



Strengthening Trade-Related Policy Coherence in Assessment Tools: The Experience of Emerging Economies

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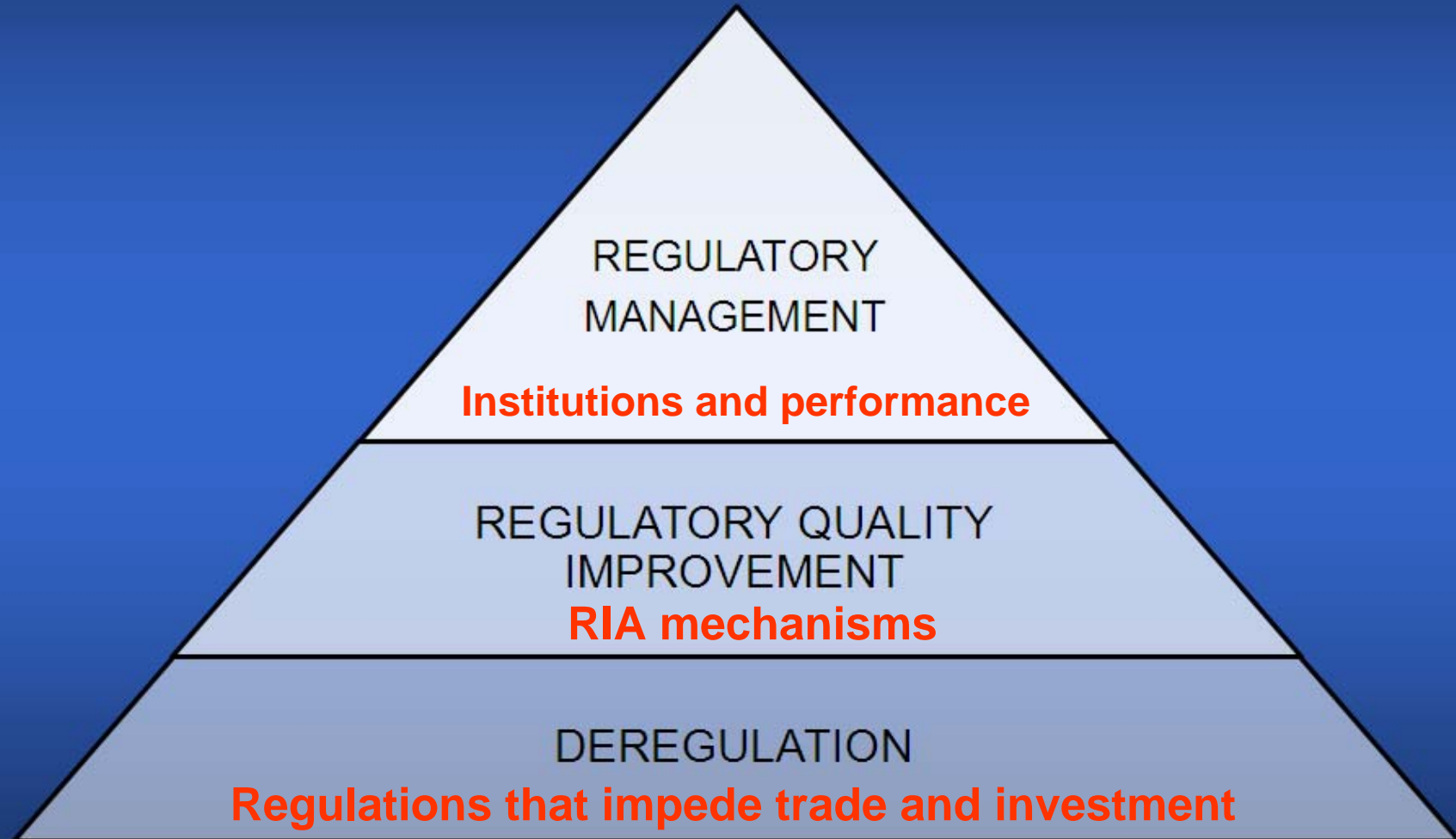


Trade-related considerations in assessment tools

- RIA mechanisms now widespread among OECD countries ...
- ... but explicit consideration of trade and investment impacts still exception
 - UK, Canada, Australia, ..
 - Mexico evaluates impact on
 - ✓ market prices
 - ✓ productions and distribution of goods
 - ✓ import, export and transit of goods
 - ✓ international trade commitments



Phases of regulatory reform





RIA relatively new concept in developing countries

- Move from deregulation to regulatory quality improvement
- Need to
 - build up political support
 - address institutional capacity constraints
 - involve concerned constituencies in administration and private sector
- Ad hoc regulatory approaches
 - Information gathering and definition of the regulatory objective
 - Informal impact assessment
 - Consultation with affected stakeholders



Technical regulations and standards at the forefront of impact assessment reflections

- ✓ A direct bearing on trade in manufactures
- ✓ Impetus from business community
- ✓ Dynamics created by the TBT and SPS agreements
- ✓ Enhanced momentum on good regulatory practice



Assessing the impact of standards in South Africa

- Feasibility study determines the need to regulate
- Public consultations with affected stakeholders
- Featuring
 - Risk assessment;
 - cost/benefit analysis ;
 - Consideration of possible regulatory overlap; and of
 - Conformity assessment requirements
 - Notification to WTO

Prompted consideration of a government-wide mechanism in 2006



Assessing the impact of technical regulations in other emerging economies

- Periodic reviews of standards under China's Standardisation Law to ensure continuing relevance
- Cost/benefit analysis prior to adoption stipulated in Russia's Law on Technical Regulation
- Stakeholder input as a regulatory quality control factor in Brazil's standard setting process
- Promoting market confidence to reinforce industry-driven schemes and accreditation in India



Moving from specific-policy-area to government-wide impact assessment

- Similarity of tools and underlying logic
 - Circumscribe the problem
 - Seek the least burdensome solution
 - Enhance transparency and private participation
- Challenge of inter-agency co-ordination
 - Single authority responsibility requires smooth interaction with stakeholders
 - But involvement of several agencies often calls for political arbitration



Thank you.

References:

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Regulatory reform and market openness: Processes to assess effectively the trade and investment impact of regulation. By David Shortall. *OECD Trade Policy Working Paper No. 48, 2007.*

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