orientations and functioning

51. This section of the report examines the orientation and functioning of the Group, presenting first of all an analysis of its **relevance**. This is followed by an analysis of its **efficiency**.

3.1 Analysis of relevance

52. The analysis of relevance focuses primarily on the extent to which a body’s work addresses the policy priorities, needs and interests of OECD Members.¹⁹

16. Created in 2002 from the merger of the Public Management Service (PUMA) and the Territorial Development Service (TDS).

17. Special Group on Regulatory Policy. Mandate, Programme of Work [SG/SGR(2005)9].

18. C(2008)191/FINAL.

19. In the interest of clarity, references to Members include both Member countries and the European Commission.

53. Data are drawn from different sources to make this analysis:

- Medium-term Prioritisation Exercise of 2003 (MTP), Mid-term Orientations Survey for 2007-08 (conducted 2005), Mid-term Orientations Survey of 2007;
- delegate attendance at meetings as evidenced in meeting summaries;
- a questionnaire survey addressed to Members' policymakers in the field of regulatory reform.

3.1.1 Overall relevance of the OECD's work in the policy field of regulatory reform

54. The Group has responsibility for implementing part of the work conducted in Output Area 4.2.3, entitled *Regulatory Reform*. The Medium-term Orientation exercises²⁰ of 2003, 2005 and 2007 indicate that Output Area 4.2.3 has been assessed as a middle-ranking priority for OECD Members since 2003. There has, however, been a shift, in time, towards decreasing the level of activity in this Output Area (see Table 1).

Table 1 Members' priorities in Output Area 4.2.3 (Regulatory Reform)²¹

	Responses	Increase	Constant	Decrease	Exit	Categorisation
MTP 2003*	29	1	25	2	1	Middle-ranking
MTO 2005	31	4	22	5	0	Middle-ranking
MTO 2007	31	2	24	5	0	Middle-ranking

Source: Medium-term Prioritisation Exercise (MTP) of 2003 [C(2003)202], Mid-term Orientations (MTO) Survey for 2007-08 conducted in 2005 [C(2005)188] and Council 13-14 November 2007, Room Document No.3.

* 4.2.3 H – Horizontal Programme on Regulatory Reform. This Output area was subsequently absorbed into 4.2.3.

55. Capital-based delegate participation in the Group, which meets once or twice a year, has varied considerably over the period examined by the evaluation, fluctuating between 72% and 91%. While no clear trend can be discerned over time, attendance at meetings by delegates from capitals has been lower on average from 2005 to 2008 than the preceding period. The seniority of delegates in the Group was characterised as very high by the Nicholson Review of 2003.²² Meeting summaries and verbal reports suggest that it continues to be on the high side.

20. The objective of the MTO survey is to ascertain Members' views as to the desired direction of resources in the OECD's policy work over the medium term. In the context of In-depth Evaluation, the desire of Members to move resources into or away from an Output Area is used as a proxy for the relevance of the work vis-à-vis their policy needs. The survey has been refined since its inception in 2003, but the basic question that it poses is unchanged, i.e. *whether resources allocated to each of the 'substantive' Output Areas in the Organisation's Strategic Management Framework should be increased, remain about constant, or be decreased* [(C(2007)52/REV1)].

21. *Higher Priority Output Areas* are defined as seven or more Members indicating that they would prefer to increase activity in the concerned policy field. *Lower Priority Output Areas* are defined as seven or more Members indicating that they would prefer to reduce or exit from activity in the concerned policy field. *Middle-ranking Output Areas* are thus characterised as being situated between the two.

22. *Portrait of the OECD. Committees and Subsidiary Bodies*, (Cf. Chart 34).

Table 2 Capital-based Delegate participation in Group on Regulatory Policy meetings

	Members' Delegations including at least one capital-based delegate									
	2002	2003*	2004	2005*	2006	2007	2008	2002-04	2005-08	Change
Capital-based delegate participation (%)	77.4%	87.1%	90.3%	72.6%	87.1%	83.9%	74.2%	84.9%	79.5%	-5.5%
Number of which "near"	19.0	21.0	22.0	18.5	22.0	20.0	18.0			
Number of which "far" ²³	5.0	6.0	6.0	4.0	5.0	6.0	5.0			

Source: Summary records and EMS

* Two meetings per year. All other years, one meeting.

56. Delegates to the GRP come primarily from the three policy communities it is established to serve in its function as a platform for high level, multi-disciplinary policy dialogue on regulatory reform. Most delegations present at meetings, when they include capital-based delegates, are made up of policymakers working in the regulatory reform policy field. However, relatively few include delegates with trade or competition interests. In the case of policymakers with a trade orientation, the number has varied between 4 and 11 delegations per meeting, though Secretariat sources suggest that this may be on the high side given difficulties in identifying the orientation of some delegates. This figure falls to between two and six per meeting for delegations including competition policymakers. No clear trend can be discerned over time with regard to the participation of delegates in GRP meetings from these two policy fields, though it is clear that globally the number of delegations made up totally of delegates with a regulatory policy orientation is significantly higher on average than those incorporating a trade and/or competition expert (see Table 3).

Table 3 Participation of the trade and competition policy communities in Members' Delegations in the Group on Regulatory Policy

	Members' Delegations including at least one trade or competition oriented delegate**									
	2002	2003*	2004	2005*	2006	2007	2008	2002-04	2005-08	
Trade	10.0	7.5	6.0	4.5	11.0	6.0	4.0	7.8	6.4	
	32.3%	24.2%	19.4%	14.5%	35.5%	19.4%	12.9%	25.2%	20.6%	
Competition	6.0	2.0	2.0	3.0	5.0	4.0	3.0	3.3	3.8	
	19.4%	6.5%	6.5%	9.7%	16.1%	12.9%	9.7%	10.6%	12.3%	

Source: Summary records

* Two meetings per year. All other years, one meeting.

** Based on post descriptions and names of ministries/agencies of delegates featuring in meeting summaries.

57. According to Secretariat sources, differences in participation of the policy communities is likely to become accentuated by the shift in the Group's work to a more thematic focus, since it is difficult to find topics that are of interest to all three, unlike in the case of country reviews.

23. Australia, Canada, Japan, Korea, Mexico, New Zealand and United States.

3.1.2 Members' needs and Committee objectives

58. The Group on Regulatory Policy's mandate presents the policy objective of *helping governments address the strategic challenges that they face in designing and implementing regulatory reform*.

59. During the 2007-08 Biennium, the expected outcomes of the Group's Output Results have been:²⁴

- to improve the business climate through streamlining regulations and establishing efficient regulatory institutions, making countries more attractive for domestic and foreign investment and allowing them to reap the benefits of trade;
- to help Member countries and non-Member economies to identify reform gaps and enable them to improve their policy responses in favour of more competitive markets, better service delivery and ultimately better macro-economic growth performance;
- to raise the awareness of Member and non-Member countries of potential benefits, costs and risks of regulatory policy reform.

60. Following a process of analysis and synthesis of the abovementioned mandated objectives and expected outcomes were consolidated into 18 policy objectives reflecting the impacts that the Committee formally states that it aims to achieve through its work. Members' policymakers were subsequently requested to assess the extent to which the policy objectives correspond to their policy needs.

61. All the policy objectives of the Group were viewed by more than one-half of responding Members as replying to a high policy need. One-half of Members think that three of the five objectives correspond with issues that will continue to increase in importance for Member country policymakers in the medium term.

Table 4 Relevance of mandated objectives and PWB expected outcomes to Members' policy needs

Expected Outcomes/Policy Objectives	High relevance	Expected to rise in relevance
To increase awareness of potential benefits, costs and risks of regulatory policy reform	85%	40%
To address strategic challenges faced in designing and implementing regulatory reform	75%	50%
To streamline regulations and establish efficient regulatory institutions, in order to improve the business climate and become more attractive for domestic and foreign investment, and reap the benefits of trade	70%	50%
To increase capacity for evaluation and monitoring the performance of regulatory policies	70%	50%
To identify reform gaps and improve policy responses in favour of more competitive markets and better service delivery	60%	30%

Source: Evaluation survey (20 responses)

3.2 Analysis of efficiency

62. The efficiency of a body is analysed on the basis of the extent to which it is functioning in an optimal manner, the quality of its Output Results and the resources employed to produce them.

