

## **UK Regulators Network Strategy 2024-27**

## Public consultation response from BSI

## 1 Overall Comments

BSI thanks UKRN for the opportunity to respond to their Strategy 2024-27 consultation.

We are particularly pleased to see UKRN's "core objectives and outcomes" in section 5 of the Strategy. These strongly align with BSI's purpose. As the National Standards Body for the UK, we provide tools that regulators can use to help achieve the stated objectives and outcomes and are a source of advice on how best to use standards.

- **Promoting collaboration:** BSI's standards development process is based on collaboration, including full stakeholder involvement and open public consultation. We have more than 13,500 stakeholders on our committees representing industry, consumers, academia, professional bodies government, regulators and other stakeholder groups.
- **Supporting the transition to net zero:** The credible delivery of the net zero transition is a timely topic and requires the urgent scaling of climate accountability globally to ensure credible progress to net zero. BSI has a range of tools to help organisations on the journey to net zero.
- Addressing vulnerability: We already have many standards supporting consumer needs, including ISO 22458 (Consumer Vulnerability Requirements), which is already being used by regulators.
- **Supporting sustained economic growth:** Standards are tool that regulators can use to minimise regulatory burdens and promote innovation. We would like to refer UKRN to our response to the recent government consultation on "Smarter Regulation; Regulating for Growth" (attached).
- Championing effective regulation: Effective regulation requires consideration of alternatives as recognised in the new Better Regulation Framework. BSI is proposing a "systems approach" to regulation where alternatives such as standards are routinely considered. We would like to refer UKRN to our response to the recent government consultation on "Smarter Regulation and the Regulatory Landscape (attached).

We would particularly like UKRN to consider the following key points:



- Knowledge sharing across emerging international platforms focused on regulators or regulatory needs will be crucial to ensuring common approaches to best practice and accountability can be disseminated.
  We encourage UKRN to consider international collaboration opportunities and global outreach in their new strategy to maximise impact of knowledge sharing and thought leadership that UKRN may lead on.
- In the knowledge leadership space, we would be keen to engage and support UKRN's horizon scanning and thought leadership, particularly research shedding light on critical gaps in emerging sectors and key challenges. Our own horizon scanning and research has shown standards can help support effective policy and regulatory approaches regardless of policy mechanisms, and can support innovation across the market, supporting regulators to deliver innovative solutions in their sectors against key challenges.
- We also welcome UKRN's revised membership model as a 'hybrid' operating model. We would be pleased to discuss with UKRN how BSI can formally participate within this model and how we can provide our input on standardisation as part of the regulatory system.

We set out below some key high-level comments on the strategy, and we welcome the focus on the net zero transition and sustainable economic growth within the workplan objectives.

## 2 Purpose/Operations

We agree that collaboration and knowledge-sharing are crucial to reach our shared goals, particularly around current global challenges like climate change, and support the focus of UKRN's core team resource on collaborative opportunities. Standards can help support effective policy and regulatory approaches regardless of policy mechanisms, and can support innovation across the market, supporting regulators to deliver innovation in their sectors <sup>1</sup>. We have provided further information in Section 4.3 on how standards can support innovation. We would be happy to engage and collaborate with UKRN to support delivery of our shared collaborative goals on any sectors or themes.

In the knowledge leadership space, we would be keen to engage and support UKRN's horizon scanning and thought leadership, particularly where research can shed light on critical gaps in emerging sectors, and how standards can help

<sup>&</sup>lt;sup>1</sup> BSI research on Maximizing the impact of standards and regulation to drive transformative innovation: a new approach: https://our2050.world/wp-content/uploads/2023/07/Maximizing-the-impact-of-standards-and-regulation-to-drive-transformative-innovation\_Final-Version\_V1\_0.pdf



the market and policymakers deliver solutions against these gaps. For instance, in the climate change accountability landscape, there is a renewed interest across the international policy landscape on what good accountability looks like. For example, the UN's Taskforce on Net Zero Policy<sup>2</sup> which launched at COP28 aims to foster a collaborative space for policymakers and regulators in the net zero transition, share best practice, and think more widely on global accountability. This Taskforce is operationalising Recommendation 10 from the Integrity Matters report<sup>3</sup>, which highlights standards and regulation as mechanisms to level the playing field. This would be a key platform in which the needs and barriers regulators face in net zero will be considered at an international scale. We would encourage UKRN to engage in this international policy landscape, such as this Taskforce, to highlight thought leadership pieces on net zero aligned policymaking and the role of regulators in delivering net zero.

We support UKRN's new membership strategy, including incorporating wider outreach to NGOs, universities, and research organizations, across sectors and regulators. To maximise impact through UKRN's design principles, we would recommend incorporating stakeholder inclusion directly into the design principles in future reviews, in line with the widened collaboration ambitions that UKRN outlines in this strategy. We also welcome UKRN's revised membership model as a 'hybrid' operating model. We recognise this enables UKRN to be agile in responding to members' changing priorities and expand collaboration opportunities to maximise impacts. This would also allow UKRN to be more flexible with emerging challenges, including around climate change mitigation. We would like to suggest a formal role for standards and BSI as part of the model.

