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for Better Regulation

Opening speech – International Regulatory Reform
Conference 2009, November 12th

Ladies and gentlemen,

It is my great pleasure to welcome you to Stockholm and to this year's International Regulatory Reform Conference...

...And on behalf of all three hosts of this event – my own organisation, NNR, The Swedish Ministry of Enterprise, Energy and Communications and the Bertelsmann Foundation - I would like to say how pleased we are to have all of you here with us...

...professionals, committed to creating efficient regulation, from every continent, and from government – politicians and civil servants - , from business and academia.

Let me also take this opportunity to extend a special thank you to all speakers and moderators who will share their knowledge and experiences with us over the next two days.

You have all been brave enough to face the somewhat chilly Swedish winter, to join us in discussing a hot topic!

There are almost 400 of us from 40 countries here today – this alone I think says something about the importance of the various issues that we are here to talk about.

A quick search through international media gave us almost 8 000 hits for “regulatory reform” between 2005 and 2007. Two years later – from 2007 to 2009 – that number has more than tripled, to over 27 000 hits!

Of course, this increase is, to some extent, a result of the current economic crisis – and we will spend some time at this conference to talking about if it is possible to regulate our way out of an economic downturn.

A crisis is a symptom of a system that is not working...it puts pressure on politicians “to do something”, to act quickly...

...but long-term thinking more likely to result in durable solutions and systems. Perhaps the lesson should be that it is when we are at the top of a cycle that we should consider regulatory tools...because that is when we have time and space to develop good ones.

Easy to say, yes, but it takes courage and determination to do. I think, however, that we should use the opportunity that the increased attention on the need for efficient regulation gives us, to create systems that are immune to economic cycles.

This means finding the source of problems that we are facing, not acting to deal with the symptoms of these problems. More than anything, this means creating policy-making processes where consideration of the relevance, efficiency, proportionality and cost-effectiveness for business of legislation is a guiding principle. This principle should apply regardless of the political ideals of Governments.

If we are talking about “regulatory reform”, or “better regulation” or, lately, “smart regulation”, the message from business is the same.

Complying with regulation should be as smooth a process as possible for business.

Obviously, the cost of complying with regulation is a cost of doing business...

...and nobody would deny that efficient regulation is fundamental to a working market economy. It is when these costs are higher than they need to be, or when they discourage companies from investing that regulation becomes a strain on our economies, rather than a support.

Regulation can never be static. It must be as dynamic as the world around us.

There are no final answers or solutions, and the only thing that will be constant is the need for change, and further work – and I'm not just saying that because I like my job...

More and more regulation is based on international agreements – just look at the EU...where about half of all legislation that applies in Member States is European.

This creates new challenges, for policy-makers, and stakeholders. NNR has long argued that co-operation is necessary for creating good regulation.

The responsibility for decisions made is with government. But, we, business representatives, have an important role to play in helping to develop those decisions.

At NNR we try to follow the principle not to complain about something, unless we have a proposal for how to make it better – we try, we don't always succeed.

But we have a lot of proposals!

And, we share them generously with government here in Sweden and at EU-level...

...I am happy to say that, most of the time, our help is appreciated.

We are pleased to have the ear of government at the moment. More than anything we are urging national Governments and the EU institutions to show the necessary political leadership to keep efforts to improve regulation at the top of the political agenda. It requires long-term commitment if real change and results are to be delivered.

And, of course, we will judge the success of efforts to improve regulation on delivery of results.

Results are what today will be about. We wanted to spend the first day of the conference highlighting and discussing initiatives that are delivering intended results...

...because we think it is important to take stock of what works, and what doesn't, before we move on to talk about what comes next.

Several European countries will be coming up to their 2010 deadlines for delivery of better regulation targets...

...there will be a new Commission and Parliament in place in Brussels...

...and the OECD has reviewed member states' regulatory practices and reforms...

...there is a new administration in the US...

...and there are many more examples of why the timing is right for spending tomorrow looking to the future, and starting a discussion of what should be the focus of our work over the next five to ten years.

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If everyone takes something useful away from this conference, we will consider it a success.

Thank you!