24. The first two expected outcomes in this list expand and/or reformulate two expected outcomes of the preceding Biennium. The third is new and replaces the expected outcome of *to increase capacity for evaluation and monitoring the performance of the regulatory policies*.

63. Data from the following sources were primarily used to make this analysis:

- Members' assessment of the quality of the Group's Output Results for the period 2002-06, collected via a questionnaire survey covering the period 2002-04/05 and the PIR Survey for 2005-06;
- interviews with delegates of the Group and OECD officials on the way in which it orients and implements its work, including the subject of interactions within the OECD and with non-OECD entities;
- other stakeholders' assessment of their interactions with the Group and the quality of its Output Results;
- meeting summaries and other key documents of the Group.

3.2.1 *Setting the policy direction of the Group*

64. The GRP's mandate was last revised in 2005, when the prefix Special was dropped, and what it aimed to achieve at the level of Members (i.e. its policy objectives) became more clearly specified. The revision of the mandate involved internal consultation with the Secretariat, though the extent to which the constituent Committees participated in the revision process appears to have been minimal.

65. The Group's programme of work is prepared by the Secretariat in a process co-ordinated by the Public Governance and Territorial Development Directorate, in consultation with the Secretariats of the constituent Committees. The process involves identifying topics of joint interest where the GRP can add value, through a multidisciplinary approach, to the constituent Committees' programmes of work. It also includes planning a schedule for multidisciplinary reviews and non-Member engagement, such as APEC. This process takes place within the Secretariat in "close consultation", with the Secretariat of each of the constituent Committees being invited to consult with the relevant chair. Each meeting of the Group on Regulatory Policy includes a discussion on programming, with a relevant item on the agenda that aims to ensure transparency vis-à-vis the respective participating policy communities. However, the extent to which this discussion achieves its aim is open to question given the fluidity of participation in the Group's meetings.

66. Against this backdrop, it is reported that the bureaus of the Trade Committee and the Competition Committee are not consulted in the programming process and the vast majority of interviewees observed that, as a consequence, there is little ownership of the Group and its programme of work by delegates, in particular those from outside the regulatory policy community. Doubts about the balance of the focus of the Group's work and its relative interest to the three policy communities were consequently raised, not only from the trade and competition side, but also from delegates on the regulatory policy side.

67. The Group's programme of work is put together primarily by the Secretariat, with the Governance and Territorial Development Directorate being the main driver of the process which consists of identifying overlapping topics of interest in the constituent Committees' programmes of work.

3.2.2 *Functioning of the Group on Regulatory Policy*

68. The Group has recently been meeting once per year, compared to up to twice per year in its earlier incarnation prior to 2006. This is due primarily to the reduction in the number of country reviews being conducted, in line with the stipulations outlined in the 2005 mandate.

69. The Group's mandated activities with regard to regulatory policy and reform are:

- identifying and helping to address the strategic challenges that governments face in designing and implementing regulatory reform;
- providing a framework for concluding country peer reviews and monitoring exercises conducted in expert groups;
- facilitating thematic exchange of experience among Member countries;
- facilitating policy dialogue with non-Member economies.

70. According to information contained in the notes transmitted to the Secretary-General, meetings have a strong substantive focus largely taking a seminar format with delegates, academics and practitioners making presentations on various topics. Much of the work done by the Secretariat under the responsibility of the Group and its constituent committees is made available to delegates in the form of reference papers in order to maximise the possibility for discussion and exchange of information. This is also due to the fact that specific reports by constituent committees are generally intended to be discussed by the relevant committees before being addressed in a multidisciplinary perspective at GRP meetings.

71. Unlike most other bodies of an equivalent level, formal meeting summaries are not usually posted on OLIS,²⁵ but the results of meetings are transmitted in the form of a short note to the Secretary-General.

72. The Group is co-chaired on an *ad hoc* basis by the chairs of its three constituent committees, who also constitute its Bureau. The document presenting the Group's 2005 mandate states that *the Bureau should perform a liaison function among Committees*.²⁶ However, interactions between the three chairs have been very limited, with consultations usually occurring through the Secretariats, and the arrangements foreseen in the mandate have not been implemented in any meaningful way.

73. There is a relatively high turnover of delegates within the Group, illustrated by the observation that in the 2007 meeting, almost one-half of Members' delegations were composed of delegates from capitals who were attending the GRP for the first time. It is in this context that interviewees acknowledged that the prominent role played by the Secretariat in the GRP fills the gap that results from not having greater continuity in delegate participation.

74. Some delegates from the Working Party on Regulatory Management and Reform, who have participated on a number of occasions in meetings of the Group, appeared unaware of the difference between the two bodies. In the words of one interviewee, *if I have participated in the Group then it is not clear to me that it isn't the Working Party [on Regulatory Reform and Management]*.

75. The work conducted under the responsibility of the Group is co-ordinated by the Working Level Steering Group within the Secretariat that brings together the concerned directorates. As previously stated, the liaison function proposed for a GRP bureau when the mandate was renewed in 2005, and which would have complemented intra-secretariat co-ordination arrangements, has not been implemented.

76. The GRP, in its earlier guises, focused strongly on conducting country peer reviews of regulatory reform. This work subsequently provided the basis for a stocktaking exercise that fed into the development of a Recommendation of the Council on Improving the Quality of Government Regulation (1995). It has

25. The exception appearing to be the publication of a summary report of the meeting of December 2006 [GOV/GRP(2006)1].

26. SG/SGR(2005)9.

since diversified the work that it does to include the monitoring of country performance with regard to regulatory reform and increased its focus on high-level discussions of thematic issues (e.g. regulatory impact assessment). This shift, while allowing a generally welcomed broadening of the work of the GRP, is reported as having made a balanced participation of the three policy communities more difficult than it was in the past. This is because, while country reviews have the potential to interest everyone, thematic discussions are of varying relevance to trade, competition and regulatory reform delegates according to the subject examined.

77. In terms of the delivery of the programme of work under Output Area 4.2.3 for which the Group is responsible, PIR data indicates that most work items are delivered within the planned timeframe and that no undue delays have occurred.

3.2.3 *Global Relations activities*

78. Global relations of the Group, insofar as they can be distinguished from those implemented under the responsibility of the Working Party on Regulatory policy and reform are:

- *ad hoc* observerships accorded to non-Member economies, such as Brazil and China;
- regulatory reform reviews, which have been conducted of Brazil, Russia and Chile, with the support of the Inter-American Development Bank and the World Bank;
- the APEC Co-operative Initiative for Regulatory Reform, including the development of an Integrated Checklist for self-assessment is a longstanding area of collaboration in an outreach context for the Group.

79. The limited feedback available on this aspect of the Group's work positively highlights the extended reach provided through co-operation with APEC, the engagement of non-Member economies participating as *ad hoc* observers in meetings, and the reviewing of their regulatory reforms.

3.2.4 *Interactions within the OECD structure beyond the Group's constituent committees*

80. As well as providing a platform for horizontal working between its constituent Committees, the Group on Regulatory Policy has, according to its mandate, the role of *ensuring close working relationships [...] with other relevant bodies of the Organisation*. In this context, it is described by the Secretariat as offering a framework for joint collaboration and joint meetings with regard to policy areas concerned by structural reforms. Interactions with other parts of the OECD generally take the form of requests for inputs from various directorates into the GRP's work. Over the period covered by the evaluation, contributions to regulatory reform reviews were sought from the Economics Department, the Directorate for Science, Technology and Industry, the International Energy Agency, the Directorate for Education, the Directorate for Employment, Labour and Social Affairs, and the Environment Directorate.

3.2.5 *Interactions with other international organisations and stakeholders*

81. The Group has not to date granted regular observership to any other international organisations. It has, however, working relations, including in the area of Global Relations as referred to above, with the following:

- APEC, with regard to on-going collaboration in the framework of establishing joint guidelines for regulatory reform. This has involved the organisation of a series of joint workshops since 2001 with the participation of OECD and APEC officials;
- World Bank, in the context of the Russia and China reviews, with World Bank experts participating in the process as peers, as well as exchanges of technical information;

- Inter-American Development Bank, which financed the presentation of the Regulatory Reform Review of Brazil in 2008 (part of the Brazilian PROREG programme);
- World Trade Organization, with the organisation of a joint workshop on regulatory issues and the Doha Development Agenda in 2003, and the participation of WTO representatives in GRP meetings, both at the level of the secretariat and delegates.