#### 3 How We Prioritise

We would encourage consideration of globally relevant topics and common challenges when considering the case for workstreams to be adopted. We suggest adding the following questions to the list of key criteria when evaluating to take on new workstreams. These questions will serve as a connection between UKRN's strategy, core objectives, and desired outcomes.

1. Does it assist in the net zero transition, climate adaptation, or resilience?

<sup>&</sup>lt;sup>2</sup> Taskforce on Net Zero Policy launched at COP28 | PRI (unpri.org)

<sup>&</sup>lt;sup>3</sup> HLEG Report "Integrity Matters" - v1 | United Nations



For net zero to become embedded as the norm within our economy, we need a globally consistent understanding of what good looks like to reach net zero. Regulators will play a key role in the delivery of net zero, and in scaling climate accountability globally. Hence we suggest this question in prioritisation processes which links directly to UKRN's core objective of transitioning to net zero.

Within the international standards system, we have experience in aligning standardization processes and outputs with an equitable net zero transition through our work under the London Declaration and would welcome the opportunity to share our learnings.

# 2. Does this topic fall under any key emerging barriers for regulators in delivering their mandates?

Addressing barriers for regulators on an ongoing basis is vital to create an optimal environment for all actors across the economy. Regulatory frameworks may increasingly be challenged by technological progress, market developments, and dynamics in science and research. Thus, adding this key criterion will ensure barriers are discussed under prioritisation, and solutions developed collaboratively where necessary.

# 3. Does this work support solutions for challenges across emerging sectors or focus areas?

There may be key emerging sector specific needs or challenges requiring agile and quick responses, such as in climate or AI. Hence, we recommend adding a question to capture emerging sectors or themes within the prioritization process.

## 4 Core Objectives & Outcomes

## 4.1 Net Zero Transition – knowledge sharing and collaboration

We support UKRN championing the role of regulators in driving net zero and addressing climate change risk as a core objective. To further UKRN's aspiration for thought-leadership, particularly linked to its core objective on the net zero transition, we encourage UKRN to consider international collaboration opportunities and global outreach in their new strategy. Many international and national bodies are working on resolving crucial questions on climate related accountability, and there may be key opportunities to collaborate and to avoid duplication of work. This may include engaging in existing networks like the OECD Economic Regulators network, and through



new networks, such as the Taskforce for Net Zero Policy (flagged also in Purpose and Operations). Knowledge sharing across emerging international platforms focused on regulators or regulatory needs will be crucial to ensuring common approaches to best practice and accountability can be disseminated more widely.

BSI is looking forward to collaborating and supporting UKRN on thought leadership and research. Alongside existing research pieces funded by BSI on net zero governance<sup>4</sup>, we have ongoing projects focused on understanding the changes within the net zero governance landscape (including the rapidly developing range of initiatives and schemes), understanding interactions between standards-policy-regulation nexus, and how we can communicate the role this nexus plays in delivering trust and accountability globally.

Additionally, as mentioned above, BSI leads an international effort to align the international standards system with an equitable net zero transition as part of the London Declaration. This work involves both the proactive review of all standards to align them with climate science, as well as updating our standards development processes to ensure climate adaptation and mitigation is considered right through the development cycle.

Many areas of our work have commonalities and we would be delighted to discuss our work with UKRN further.

# 4.2 Just transition – linking objectives on vulnerability, sustainable economic growth and net zero

Capacity and knowledge building across the regulator network will be essential to ensuring achievable and inclusive accountability frameworks on net zero globally. Hence, we encourage incorporating "just transition" as an outcome within the core objective on supporting net zero. This is already somewhat covered within UKRN's core objective of supporting sustainable economic growth and addressing vulnerability but can be linked to the net zero core objective directly. To support inclusion of a just transition within the net zero transition objective, we highlight the ISO Net Zero Guidelines as a knowledge resource.

The ISO Net Zero Guidelines harmonises current international best practice on credible net zero action and governance and provides guidance on all stages of net zero action – from planning, implementation, through to tracking of progress and towards net zero. The Guidelines were designed to be accessible,

<sup>&</sup>lt;sup>4</sup> Research – our 2050 world



and can be used by any organisation, in any jurisdictions. Policymakers, such as regulators can use the ISO Net Zero Guidelines as a tool to develop consistent systems-based strategies and policies, aligned to current best practice, to deliver their policy goals on net zero, to enable an effective and interoperable net zero transition across the economy. On just transition considerations, the Guidelines highlight equity and justice (Section 5.9, Section 12)<sup>5</sup> as a key guiding principle for delivering net zero, including taking a human-centred approach and safeguarding the rights of the most vulnerable people and communities as well as preserving ecosystems and biodiversity, aligning with the UN's Sustainable Development Goals. This aligns well with both the sustainable economic growth and addressing vulnerability objectives. We attach alongside this response a toolkit developed for policymakers (including regulators) on the ISO Net Zero Guidelines.

