

### Special feature: The role of international organisations in international regulatory co-operation

The greatest challenges countries face today transcend national borders. The threats posed by climate change, health epidemics, terrorism, tax evasion, illicit financial flows, as well as social and economic crises all have global causes and effects. Countries, more than ever, need to co-ordinate their approaches to address common challenges, manage global goods and ensure shared prosperity and security. OECD countries have recognised international regulatory co-operation (IRC) as an essential ingredient of domestic regulatory quality in Principle 12 of the Recommendation of the Council on Regulatory Policy and Governance.

International organisations (IOs) play a key role in supporting IRC and addressing the fragmentation that may undermine effective government action. The international rules they develop are critical pillars of an effective global governance system in support of a sustainable world economy. Ensuring their quality is therefore key. The OECD report *International Regulatory Co-operation: The Role of International Organisations in Fostering Better Rules of Globalisation* presents the governance and rule-making practices of 50 international rule makers. It reveals the diversity of IOs involved in setting international norms and standards while underlining the significant commonalities embedded in international rule making.

IOs are most actively involved in the planning, design and development of international rules and standards. They enable exchange of information, support evidence-based rule making by pursuing data collection, research and policy analysis, and foster discussions on good regulatory practices. In their core activity to develop norms, standards and/or best practices, they rely essentially on instruments that are not legally binding. This is particularly true for private standard-setters and trans-governmental networks, whereas intergovernmental organisations have a broader variety of tools with different legal effects. By contrast, IOs are less involved in the development of legally binding instruments, in enforcement and other activities related to implementation of legal and policy instruments. Enforcement and dispute settlement is only systematic for five IOs. Few organisations have the institutional setting to carry out these activities, the WTO being a rare exception. Crisis management is systematic for only four organisations, such as the EC or the IAEA.

To be effective, IO action requires high integration with domestic policy making and embedding a culture of effectiveness and strong quality management in the development of legal and policy instruments. Most IOs have put in place mechanisms to collect inputs and feedback from stakeholders. Only three never offer the opportunity for stakeholders to comment on their instruments. Evaluation procedures to ensure the quality of standards are less widely used by IOs. *Ex post* evaluation of implementation and impacts is slightly more used than reviews of the regulatory stock and *ex ante* assessment of future impacts. IOs rarely have the mandate, methodological capacity and

information to carry out evaluation. Structured evidence on their impact therefore remains limited. Greater efforts in developing a culture of evaluation of IO instruments, and further co-ordination between IO secretariats and their constituencies, are crucial to increase the evidence on the effectiveness of IO action.

#### Methodology and definitions

The OECD hosted a platform of IOs meeting annually between 2014 and 2016 to discuss the normative role of IOs. In this context, the OECD carried out a survey in 2015 with 50 IOs to examine their governance, operational modalities, rule-making practices and approaches to assessing implementation and impacts. Its results, gathered in *International Regulatory Co-operation: The Role of International Organisations in Fostering the Rules of Globalisation*, were discussed by the group of IOs and OECD countries.

For the purpose of this work, international organisations refers to any international bodies – inter-governmental organisations (e.g. OECD, WHO, FAO), supranational (European Commission), trans-governmental networks of regulators (e.g. IOSCO, ICN) and private standard-setters (e.g. ASTM International, ISO) – having a permanent secretariat, address and website and that engage in some form of regulatory activities (e.g. design, monitoring or enforcement of legal instruments and policy standards). The report therefore covers a diversity of international actors with different status, mandate and constituency. A full list of IOs that participated in the survey can be found in the annex F (4.12).

International regulatory co-operation is defined “as any agreement or organisational arrangement, formal or informal, between countries (at the bilateral, regional or multilateral level) to promote some form of co-operation in the design, monitoring, enforcement, or ex post management of regulation, with a view to support the converging and consistency of rules across borders.” (OECD, 2013) IRC includes non-binding and voluntary arrangements as well as legal obligations.

#### Further reading

- OECD (2016), *International Regulatory Co-operation: The Role of International Organisations in Fostering Better Rules of Globalisation*, OECD Publishing, Paris.
- OECD (2013), *International Regulatory Co-operation: Addressing Global Challenges*, OECD Publishing, Paris.
- OECD (2014), *International Regulatory Co-operation and International Organisations: The Cases of the OECD and the IMO*, OECD Publishing, Paris.