82. Working relations with APEC, through its Economic Committee, have been the most longstanding and intensive, while others have been of a more sporadic nature. As previously indicated, interactions in the case of APEC gave rise to a positive appreciation due to, according to one correspondent, their contribution to efforts to “change the nature and structure of the Committee” with regard to regulatory reform. By contrast, some interviewees saw room for strengthening interactions with the World Bank.

83. Interactions with other stakeholders largely concern the institutional social partners, with the almost systematic participation in meetings of BIAC and TUAC, the latter in co-ordination with Public Service International. These organisations also take part in the peer review process. Consumers International was represented at one of the two of the Group’s meetings held in 2005 and has also provided written contributions to its work.

84. The way in which the aforementioned stakeholders have been involved in the Group and contributed to its work over the period covered by the evaluation is highly appreciated by all categories of interviewees. However, while a range of individuals (e.g. academics and consultants) are invited to attend meetings on a one-off basis, the participation in meetings of a wider range of stakeholders, such as representatives of civil society, has been somewhat limited.

3.2.6 Resources

85. Part I resources allocated to Output Area 4.2.3 (Regulatory Reform) have progressed as a share of the total Part I budgeted resources allocated to substantive Part I Output Areas, to stand at 1.7% from 2006 onwards. Part I resources attributed to the GRP’s work within this Output Area have however fallen between the 2003-04 and the 2007-08 Biennia.

86. Total resources available to the GRP have remained relatively stable in nominal terms, with the fall in real terms being partially compensated through voluntary contributions, which have on average provided some 50% of funding, provided by both Members and non-Member economies. Voluntary contributions are used to finance the country peer reviews and monitoring exercises implemented under the responsibility of the Group. In this context, thirteen Members have made contributions, including for financing the reviews of non-Member economies. Two non-Members have also granted VCs to support the cost of their own reviews.

87. Funding for contributions from the Competition and Trade Committees to the GRP is channelled from the Public Governance and Territorial Development Directorate (GOV) to the Directorate for Financial and Enterprise Affairs (DAF) and the Trade and Agriculture Directorate (TAD). Regular payments made to DAF and TAD for specific thematic papers has varied from year to year, ranging from 25 K EUR to 17 K EUR in more recent years.

88. Additional payments have been made to DAF, TAD, the Economics Department (ECO), the Directorate for Science, Technology and Industry (STI), the Directorate for Education (EDU) and Environment Directorate (ENV) for specific chapters as part of the reviews. In total, annual funds channelled to DAF and TAD have amounted to 70-80 K EUR per annum (excluding missions and travel), with additional funds devoted to ECO and other secretariats depending on projects and focus. Co-

ordination of meetings, planning and missions for country reviews are provided by the GOV Secretariat on behalf of all concerned policy communities with GRP funds (Part I and VCs as appropriate). *Ad hoc* payments were also made to specific directorates to fund the development of framework papers in specific policy areas (e.g. education, environment, etc.), as well as to ECO for modelling and analysis, depending on the nature of the project.

Table 5 Financial data on Output Area 4.2.3: Regulatory Reform

Year	Part 1 Budgeted Resources (K EUR)	VCs (K EUR)	Total (K EUR)	Share of VCs
2003	493	390	883	44.2%
2004	398	485	883	54.9%
2005	347	375	722	51.9%
2006	370	494	864	57.2%
2007	477	452	929	48.7%
2008	328	298	626	47.1%
Change 2003-08	-33.5%			

Source: GOV

89. The GRP Secretariat, within GOV, operates with a very limited level of human resources.

Table 6 Human resource inputs (2002-08)*

Year	2002	2003	2004	2005	2006	2007	2008
Posts (FTEs)*							
Part 1 Staff Allocation	0.5	1.5	1.5	1.5	1.5	1.5	1.5
<i>Of which A posts</i>	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Project posts	1	1	1	0	0.5	1	1
<i>Of which A posts</i>	0	1	1	0	0.5	1	1

Source: GOV

* Regulatory Policy Division of the Public Governance and Territorial Development Directorate (GOV) only.

3.2.7 Quality of Output Results

90. The results of the questionnaire survey in respect to the quality of Output Results produced in the 2002-04/05 period are presented below, in Table 7, while results of the PIR survey covering Output Results produced in 2005 and 2006 figure in Table 8. Quantitative results are synthesised in Table 9²⁷.

91. Results are presented in the form of an indicator of the percentage of Members assessing Output Results as being of *high* or *very high* quality. Based on the assumption that the work of the OECD should be widely considered by Members as being of good quality, a positive result for an Output Result is judged as two-thirds or more of Members' policymakers make this response. Qualitative data, where available, is presented in the form of comments and observations as a complement to the indicators.

27. In the synthesis table, recurring Output Results are grouped, as are Output Results produced over a number of years that are closely related. They are listed in descending order according to the most recent impact rating, with those exceeding the impact threshold (in at least one year for recurring or multi-annual groupings) being marked in bold.

92. Data collected through the questionnaire survey covers the work of the Group completed from 2002 to 2005. The response rate to the survey is lower than usually is the case for this type of exercise. Reasons advanced for this include problems identifying the appropriate respondents and in co-ordinating their responses, as well as the high turnover rate of officials.²⁸

93. Furthermore, respondents were predominantly concerned with regulatory policy and management. In total, 16 of the 20 responses to the survey were apparently drawn up without inputs from ministries and departments responsible for trade or competition policy.

94. Nearly all the Group's work is systematically assessed as respecting the abovementioned quality threshold, with country reviews being particularly highly appreciated by the recipient Member. This positive appreciation is supported by feedback from representatives of other stakeholder organisations on the quality of the Group's work as a whole.

95. Feedback on the Group's Global Relations is very limited. One Member country indicated that it had been an *eager participant* APEC-OECD Initiative on Regulatory Reform, and that it had followed the principles and recommendations for each of its three phases. Similarly, another stakeholder organisation commented that the joint OECD-APEC work had been *highly successful*.

28. In both tables non-response rates of more than 33% are indicated.

Table 7 Quality of products in the policy area of Regulatory Reform (2001-04/05)

Output Results	Year	(% Members responding) High or Very High Quality	Comments
OECD Principles on Regulatory Reform (1997) and related Reviews of Regulatory Reform <ul style="list-style-type: none"> ➤ Turkey: Crucial Support for Economic Recovery ➤ United Kingdom: Challenges at the Cutting Edge ➤ Canada: Maintaining Leadership through Innovation ➤ Poland: From Transition to New Regulatory Challenges ➤ Norway: Preparing for the Future Now ➤ Finland: A New Consensus for Change ➤ Germany: Consolidating Economic and Social Renewal ➤ France: Charting a Clearer Way Forward ➤ Japan: Progress in Implementing Regulatory Reform ➤ Mexico: Progress in Implementing Regulatory Reform 	2002-04	67%	Non-response rate of 61%
Horizontal Programme on Regulatory Reform including meeting reports entitled: <ul style="list-style-type: none"> ➤ <i>Independent Regulators, Political Challenges and Institutional Design</i> ➤ <i>Maximising the Benefits of Regulatory Reform for Better Economic Performance</i> ➤ <i>The Economy-Wide Effects of Product Market Policies</i> ➤ <i>Taking Stock of Regulatory Reform: A Multidisciplinary Synthesis</i> ➤ <i>Proposed Revisions to the 1997 Principles on Regulatory Reform</i> 	2003-04	82%	Non-response rate of 65%
Reviews of Regulatory Reform as assessed by the reviewed country (Canada, Czech Republic, Finland, Greece, Ireland, Japan, Korea, New Zealand, Slovak Republic, Sweden, Switzerland, Turkey and the United Kingdom)	Ongoing	92%	

Source: Evaluation survey.

