

Resuming safe international mobility through Mutual Recognition Agreements

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I.	What is an MRA?	?
II.	Factors for success	?
III.	Main challenges of an MRA	?
IV.	Typology of approaches towards an MRA	?



Mutual recognition agreements: traditional tools to facilitate trade in goods

Mutual recognition

Wide-ranging concept whereby one jurisdiction can mutually recognise limited or general aspects of another countries' regulatory regime.

- Very ambitious form of international regulatory cooperation.
- Only possible if the relevant regulatory objectives are regarded as 'equivalent' between two or more jurisdictions.



More limited, "modest"

Mutual recognition agreements

OR

Unilateral recognition

What they are

Purpose: Their purpose is solely to avoid duplicative testing and/or certification in international trade

What is mutually recognised is the competence of designated conformity assessment bodies in export country A to test and issue certificates on the basis of the technical requirements and procedures of import country B, and vice versa, thereby allowing such imports to enter the destination country without further barriers or delays

What they are not

Regulatory objectives, the technical requirements, nor the conformity assessment procedures of the two countries do not *need* to be the same or 'equivalent'.



Countries can complement MRAs with **equivalence agreements** with further coherence or alignment in the regulatory requirements

A country can choose to **recognise unilaterally** another country's procedures, allowing its businesses to save time and resources by not undergoing the same procedures.



Success factors for MRAs

The OECD has identified a number of opportunities and success factors for MRAs. The presence of several of these success factors confirms positive pre-conditions for the development of an MRA on COVID-19 test results, though a number of burdens and challenges will need to be considered

- > issue-areas where governments can benefit from sharing information on, say, health and safety aspects – this can be linked to MRAs or indeed precede the conclusion of MRAs
- > areas with regulatory problems similar to those counterpart governments have to cope with
- > areas where two or more countries share similar objectives of regulation and/or standards
- > regulatory domains which are essentially science-driven and /or based on irrefutable facts
- > issue-areas with strong commercial / economic motivations e.g. trade and investment
- > fields where regulatory authorities in potentially participating countries have confidence in the technical and regulatory skills of counterparts, and/or where regulators trust each other
- > the existence of bilateral or multi/plurilateral frameworks on the regulatory subject in question.



Common challenges for the development and implementation of MRAs

The common challenges to conclusion and implementation of MRAs should be considered when embarking in the process

Challenges in concluding an MRA

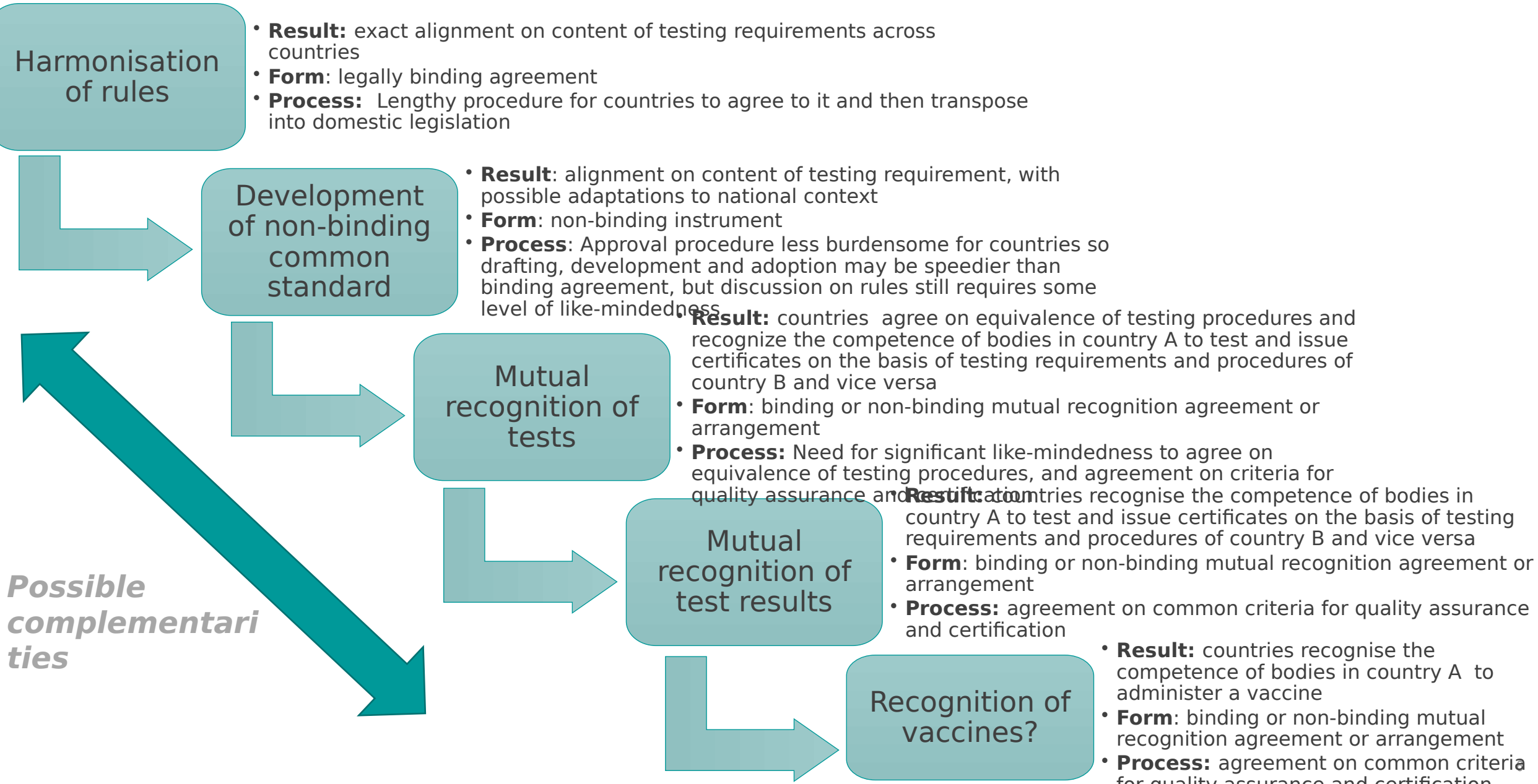
- > MRAs are widely regarded as costly for administrations and regulators.
- > MRAs are **costly to negotiate** and typically take **substantial time** to conclude.
- > Senior officials need to **raise the political capital** to support the MRA negotiations, to **mobilise the administration**, to **lobby legislatures** for ratification processes and to gather the **support from business**.

Challenges in the implementation of MRAs

- > MRAs require **sustained trust** in respective regulatory systems, structures and procedures for accreditation and conformity assessment,
- > a certain level of **technological development** for a high-quality infrastructure.
- > **Conditional, if not open-ended formulation** can make implementation difficult.
- > Problems of implementation may be greater once the **coverage is larger** and more actors are involved.



Safe international travel: options from international regulatory co-operation on testing



Thank you!

For more information

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<https://www.oecd.org/gov/regulatory-policy/irc.htm>

Correia de Brito, A., C. Kauffmann and J. Pelkmans (2016), “The contribution of mutual recognition to international regulatory co-operation”; and OECD (2013), International Regulatory Co-operation: Addressing Global Challenges, OECD Publishing. <http://dx.doi.org/10.1787/9789264200463-en>.