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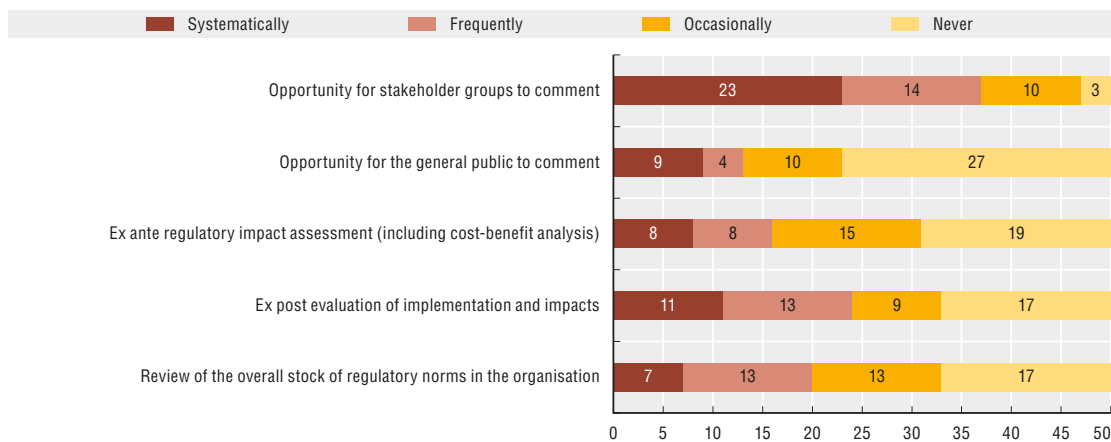
4.10. The nature of rule making of international organisations, 2015

	Exchange of information and experiences	Data collection	Research and policy analysis	Discussion of good regulatory practices	Development of rules, standards or agreed good/best practices	Negotiation of international agreements	Enforcement - imposition of sanctions	Dispute settlement among members	Crisis management
AHWP	■	●	■	■	■	■	○	○	○
APEC	■	●	■	■	■	○	○	○	○
ASTM International	■	■	■	■	■	●	○	○	○
BRS Conventions	■	■	■	■	■	■	○	○	○
CARICOM	■	■	■	■	■	■	○	○	○
CBD	■	■	■	■	■	●	○	○	○
CITES	■	■	■	■	■	○	■	■	■
COMESA	■	■	■	■	■	●	○	■	■
EC	■	■	■	■	■	■	●	○	○
ESCWA	●	●	■	■	■	●	○	○	○
FAO	■	■	■	■	■	■	○	○	○
IAEA	■	■	■	■	■	●	○	○	○
IAF	■	■	■	■	■	■	■	○	○
IAIS	■	■	■	■	■	■	○	○	○
IATA	■	■	■	■	■	○	○	○	○
ICN	■	■	■	■	■	○	○	○	○
IEC	■	○	■	■	■	○	○	○	○
IFAC	■	■	■	■	■	○	○	○	○
ILAC	■	■	■	■	■	■	○	○	○
IMDRF	■	■	■	■	■	○	○	○	○
IMF	■	■	■	■	■	○	○	○	○
IMO	■	■	■	■	■	○	○	○	○
IOSCO	■	■	■	■	■	○	○	○	○
ISO	●	●	●	●	○	○	○	○	○
ITU	■	■	■	■	■	○	○	○	○
NATO	■	■	■	■	■	○	○	○	○
OAS	■	■	■	■	■	○	○	○	○
OECD	■	■	■	■	■	○	○	○	○
OIE	■	■	■	■	■	○	○	○	○
OIF	■	■	■	■	■	○	○	○	○
OIML	■	■	■	■	■	○	○	○	○
OIV	■	■	■	■	■	○	○	○	○
OPCW	■	■	■	■	■	○	○	○	○
OSCE	●	■	■	■	■	○	○	○	○
OTIF	■	■	■	○	■	○	○	○	○
OZONE	■	■	■	■	■	○	○	○	○
PIC/S	■	■	○	■	○	○	○	○	○
SAICM	■	■	■	○	○	○	○	○	○
UNDP	●	■	■	■	○	○	○	○	○
UNECE	■	■	■	■	○	○	○	○	○
UNEP	■	■	■	○	○	○	○	○	○
UNIDO	■	■	■	■	○	○	○	○	○
UNODC	■	■	■	■	○	○	○	○	○
UNWTO	■	■	■	■	○	○	○	○	○
UPU	■	■	■	■	○	○	○	○	○
WCO	■	■	■	■	○	○	○	○	○
WHO	■	■	■	○	○	○	○	○	○
WIPO	■	○	○	○	○	○	○	○	○
WMO	■	■	■	■	○	○	○	○	○
WTO/OMC	■	■	■	■	○	○	○	○	○
Total IOs									
Systematically ■	31	28	22	20	28	10	5	5	4
Frequently □	14	11	16	21	19	10	0	3	8
Occasionally ●	5	9	11	8	3	16	8	12	15
Never ○	0	2	1	1	0	14	37	30	23

Source: OECD, (2016), International Regulatory Co-operation: the role of International Organisations in Fostering Better Rules of Globalisation, OECD Publishing, Paris.

StatLink <http://dx.doi.org/10.1787/888933534898>

4.11. Ensuring the quality of the instruments of international organisations



Source: OECD, (2016), International Regulatory Co-operation: the role of International Organisations in Fostering Better Rules of Globalisation, OECD Publishing, Paris.

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