Table 8 Quality of products in the policy area of Regulatory Reform (2005-06)

Output Results	Year	(% Members responding) High or Very High Quality	Comments
<p>Horizontal Programme on Regulatory Reform, meetings, reports and reviews</p> <ul style="list-style-type: none"> ➤ Meeting on the subject of Policy Perspectives on Product Market Regulation and Structural Reform Policy Recommendations and Action Plans, leading to <i>2005 OECD Principles for Regulatory Quality and Performance</i> and the <i>APEC OECD Integrated Checklist on Regulatory Reform</i> ➤ Meeting on the subject of Improving Regulatory Frameworks for the Delivery of Public Services in Network Industries, including reports entitled <i>Competition in Public Services: Ensuring access to key capacity for new entrants; Liberalising public services at the national and multilateral levels: the case of network services</i> ➤ Review of Regulatory Reform: <i>Russia: Building Rules for the Market</i> ➤ Review of Regulatory Reform: <i>Switzerland: Seizing the Opportunities for Growth</i> 	2005	84%	Rated as being of <i>high</i> quality by two stakeholder organisations and a non-Member economy. Non-response rate of 39%
<p>Horizontal Programme on Regulatory Reform, meeting, thematic round tables, reports and reviews</p> <ul style="list-style-type: none"> ➤ Roundtable on the subject of Regulatory Impact Analysis as a Tool for Policy Coherence for Well Functioning Markets, including reports entitled: <i>Determinants of Quality in Regulatory Impact Analysis; Integrating Competition Assessment into Regulatory Impact Analysis, executive overview, guidance and brief; Institutional Options for Competition Assessment; Regulatory Reform and Market Openness: Processes to Assess Effectively the Trade and Investment Impact of Regulation</i> ➤ Roundtable on the subject of Assessing Sectoral Policies using a Multidisciplinary Regulatory Quality Perspective including reports entitled <i>A Conceptual and Analytic Framework for Review of National Regulator, Policies and Practices in Tertiary Education; Environmental Policy from a Regulatory Quality Perspective; A High Quality Regulation Perspective for Health Care Delivery</i> ➤ Review of Regulatory Reform: <i>Korea: Progress in Implementing Regulatory Reform</i> ➤ Review Regulatory Reform: <i>Sweden: Achieving results for sustained Growth</i> 	2006	61%	Rated as being of <i>high to very high quality</i> by two stakeholder organisations Non-response rate of 42%

Source: PIR.

Table 9 Synthesis of Quality Assessment Results

Output Results	Year	(% Members responding) High or Very High Quality
Reviews of Regulatory Reform as assessed by the reviewed country	Ongoing	92%
Horizontal Programme on Regulatory Reform, meetings, reports and reviews	2006	84%
	2005	61%
	2003-04	82%
OECD Principles on Regulatory Reform (1997) and related Reviews of Regulatory Reform	2002-04	67%

Source: Evaluation survey and PIR.

4. Policy impacts arising from the work of the Group on Regulatory Policy

96. This section of the report examines the **effectiveness** of the Group's work in terms of policy impacts primarily in Member countries resulting from the use of its Output Results by policymakers.

97. The analysis of effectiveness addresses the question of whether a committee is achieving its objectives through the *use* of Output Results and their *impact* on policy development, both in the short to medium-term, as well as over a longer-term horizon. The analysis concerns Output Results completed between 2002 and 2006.

98. Feedback from informed policymakers in Members countries was primarily used to make this analysis, collected from administrations via:

- a survey composed of three questionnaires covering the period 2002-04/5 with respect to the visibility, use and policy development impact of Output Results in Output Area 4.2.3;
- the PIR survey covering the period 2005-06 with respect to policy development impact of Output Results in the same Output Area.

99. Data collected through the questionnaire survey covers the work of the Group completed from 2002 to 2005. The response rate to the survey is lower than usually is the case for this type of exercise. Reasons advanced for this include problems identifying the appropriate respondents and in co-ordinating their responses, and the high turnover rate of officials.²⁹

100. Furthermore, respondents were predominantly concerned with regulatory policy and management. In total, 16 of the 20 responses to the survey were apparently drawn up without inputs from ministries and departments responsible for trade or competition policy.

101. The results of the questionnaire survey in respect to the awareness, use and impacts of Output Results produced in the 2002-04/5 period are presented below in Table 10 while results of the PIR exercise covering Output Results produced in 2005 and 2006 figure in Table 11. Quantitative results are synthesised in Table 12.³⁰

29. Non-response rates of more than 33% are indicated.

30. In the synthesis table, recurring Output Results are grouped, as are Output Results produced over a number of years that are closely related. They are listed in descending order according to the most recent impact

102. Quantitative results are presented in the form of indicators of the percentage of Members registering a *medium* to *very high* level of awareness, use and policy impacts. The main performance benchmark used is that a *medium* to *very high* policy impact is reported in 50% or more of Members responding to the survey.³¹

103. Qualitative results from both the questionnaire surveys and the interviews are presented in the same tables in the form of observations and examples.

4.1 Analysis of effectiveness in the short to medium-term

104. The results of the evaluation survey and the PIR data indicate a high level of awareness among policymakers of the Group's Output Results produced over the 2002-06 period. Furthermore, where it is possible to assess the extent to which Output Results are being used, i.e. from 2002 to 2004/05, they are widely used by policymakers. Similarly, the potential or actual impact of the work of the Group is also widespread among the Members responding to the survey.

105. It could, however, be argued that the more dissatisfied policymakers have not replied to the evaluation survey. An examination of the results of the MTO exercises appears to support this view to some extent, with four non-respondents indicating that they would have liked to see a lower level or ending of activity in the Output Areas of *Regulatory Reform* in 2005 and the *Horizontal Project on Regulatory Reform* in 2003. By contrast, one non-responding Member indicated a preference for an increase in activity. When these results are taken into account in the analysis, they do not significantly change its outcome.

106. Examining country reviews from two perspectives, on one hand as a product addressed to the reviewed Member and on the other as a bundle of products available to all Members, reveals a marked difference, particular in their use and impact. In the first instance, the vast majority of the 13 Members responding on this issue indicate a medium or higher level of use and impact of their national reviews. In the second, around one-half of Members use reviews of other countries as an input into their own policy processes, though with at best a low level of impact in over six out of ten cases.

4.2 Analysis of effectiveness in the longer term

107. Members' policymakers were asked to make an assessment of the longer term and more cumulative contribution of the work of the Group to lasting policy development in the field of *Regulatory Reform*.

108. In over seven out of ten Member countries replying to the questionnaire survey, policymakers indicated that the work of the Group as a whole has been making a medium to high contribution to long-lasting policy change.

109. Comments made by Members replying to the survey indicate, amongst other things, that they *pay careful attention* to the OECD material on regulatory reform, including the OECD Recommendations and Guidelines. In other cases they indicate that the Group's work *has been instrumental* in the promotion, development, assessment and adjustment of regulatory policies, approaches and infrastructures.

rating, with those exceeding the impact threshold (in at least one year for recurring or multi-annual groupings) being marked in bold.

31. The processing of data is explained in Annex II.

Table 10 Awareness, use and impact of products in the policy area of Regulatory Reform (2001-04/05)