## 4.3 Innovation and sustainable economic growth

On the core objective on sustainable economic growth, including supporting innovation, we would flag the role standards play in supporting and fostering innovation. Our research has shown that standards can drive transformative innovation <sup>6</sup>. For example, ISO 30500, a standard for the design and testing of off-grid sanitation systems, was developed before a product was in the market and set out requirements for a technology which did not exist. This helped the market overcome the lack of globally consistent requirements around off-grid sanitation solutions, which was a critical barrier to innovation. The availability of this standard meant the market could then innovate to meet the benchmarks and requirements set out by the standard, fostering innovation across a crucial aspect of health and sanitation. In this way, standards can define requirements for developing new processes, and have the capacity to support transformative innovation in any sector, helping to meet current global challenges such as climate change through supporting innovation. By setting out requirements which are globally relevant, consistent and consensus based, standards can be a flexible tool to help policymakers deliver their innovation objectives regardless of policy mechanisms. We would support close collaboration with UKRN to find opportunities to support innovation through standards-policy-regulation interactions.

<sup>&</sup>lt;sup>5</sup> ISO Net Zero Guidelines: <a href="https://www.iso.org/netzero">https://www.iso.org/netzero</a>

<sup>&</sup>lt;sup>6</sup> BSI research on Maximizing the impact of standards and regulation to drive transformative innovation: a new approach: <a href="https://our2050.world/wp-content/uploads/2023/07/Maximizing-the-impact-of-standards-and-regulation-to-drive-transformative-innovation\_Final-Version\_V1\_0.pdf">https://our2050.world/wp-content/uploads/2023/07/Maximizing-the-impact-of-standards-and-regulation-to-drive-transformative-innovation\_Final-Version\_V1\_0.pdf</a>



## 4.4 Championing effective regulation

We also acknowledge that UKRN's focus on supporting and understanding evolutions required in regulatory practices to meet future challenges will be key for a number of emerging areas, including specifically for climate change. The challenge of scaling climate accountability globally requires a consistent approach, metrics and terminology to ensure interoperability of accountability requirements and frameworks across the economy, delivering a globally consistent and credible net zero transition. Standards can be a tool that supports this objective and outcome, as standards are developed to provide harmonized and globally consistent requirements around processes or products, allowing interoperability across sectors and jurisdictions, underpinning global trade and economic cooperation. At BSI, we continue to develop our thinking on how standards and associated infrastructure such as conformity assessment, measurement, and accreditation, together called Quality Infrastructure<sup>7</sup>, can help both businesses and policymakers (including regulators) deliver their net zero and climate goals. This Quality Infrastructure system contains four main pillars:

- Standards: Setting out what good looks like for a process, product or service
- Conformity assessment: Evaluating that standards are being followed
- Accreditation: Ensuring conformity assessment bodies evaluating against standards are impartial and competent
- Measurement: Ensuring consistent measurements and providing scientific calibration

Quality Infrastructure already provides trust across the economy<sup>8</sup>, and its expertise can be leveraged to inform the policymaking landscape and relevant regulatory frameworks to produce robust, globally accountable frameworks for the net zero transition<sup>9</sup>. We are keen to engage and collaborate with UKRN in our evolving thinking around Quality Infrastructure's role in net zero, and to continue existing collaborations while engaging in new thematic areas with UKRN's thought leadership in the space of climate accountability.

<sup>&</sup>lt;sup>7</sup> The UK's National Quality Infrastructure - GOV.UK (www.gov.uk)

<sup>&</sup>lt;sup>8</sup> 0408.-UKAS-Accreditation-Ministerial-Handbook A5 DIGITAL.pdf

<sup>&</sup>lt;sup>9</sup> The Net-Zero Governance Conveyor Belt - Kleinman Center for Energy Policy (upenn.edu)



#### 5 Information about BSI

BSI is the UK's National Standards Body (NSB), appointed by government to oversee the development and management of national standards by UK stakeholders, to represent the UK at the international and European standards organizations and to provide the infrastructure for UK experts to participate in international standards setting activity. BSI operates in accordance with a Memorandum of Understanding with the UK Government and has a public function in support of the UK economy and society. We bring together over 13,500 stakeholders (including government, businesses, and consumers) to facilitate the development of "what good looks like". BSI is sponsored by the Department for Business and Trade and works across government and with regulators to advise on the use of standards to support the delivery of policy objectives.

Standards offer a tool to deliver globally consistent requirements for what good looks like in any sector. UK participates in more international (ISO) standards committees than any other country, so is well placed to lead the development of new standards. Over 95% of our work is on international standards, where for transboundary issues such as net zero, the global dimension is key.

BSI has wide convening powers, deep expertise and a wide range of standards, plus new ones in development, to support UKRN members reach its objectives, making the UK the global leader in achieving net zero through effective policy and regulation. We welcome further engagement with UKRN. We would be pleased to provide any additional information or discuss any aspect of this submission and look forward to further and active engagement.

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