

Preface

The 2008 financial crisis and the COVID-19 pandemic have exposed the interdependence and complexity of today's world. Addressing both crises required unprecedented multilateral co-operation efforts. Similarly, many of the challenges we face, climate and biodiversity change, transboundary pollution, tax evasion and avoidance, digitalisation, financial market instability, or migration flows, cannot be dealt with by domestic governments alone. These challenges and many others can only be addressed effectively with international regulatory co-operation across all relevant policy fronts. Even so, we continue to witness how institutional frameworks and regulatory processes are too constrained by traditional jurisdictional boundaries and, as such, fail to recognise the global scope of the issues that they need to address.

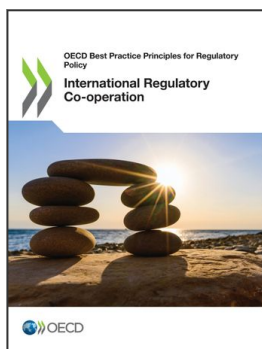
That's why governments need to adjust their approach to rulemaking. They need to consider the international realities when developing their domestic laws and regulations. By applying a stronger, more systematic international lens in their rulemaking practices, governments will be better equipped to learn from each other and, when needed, articulate co-ordinated and consistent regulatory responses while preserving their national prerogatives. There are many impressive examples of the benefits of regulatory cooperation – from the number of lives saved through regulators working together on vaccine approval, to the coordination of air transport health safety protocols during the pandemic, the improvement of air or water quality resulting from coordination in pollution standards, the security offered to consumers by enforcement beyond borders, and the large financial benefits for traders and investors from limiting the unnecessary divergence in product requirements.

The OECD Best Practice Principles on International Regulatory Co-operation report lays down the key principles and priority approaches on *how* rulemaking procedures can be fundamentally transformed to strengthen resilience to the disruptions of an interconnected world economy. These principles aim to support governments in making a more effective and strategic use of different co-operation alternatives, including international instruments.

It was visionary when the OECD Regulatory Policy Committee made international regulatory co-operation a pillar of regulatory quality in 2012. It is no coincidence that these Best Practice Principles – the first and only guide on the topic at the international level, drawing on nearly 10 years of policy research and analysis in the field – are launched when the OECD is promoting global cooperation as key to optimising the strength and the quality of the economic recovery in the wake of COVID-19 and address other pressing global challenges. The Best Practice Principles confirm the Organisation's dedication to supporting governments in harnessing all facets of globalisation, managing the global commons and promoting multilateralism to achieve ambitious global commitments such as the Sustainable Development Goals. The development of these Best Practice Principles on International Regulatory Co-operation is a key milestone and I invite all countries to actively use them to make governments more aware of the transboundary reach of their actions, and design better policies for better lives.

Mathias Cormann

OECD Secretary-General



From:
International Regulatory Co-operation

Access the complete publication at:

<https://doi.org/10.1787/5b28b589-en>

Please cite this chapter as:

OECD (2021), "Preface", in *International Regulatory Co-operation*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/2631b108-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area. Extracts from publications may be subject to additional disclaimers, which are set out in the complete version of the publication, available at the link provided.

The use of this work, whether digital or print, is governed by the Terms and Conditions to be found at <http://www.oecd.org/termsandconditions>.