Output Result	Year	(% Members responding)			Observations and examples of use and impacts on policy development
		Medium to Very High level of awareness	Medium to Very High level of use	Medium to Very High impacts on policy development	
<p>OECD Principles on Regulatory Reform (1997) and related Reviews of Regulatory Reform</p> <ul style="list-style-type: none"> ➤ Turkey: Crucial Support for Economic Recovery ➤ United Kingdom: Challenges at the Cutting Edge ➤ Canada: Maintaining Leadership through Innovation ➤ Poland: From Transition to New Regulatory Challenges ➤ Norway: Preparing for the Future Now ➤ Finland: A New Consensus for Change ➤ Germany: Consolidating Economic and Social Renewal ➤ France: Charting a Clearer Way Forward ➤ Japan: Progress in Implementing Regulatory Reform ➤ Mexico: Progress in Implementing Regulatory Reform 	2002-04	71%	50%	38%	<p>Helped designing the methodological approaches adopted by the <i>European Commission</i> for its EU's Better regulation action plan.</p> <p>Learning from the different aspects of regulatory reform efforts in other jurisdictions has also proven to be useful to identify what is working well and what is not (Canada.).</p> <p>These documents have been very useful for informing the better regulation agenda in <i>Ireland</i>, in the context of international comparison and lessons learnt from international best practice.</p> <p>The products are used for monitoring the development and trends in the field in order to keep regulatory policy, structures and tools at the top of the league (Denmark).</p> <p>The OECD Review paved the way for creating a legal framework of RIA (Turkey).</p> <p>There is a very small group of people who deal with the regulatory reform agenda. They are very well informed of the products of this OECD group, and use them to draw on good practices and problems faced by other countries when they draft proposals or communicate regulatory reform to the higher levels of the administrative hierarchy (Greece).</p> <p>Non-response rate of 48%.</p>
<p>Horizontal Programme on Regulatory Reform including meeting reports entitled:</p> <ul style="list-style-type: none"> ➤ <i>Independent Regulators, Political Challenges and Institutional Design</i> ➤ <i>Maximising the Benefits of Regulatory Reform for Better Economic Performance</i> ➤ <i>The Economy-Wide Effects of Product Market Policies</i> ➤ <i>Taking Stock of Regulatory Reform: A Multidisciplinary Synthesis</i> ➤ <i>Proposed Revisions to the 1997 Principles on Regulatory Reform</i> 	2003-04	75%	73%	67%	<p>These reports were important in helping the <i>European Commission</i> to set up internal structures and procedures on Regulatory Impact Analysis EC Impact Assessment tool.</p> <p>The work involved in the revision of the 1997 Principles on Regulatory Reform at the OECD also proved to be useful for our own domestic thinking in improving the regulatory system (Canada).</p> <p>The products are used for monitoring the development and trends in the field in order to keep regulatory policy, structures and tools at the top of the league (Denmark).</p> <p>While overcoming financial crisis in 1997, the government benchmarked OECD countries' experience for regulatory reform and established strategy for better economic performance through a general approach to regulatory reform whose principle and theory have been discussed in OECD (Korea).</p> <p>These documents are quite often referenced in policy papers on regulatory reform in <i>Greece</i>.</p> <p>Non-response rate of 52%.</p>

Output Result	Year	(% Members responding)			Observations and examples of use and impacts on policy development
		Medium to Very High level of awareness	Medium to Very High level of use	Medium to Very High impacts on policy development	
Reviews of Regulatory Reform as assessed by the reviewed country (Canada, Czech Republic, Finland, Greece, Ireland, Japan, Korea, New Zealand, Slovak Republic, Sweden, Switzerland, Turkey and the United Kingdom)	Ongoing	92%	85%	85%	<p>The report on <i>Regulatory Management Capacities of the Slovak Republic</i> was a part of documents which served as support to our government when the “Agenda of Better regulation and Action plan on Reducing AB in was approved Slovak Republic”</p> <p>The OECD review of Regulatory Reform of 2001 has been very useful in formulating the Governments agenda for Better Regulation. In response to the OECD report, the Government published the White Paper on Better Regulation, “Regulating Better”, in 2004. The White Paper sets out six core principles of Better Regulation and a detailed action plan on how these principles will be translated into how Government design, implement and review legislation and regulation. Significant progress has been made in a number of key areas set out in the White Paper and work is ongoing on this Better Regulation agenda (Ireland).</p> <p>The legal framework for regulatory impact assessment has been established. In order to build administrative capacity in the government agencies, several training programmes have been organised. Recently an EU funded RIA project involving a number of training and awareness activities was initiated (Turkey).</p> <p>The OECD released the "OECD Reviews of Regulatory Reform - Korea" in 2007, in which it said that Korea had made significant progress in reforming regulatory policies and institutions and presented a total of 27 recommendations to be implemented to ensure sustainable growth of the country. The government is now executing plans prepared by individual ministries concerned to implement the OECD recommendations.</p> <p>The review is used as a compass toward regulatory reform. It greatly contributed to the issuance of a circular on better regulation by the Prime Minister (Greece).</p> <p>The majority of the recommendations of the review of Finland has been implemented fully or at least in part. The most important include i) better regulation has been established as one of the key policy areas of the government; ii) at a political level, oversight by a Ministerial working group on better regulation has been established. Additionally, a broad-based Better regulation consultative committee has been established; general policy targets for better regulation have been set; and, new, integrated RIA guidelines have been published.</p> <p>The 2002 OECD review of the Canadian federal regulatory system not only provided momentum in Canada to advance the regulatory reform agenda, it also influenced the content of the new Cabinet Directive on Streamlining Regulation which was implemented in 2007 which now governs the regulatory process in <i>Canada</i>.</p>

Source: Evaluation survey.

Table 11 Awareness and impact of products in the policy area of Regulatory Reform (2005-06)

Output Result	Year	(% Members responding)			Observations and examples of use and impacts on policy development
		Medium to Very High level of awareness	Medium to Very High level of use	Medium to Very High impacts on policy development	
Horizontal Programme on Regulatory Reform, meetings, reports and reviews <ul style="list-style-type: none"> ➤ Meeting on the subject of Policy Perspectives on Product Market Regulation and Structural Reform Policy Recommendations and Action Plans, leading to <i>2005 OECD Principles for Regulatory Quality and Performance</i> and the <i>APEC OECD Integrated Checklist on Regulatory Reform</i> ➤ Meeting on the subject of Improving Regulatory Frameworks for the Delivery of Public Services in Network Industries, including reports entitled <i>Competition in Public Services: Ensuring access to key capacity for new entrants; Liberalising public services at the national and multilateral levels: the case of network services</i> ➤ Review of Regulatory Reform: Russia: Building Rules for the Market ➤ Review of Regulatory Reform: Switzerland: Seizing the Opportunities for Growth 	2005	90%	NA	81%	Rated as giving rise to a <i>high</i> (potential) impact by a stakeholder organisation and a non-Member economy.
Horizontal Programme on Regulatory Reform, meeting, thematic round tables, reports and reviews <ul style="list-style-type: none"> ➤ Roundtable on the subject of Regulatory Impact Analysis as a Tool for Policy Coherence for Well Functioning Markets, including reports entitled: <i>Determinants of Quality in Regulatory Impact Analysis; Integrating Competition Assessment into Regulatory Impact Analysis, executive overview, guidance and brief; Institutional Options for Competition Assessment; Regulatory Reform and Market Openness: Processes to Assess Effectively the Trade and Investment Impact of Regulation</i> ➤ Roundtable on the subject of Assessing Sectoral Policies using a Multidisciplinary Regulatory Quality Perspective including reports entitled <i>A Conceptual and Analytic Framework for Review of National Regulator, Policies and Practices in Tertiary Education; Environmental Policy from a Regulatory Quality Perspective; A High Quality Regulation Perspective for Health Care Delivery</i> ➤ Review of Regulatory Reform: Korea: Progress in Implementing Regulatory Reform ➤ Review Regulatory Reform: Sweden: Achieving results for sustained Growth 	2006	90%	NA	75%	Rated as giving rise to a <i>high to very high</i> (potential) impact by two stakeholder organisations. Non-response rate of 36%

Source: PIR.

Table 12 Synthesis of Awareness, Use and (Potential) Impact Assessment Results

Output Result	Year	(% Members responding)		
		Medium to Very High level of awareness	Medium to Very High level of use	Medium to Very High (potential) impacts on policy development
Reviews of Regulatory Reform as assessed by the reviewed countries	Ongoing	92%	85%	85%
Horizontal Programme on Regulatory Reform, meetings, reports and reviews	2006	90%	NA	75%
	2005	90%	NA	81%
	2003-04	75%	73%	67%
OECD Principles on Regulatory Reform (1997) and related Reviews of Regulatory Reform	2002-04	71%	50%	38%

Source: Evaluation survey and PIR

ANNEX II

METHODOLOGY

1. Approach and implementation

110. This In-depth Evaluation was conducted between July 2008 and February 2009. The focus of the exercise is on the Output Results for which the Committee and its sub-committees are accountable, as well as the policy use and impacts resulting from them. It covers the period as of 2002 to 2008. The following documents present the basic methodological framework used to guide the exercise:³²

- *Implementing In-depth Evaluation of OECD Committees* [C/ESG(2005)1];
- *In-depth Evaluation of OECD Committees. Terms of Reference* [CEV(2009)1].

111. The following data collection tools and sources of data were mobilised in the course of the evaluation:

- **a survey** addressed to relevant policymakers in Member-country governments and the European Commission. The questionnaire was sent to the Permanent Delegations which were requested to forward them to the relevant ministries, agencies, etc. Data collected through the questionnaire survey reflect informed opinions of policymakers in Capitals. In total, 20 OECD Members responded, a participation rate of 64.5% or 48.4% when weighted by Members' contributions.
- **interviews** with delegates, OECD officials and representatives of other stakeholders (27 in total). Delegates were selected on the basis of their degree of participation in the Group over time. Interviewees from among OECD officials were from services concerned with implementing and contributing to the Group's work. Data collected in interviews consist both of highly informed opinions and factual descriptions;
- **review of existing data and documentation** (i.e. secondary data), in particular
 - mandates;
 - summary reports of meetings;
 - other key documents relating to the body's Work Programme;
 - Programme of Work and Budget (PWB) 2005-2006;
 - Mid-term Prioritisation Exercise 2003 (MTP);³³
 - Medium term Orientations Exercises (MTO) 2005 and 2007.

32. As modified by C(2006)98 & C/M(2006)12, C(2006)124/REV1 & C/M(2006)16, and C(2008)9 & C/M(2008)4.

33. Exercise on Core Work and Medium-term Priorities [C(2003)202].

112. The analysis of data took three forms:

- data generated by the survey questionnaire were mainly quantitative in nature and were the object of a basic statistical analysis;
- data generated by the interviews were analysed to look for explanations of various phenomena primarily related to the functioning of the body and concrete examples of the influence of Output Results on policymaking for Members. The results of these analyses are presented in this report in such a way as to highlight the salient tendencies that emerge from interviews, or conversely, to highlight where there is a strong polarisation of viewpoints. Interview data are not attributed to individual interviewees, thus respecting their right to confidentiality. Where relevant, interview data are attributed to categories of interviewees (i.e. delegates, OECD officials, policymakers, other stakeholders);
- the results of the above analyses along with secondary data are analysed qualitatively with respect to the evaluation criteria and questions using a pattern matching approach.

2. Evaluation criteria and ratings

113. Committee performance is assessed by the Evaluation Committee and presented in a standardised form of qualitative rating of in respect to the evaluation criteria using the following scale: very low, low, medium, high, or very high.

114. The evaluation criteria correspond with those widely used by evaluation practitioners and are adapted to the specific situation of evaluating OECD committees. Their definition and how ratings are made are described below.

2.1 Relevance

115. The evaluation criterion of relevance is defined *as whether a committee is addressing Member governments' and the European Commission's policy needs and is likely to continue to do so in the medium term.*

116. The assessment of relevance draws on three major components:

- the results of the MTO/MTP exercises provide a picture of the relevance of a particular policy area (defined as a PWB Output Area) for which a committee is wholly or partially responsible;
- the degree of capital-based delegate participation (i.e. the proportion of capitals represented by home-based rather than delegation-based delegates) and the interest of a wider range of stakeholders provide broad picture of the relevance of the work being done in a committee;
- the extent to which the explicitly stated policy objectives (within the PWB and/or mandate) of a committee correspond, and will continue to correspond in the medium term, with the needs of policymakers in Member countries.

117. Concerning the first two elements, which are part of a broad assessment of the overall relevance of a committee's work, the MTO/MTP exercise has the highest weight. The assessment of the relevance of committee objectives is given the same weight of the first two elements combined.

118. As a result, when most of the objectives of a committee are not addressing important issues for Members' policymakers, it will initially receive a low rating which would be modulated by the MTO/MTP results, the degree of capital based participation. The interest of wider stakeholders may also be taken into

account, as necessary. Similarly, when most objectives are aligned with policy issues of high importance, the initial rating will be high, to be eventually modulated as above.

119. A second level of analysis of questionnaire data is undertaken, as necessary, which involves looking at the extent to which objectives are identified as corresponding with *rising* policy needs.

120. It should be noted that a low rating in respect to the criterion of relevance does not necessarily call into question the importance of a particular policy area to the OECD as an organisation (it is the MTO/MTP exercise that performs this function), but raises issues about what a committee's work in the policy area is aiming to achieve.

2.2 *Efficiency*

121. The evaluation criterion of efficiency is defined *as whether a Committee is optimising the relation between its financial and human resource inputs and the quality of its Output Results, with a particular emphasis on its orientation and functioning as key factors.*

122. The assessment of efficiency draws on the following major components:

- an analysis of the extent to which a committee provides itself with sufficiently clear orientations and functions in a satisfactory manner. The major elements considered in this context are:
 - the contents of the mandate (i.e. as a minimum presenting a series of policy objectives and describing the means by which a committee intends to achieve them);
 - the prioritisation of projects (including the respect of resource constraints on implementing the resulting work programme);
 - co-ordination between a parent body and its substructure (ensuring optimal functioning of a committee as a whole);
 - a committee's working methods (and their consequences for the conducting of its work/implementation of its Work Programme);
 - interactions with other OECD committees (how well, to what effect, etc.);
 - interactions with organisations outside the OECD (how well, to what effect, etc.);
 - resources;
- an assessment of the quality of Output Results.

123. An Output Result is considered positively if two-thirds of Members replying to the survey score it as being of at least *high* quality. Where comments on the quality of Output Results are provided (primarily by other stakeholders) these give an illustration of the attributes of Output Results from a broader perspective.

124. To arrive at an overall assessment, the proportion of Output Results rated positively in quality terms is compared against the draw of the committee on the Part I budget, and problems/satisfactory practices related to its orientation or functioning are factored in to the analysis. By way of an example, for a committee with a moderate Part I budget allocation (e.g. situated in the 3rd quintile of Output Areas) to have a medium rating with respect to the criterion of efficiency, it would generally need to have around 50% of its Output Results rated as being of high quality, while at the same time not encountering any serious operational difficulties.

2.3 Effectiveness

125. The evaluation criteria of effectiveness relates to the extent to which a committee's work has had policy impacts and their long-lasting nature. It is defined as *whether Output Results are being widely used and if they are bringing about widespread policy development impacts [and if they are] contributing towards long-lasting changes in Member governments' and the European Commission's policy.*

126. The assessment draws mainly on data generated by the questionnaire survey and the PIR exercise and follows a logical chain of reasoning: for policy development impacts to occur, Output Results have to be used by policymakers, and for them to be used, policymakers must at the very least be aware that they exist.

127. A broad notion of policy development impacts is used as illustrated in questionnaires received by policymakers on the basis of a committee's own description of the type of policy impacts that it intends to bring about. A similar illustration of the sort of use that Output Results are likely to be put to is also provided in the questionnaire.

128. Data from questionnaires is processed and categorised as responses ranging from *very low* to *very high*. The benchmark for an Output Result to have a positive result is that it has at least a *medium* impact on policy development in one-half or more of Member countries.

129. Observations and examples of use provided by policymakers via the questionnaire and other stakeholders via interviews are provided alongside the quantitative results.

130. For the overall assessment of effectiveness, a committee which has around 50% of its Output Results corresponding with the abovementioned benchmark would be given a medium rating. This would be modulated on the basis of the extent to which its policy impacts are long lasting (the benchmark for this dimension is that one-half or more of responses state that long-lasting policy changes are underway and that the OECD's contribution to this dynamic is either *medium* or *high*). It may also be modulated on the basis of other factors, for example the degree of coherence between the Output Results being produced by a committee and its policy objectives.

131. When Output Results by their nature do not necessarily have a distinct impact, as in the case of statistics, they are assessed against the abovementioned benchmark on the basis of their use by policymakers.

132. In the case of policy fields where EU Member States policymaking role is shared to a great extent with the European Commission, assessments of these countries of the use of Output Results are used instead of their impacts.

3. Questionnaire and PIR Survey

3.1 Responses

133. Twenty questionnaires in total were completed and returned by Members' policymakers. The ministries, departments and agencies having contributed to the survey are listed in the tables below.

Australia	Department of Finance and Deregulation	Office of Best Practice Regulation Deregulation Policy Division
Austria	Federal Chancellery	Legal Service
Belgium	Service Public Fédéral Chancellerie du Premier Ministre	Agence pour la Simplification Administrative
Canada	Treasury Board of Canada Secretariat	Regulatory Affairs Sector
Czech Republic	Ministry of the Interior Permanent Representation of the Czech Republic to the EU	Regulatory Reform and Public Administration Quality Sectoral Policies Unit - Better Regulation
Denmark	Ministry of Finance	Division for Better Regulation
European Commission	DG Enterprise	Directorate B
Finland	Ministry of Employment and Labour Ministry of Finance Ministry of Justice	Better Regulation
Greece	Ministry of the Interior	Strategic Planning Unit
Ireland	Department of the Taoiseach	Better Regulation Unit
Korea	Prime Minister Office Fair Trade Commission	International Division
Japan	Ministry of Foreign Affairs	
Mexico	Federal Commission on Regulatory Improvement	
New Zealand	Treasury Ministry of Economic Development Ministry of Foreign Affairs and Trade	Regulatory Impact Analysis Team Regulation and Market Performance Team Regulatory Policy Team Economic Division
Slovak Republic	Ministry of Economy	Department of Business Environment
Spain	Ministry of Public Administration	Better Regulation Institutional Relations
Sweden	Ministry of Enterprise, Energy and Communications Enterprise, Energy and Communications	Market and Competition Division Secretariat for Strategic Coordination
Switzerland	Secrétariat d'Etat à l'Economie	Section d'Etat-major Analyse de la Réglementation
Turkey	Foreign Relations Department of Prime Ministry State Planning Organisation Prime Minister's Office Regulatory Reform Group Turkish Competition Authority	Regulatory Reform Group International Relations
UK	Better Regulation Executive	Business Enterprise and Regulatory Reform

3.2 Processing

134. Questionnaire responses were subject to adjustments to ensure their coherence in accordance with the following model:

- the assessment of policymakers' *awareness* of an Output Result conditions the maximum level of its *use*, i.e. the level of use cannot exceed the level of awareness. 90.3% of Members' responses respected this condition. The remainder was adjusted to fit the model;
- the assessment of policymakers' *use* of an Output Result conditions the maximum level of its *policy impact*, i.e. the level of policy impact cannot exceed the level of use. 90.3% of Members' responses respected this condition. The remainder was adjusted to fit the model;

- examples of policy impacts should be consistent with the *assessment* of the level of policy impacts.

3.3 *PIR data*

135. PIR data covers the quality and (potential) impact of Output Results. It is also possible to distinguish between three possible motivations for non-responses in the case of specific Output Results:

- NA1: Unaware of the Output Result;
- NA2: Cannot Assess due to non-participation;
- NA3: Choose to make no response.

136. The calculation of the indicator for awareness was made in the following way:

- $\text{Number of responses} / (\text{number of responses} + \text{number of NA1 non-responses})$

137. The calculation of the indicator for impact was made in the following way:

- $\text{Number of Medium, High and Very High responses} / (\text{number of responses} + \text{number of NA1 non-responses})$.

4. **Persons interviewed**

Delegates and policymakers: Luiz Alberto DOS SANTOS (REG, Brazil); Manuel SANTIAGO DOS SANTOS (REG, European Commission); Alexandre GAUTIER (REG, Canada); Alberto HEIMLER (Competition Committee, Italy); Frédéric JENNY (Competition Committee, France); Panagiotis KARKATSOULIS (REG, Greece); Jeroen NIJLAND (REG Chair, The Netherlands); George REDLING (ex-REG Chair, Canada); Carlo THOMSEN (REG, Norway); Daniel TRNKA (REG Vice-chair, Czech Republic); Dominique de VOS (REG, Belgium).

OECD Officials: Rolf ALTER (Chief of Staff of the Secretary-General, SGE); Sean ENNIS (Competition Division, DAF); Patricia HERIARD-DUBREUIL (Competition Division, DAF); Stefan JAKOBZONE (Regulatory Policy Division, GOV); Anthony KLEITZ (Deputy Director (Acting), TAD); Josef KONVITZ (Head of Regulatory Policy Division, GOV); Nikoli MALYSHEV (Regulatory Policy Division, GOV); Evdokia MÓISÉ (Trade Policy Linkages and Services Division, TAD) Mario PEZZINI (Deputy Director, GOV); Odile SALLARD (Director, GOV); Andrea UHRHAMMER (Special Assistant to the Director, GOV); Michael WISE (Competition Division, DAF).

Other Stakeholders: Pierre HABBARD (TUAC); Nicole PRIMMER (BIAC); Robin SIMPSON (Consumers International); Mike WAGHORNE (Public Service International).

5. Documents reviewed

C(2002)189/REV2	Establishing an OECD Special Group on Regulatory Policy
C(2003)202 & CORR	Exercise on Core Work and Medium-term Priorities: Results and Proposals
C(2005)52& CORR	Draft Guiding Principles for Regulatory Quality and Performance
C(2005)122	Draft Resolution of the Council Concerning the Mandate of the Group on Regulatory Policy
C(2005)188	Report from the Chair of the Budget Committee on the Survey of Members on Medium-term Orientations as an Input to the 2007-08 Programme of Work and Budget
C(2008)191/FINAL	OECD Strategic Response to the Financial and Economic Crisis: Contributions to the Global Effort
C(2007)52/REV1	Medium-term Orientations Survey Review
C/M(2002)22	Summary Record of the 1042nd Session
SG/SGR(2003)4	Special Group on Regulatory Policy: Proposed Programme of Work
SG/SGR(2003)7	Maximising the Benefits of Regulatory Reform for Better Economic Performance: Discussion Note
SG/SGR(2003)9	Progress Report on the 2003-2004 Programme of Work of the Special Group on Regulatory Policy
SG/SGR/A(2004)1/FINAL	Special Group on Regulatory Policy: Final Agenda
SG/SGR(2004)4/REV1	Policy Recommendations for Better Regulation
SG/SGR/RD(2005)1 & ANN	In-depth Review of the OECD Programme Implementation Reporting
SG/SGR(2005)8	Self-Review of Implementation of Regulatory Reform Recommendations: a Competition and Regulation Perspective
SG/SGR(2005)9	Mandate, Programme of Work
SG/GRP(2006)8	Programme of Work and Outreach
SG/GRP(2007)11	Programme of Work
SG/GRP/M(2006)1	Summary Record of the Meeting of the Group on Regulatory Policy
GOV/PUMA/REG(2002)5 & ANN	Programme of work 2003/2004
GOV/PGC(2006)2/FINAL	Programme of Work and Budget of the Public Governance Committee for 2007/8
GOV/PGC(2008)1/REV2	Draft Program of Work and Budget of the Public Governance Committee for 2009-10
NOT ON OLIS	Key Points of the Meeting of the Special Group on Regulatory Policy, 27-28 March 2003 (Prepared by Stéphane Jacobzone): Independent Regulators, Political Challenges and Institutional Design (Peer Review of Regulatory Reform in Finland and Norway)
NOT ON OLIS	Key Points of the Meeting of the Special Group on Regulatory Policy, 4-5 Dec 2003: Maximising the Benefits of Regulatory Reform for Better Economic Performance (Peer Review of Regulatory Reform in France and Germany)
NOT ON OLIS	Key Points of the Meeting of the Special Group on Regulatory Policy, 14-15 June 2004
NOT ON OLIS	Key Points of the 4 th Meeting of the Group on Regulatory Policy in March 2005
NOT ON OLIS	Key Points of the Meeting of the Special Group on Regulatory Policy, 5-6 December 2005: Improving Regulatory Frameworks for the Delivery of Public Services in Network Industries (Peer Review of Regulatory Reform in Switzerland)
NOT ON OLIS	Memorandum of the Meeting of the Group on Regulatory Policy 7-8 December 2006
NOT ON OLIS	Key points of the Meeting of the Group on Regulatory Policy 3-4 December 2007

ANNEX III

IN-DEPTH EVALUATION: INSTITUTIONAL FRAMEWORK

Subject	Statements	Reference and Decision	
General principles	“the evaluation mechanism would be owned by Council with the involvement of officials in capitals, committee secretariats and permanent delegations. Views would also be solicited from important external stakeholders.”	C(2004)91 C(2004)190 CORR1	& C/M(2004)10 C/M(2005)4
	“...to provide a mechanism through which Council can assess whether Committees are conducting processes, delivering outputs and achieving impacts that are in line with Members policy expectations and priorities and with the comparative advantage of the OECD.”		
Focus	“Evaluating committee mandates, therefore, involves evaluating, the achievement, and continued relevance, of the longer-term expected outcomes of a Committee, as well as the effectiveness of the associated outputs and work practices required to achieve them.”	C(2004)190 CORR1	& C/M(2005)4
	“...evaluation criteria [relevance, efficiency, effectiveness and sustainability] act as a means to ensure that an evaluation exercise focuses on issues that are evaluative in nature, as opposed to issues that are examined within the framework of audits and reviews of various kinds or which are more questions for research-type activities.”	C/ESG(2005)1	C/M(2005)20
Set up	“...a sub-group of the Council, comprising five of its members proposed by the Chair of the Executive Committee and designated by Council” “...the in-depth evaluation mechanism will be coordinated by the Council Secretariat.”	C(2004)190 CORR1	& C/M(2005)4
	“...rename the Evaluation Sub-Group ‘Evaluation Committee’”		C/M(2007)17
	Expansion of the Evaluation Committee to seven members “...it being understood that the number of Committee members will return to five at the first opportunity.”		C/M(2008)2
Programming	“Two evaluations per year could be undertaken. [...] This would mean that at such a pace, all Committees would be evaluated according to a twelve-year cycle.”	C(2004)190 CORR1	& C/M(2005)4
	“...three committees to be evaluated by the end of February 2006 [and] three [...] committees/subsidiary bodies to be evaluated from March to December 2006.”	C(2005)63, ADD1 & CORR1	C/M(2005)12 & C/M(2005)14
	“Under current staffing arrangements, it will be possible to evaluate the quasi-totality of Level I Part I Committees by the end of 2010, though not all committees would be evaluated within the timeframe of their current mandates” “In line with the PWB cycle, it is proposed that a two-year In-depth Evaluation programme be drawn up for the 2007-08 Biennium.” “...nine Level I committees/bodies will be evaluated in 2007-08 in waves of three [including] evaluations of [their] Part II programmes”	C(2006)124/REV1	C/M(2006)16

Subject	Statements	Reference and Decision	
Process	“...a sub-group of the Council [will] agree the terms of reference and methodology for evaluation; review the evaluations themselves and present the Evaluation Report to Council; and monitor the follow-up of eventual recommendations arising from the evaluations.”	C(2004)190 CORR1	& C/M(2005)4
	<p>“...in-depth evaluations conducted by the Evaluation Sub-group would follow the steps described in “Section VI, How In-depth Evaluations would be conducted” of document C(2004)190 as amended by this decision.”</p> <ul style="list-style-type: none"> – “6) Evaluation Sub-group sets Terms of Reference and Methodology. [The Council Secretariat] organises the first meeting of the Evaluation sub-group with the relevant DSG, Level I Committee.” – “7) [The Council Secretariat] coordinates inputs into surveys and questionnaires to capitals with the involvement/advice from permanent delegations.” – “8) Analysis and Interpretation of Evaluation Findings by Evaluation Sub-group, assisted by [the Council Secretariat]. Discussion on the evaluation findings by Evaluation Sub-group with involvement by Level I Committee Chairs, Cluster Managers and Directors.” 	C(2004)190 CORR1	& C/M(2005)4
	<p>The Evaluation Coordinator :</p> <ul style="list-style-type: none"> – Elaborates a draft ToR for individual evaluations – Implements data collection and analysis, and presents the results to the ESG – Interprets analyses, establishes findings, draws conclusions, and presents them to the ESG – Prepares draft recommendations for the ESG – Draws up the evaluation report and presents it to the ESG 		
	<p>The Evaluation Sub-group:</p> <ul style="list-style-type: none"> – Validates the draft ToR with the agreement of the relevant DSG, Level I Committee and Director – Monitors the implementation and results of the collection and analysis of data – Challenges or reaffirms interpretations and conclusions – Develops and finalises the recommendations – Validates the evaluation report with the involvement of the relevant DSG, Level I Committee and Director – Presents the “draft” evaluation report to the Council – Monitors of the follow-up of eventual recommendations arising from the evaluations 	C/ESG(2005)1	C/M(2005)20
	<p>“...the ESG has a role of oversight over the evaluation process and deliverables, while the Evaluation Coordinator is responsible for the day-to-day implementation of the methodology and the reporting of results to the ESG.”</p> <p>“...the meetings to discuss and validate the draft final reports were opened up to all relevant chairs (parent and sub-bodies) and the members of the bureau of parent bodies.”</p> <p>“...a broader participation in the evaluation process tested in the first round of evaluations could be usefully continued into the next round and be expanded so that a wider range of stakeholders have the possibility to validate the Terms of Reference at the outset of an evaluation and to examine its intermediate and final results.” “</p> <p>[The] first phase of monitoring would take place during the six months following the evaluation and as such would be focused primarily on the preparation of appropriate ameliorative actions. The process would be repeated in the course of the following six months to monitor the extent to which appropriate concrete actions have been implemented.”</p>	C(2006)98	C/M(2006)12

Subject	Statements	Reference and Decision	
	<p>“...on the basis of analyses and conclusions, the performance of a committee would be explicitly ranked, for each of the evaluation criteria, as either very low, low, medium, high, or very high.”</p> <p>“the presentation and discussion of evaluation reports within the Committee would be clearly structured in three steps to ensure the clarity of the process:</p> <ul style="list-style-type: none"> – first, the Executive Committee would be requested to discuss the substantive contribution of an evaluation (primarily the conclusions); – second, it would review the operational recommendations; – third, an examination of a more political nature, with an emphasis on committee structures and their possible evolution would take place.” 	C(2006)124/REV1	C/M(2006)16
	<p>“...in-depth monitoring [of the implementation of recommendations] will take place after one year for all committees following their evaluation report, while committees with low rating will be required to present to the Evaluation Committee an action plan in six months</p> <p>“... dialogues [with Committee Chairs in Council] should ideally be programmed around six months after the previous monitoring phase. A set of guidelines would be developed to help Chairs structure this part of the discussion around the four evaluation criteria of relevance, efficiency, effectiveness and sustainability. Whenever possible, these Dialogues would be scheduled to take place within a dedicated Council session in the presence of the relevant Deputy Secretary-General, in his or her role as cluster manager, and the responsible director.”</p>	C(2008)9	C/M(2008)4
Linkages with PIR and self-evaluation	<p>“In-depth evaluation should build on the results of the annual evaluation of Programme Implementation Reports.”</p>	C(2004)91	C/M(2004)10
	<p>“...Committees will continuously self-evaluate, and will improve and adjust their working practices, outputs and expected outcomes in order to improve their structures and effectiveness to ensure their on-going relevance in fulfilling their mandates and achieving the planned priorities and expected impacts.”</p>	C(2004)190 & CORR1	C/M(2005)4
	<p>“In-depth Evaluation of Level I Committees is designed to add both depth and breadth to the data generated by the PIR on the production of Output Results by committees, by providing more detailed and/or additional information from a wider range of stakeholders’ viewpoints on:</p> <ul style="list-style-type: none"> – what Impacts occur, how they occur, or conversely why they do not; – quality and visibility of Output Results; – orientation and functioning of committees.” 	C/ESG(2005)1	C/M(2005)20
	<p>“The PIR looks at expected impact and actual impact in the short-term. The In-depth Evaluation process looks at actual impact over the longer-term. Committees are encouraged to start collecting information reflecting the achievement of Expected Outcomes in terms of the level of impact on a more systematic basis than at present to ‘fill the gap’ that exists between these two tools. The guidance on this should ensure that it is consistent with the PIR and complement the contribution that the PIR makes to In-depth Evaluation and improved committee performance.”</p>	C(2006)79	C/M(2006)9
	<p>“...evaluation questionnaires destined for national and European level policymakers are now being systematically channelled through the PIR co-ordinator in Permanent Delegates to help improve the consistency of PIR and evaluation data on the quality and impact of Output Results by ensuring that the same respondents participate in both exercises.”</p>	C(2008)9	C/M(2008)4