



ENBR Newsletter 2/2006

Foreword

Dear Readers,

It is a pleasure to welcome you all to the second issue of our ENBR Newsletter.

2006 has been a very fruitful year for the European Network for Better Regulation: the project is on the right track, the first results of our activities are already visible and new partners will soon come on board to strengthen our research capacities. Moreover, we foresee increasing cooperation with other projects and initiatives on impact assessment at the national and EU level and a great potential to develop synergies and advance the knowledge in this challenging policy field.

This issue of the ENBR newsletter features contributions from ENBR project partners, in particular the papers that were presented during the ENBR Workshop on Impact Assessment Methodology at the Erasmus University of Rotterdam on December 14. An ad hoc publication will be available on our website by the end of January 2007. In the meantime, we provide you with a little anticipation of the main findings.

A section of the newsletter is dedicated to the latest activities of Evaluating Integrated Impact Assessments (EVIA), a companion project funded by the European Commission and coordinated by the Environmental Policy Research Centre (FFU) of the Freie Universitaet Berlin.

Finally, we provide an update on the upcoming activities of our Coordination Action and an overview of the main events and publications on impact assessment.

We hope you will find this Newsletter of interest. As usual, all comments and suggestions for improvement are more than welcome.

Last but not least, I wish you all the best for 2007,

Andrea Renda
ENBR Coordinator



featuring publications from ENBR project partners and relevant material on impact assessment both at the national and European level. We aim at completing the first version of the DIADEM database in July 2007. The system will contain complete and standardised information on impact assessment activities taking place in as many as 29 countries, namely the EU25, Israel, Moldova, Serbia and Ukraine. In addition, we will strengthen the bibliographical section with the most relevant recent contributions in the field of better regulation, RIA and an updated list of links to partner universities, research centres, EU-funded research projects and institutions active in the field of better regulation. If you wish to post your contribution, please submit it to the project management board for review!

ENBR Workshop on Methodology

ENBR held its first Workshop on December 14 at the Erasmus University of Rotterdam.

The event centred on methodologies for impact assessment and featured presentations from five ENBR partners. Contributions focused on cost-benefit analysis, the application of the Standard Cost Model in the Netherlands, regulation in decentralised political structures, restrictions to economic freedom. A snapshot of each paper is provided below. The final version of each text will be available on www.enbr.org in the beginning of 2007.

"Introduction to the use of cost-benefit analysis". In this paper, Alessandra Arcuri from the Erasmus University of Rotterdam provides an overview of the major methodologies employed to calculate costs and benefits of regulation. She scrutinizes existing theoretical and practical critiques to cost-benefit analysis (CBA) with the aim of suggesting possible amendments to CBA in order to improve the methodology and make it more acceptable.

"Quantitative analysis of laws limiting the freedom of business activities in Poland". Wojciech Rogowski from the National Bank of Poland concentrates on the variations and the extent of regulatory restrictions to economic activity in the Polish economy from 1989 to 2005. The study identifies all regulations restricting the pursuit of economic activity in the Polish law and proposes a methodology to monitor legislative activities from a quantitative and qualitative perspective. It emerges that there has been an increase of economic areas

ENBR – Focus

ENBR website

Information on the ENBR project, details on the work in progress and forthcoming events can be found on our website: www.enbr.org.

As anticipated in the past issue of the newsletter, one of the main assets of ENBR is the project's website. It will not only contain the DIADEM (Database on Impact Assessment Development in European Member States) information system, but also many other sections



subject to restrictions in the period under review and an increased number of restrictions.

“Methodological problems of functioning RIA system in Poland”. The contribution of Włodzimierz Szpringer from the Warsaw School of Economics focuses on the main conclusions and methodological questions arising from the functioning of the system of regulatory impact assessment in Poland since 2002. It also explains the main changes arising from the new government Regulation Reform Programme. The analysis is carried out against the background of the theory of legislation and the methodological work on Regulatory Impact Assessment done by the OECD, the European Commission and other countries.

“Methods to measure administrative burdens”. In his paper, Tom Weijnen from the Erasmus University of Rotterdam presents the main results of the application of the Standard Cost Model for the measurement of administrative burdens in the Netherlands. After an overview of the main limitations of the model, Weijnen describes possible valuation methods of the time spent by businesses and citizens to comply with the information obligations that would bring the SCM more in line with a societal perspective. The paper concludes with an indication for future research in this field.

“Composite & decomposable indicators for evaluating RIA systems in practice: proposals for discussion and testing”. Andrea de Panizza from ISTAT and Mauro Visaggio of the University of Perugia carried out an interesting experiment on possible indicators to evaluate regulatory impact assessment systems in practice. The proposed tool would be partially based on the results of the data collection performed for the DIADEM database. More details on the experiment will be available in a forthcoming paper published on ENBR’s website.

“Deregulation, regulatory burden and economic development in Spain”. Juan Santaló presented the latest findings of the Madrid-based Instituto de Empresa regarding the evolution of legislative and regulatory decentralisation in Spain and its impact on the economic development of the Spanish Self-governing Communities between 1988 and 2005. The research was carried out on the basis of certain objective proxies for legislative and regulatory activity (such as the number of pages published in the several Spanish official journals and legislative collections).

“Impact Assessment in the European Commission: quantifying benefits and costs”. Colin Kirkpatrick and Jennifer Franz from the University of Manchester extend the evaluation of the Commission’s impact assessments beyond formal compliance to an evaluation of the quality of the analysis undertaken. The authors aim at assessing how successful has the Commission been in providing a

careful and comprehensive analysis of likely social, economic and environmental impacts. The paper identifies a number of analytical weaknesses and then proceeds to a detailed discussion of how the quality of the analysis might be improved and strengthened, particularly in the quantification of impacts.

ENBR Expert Group on Process

The second ENBR Expert Group was appointed in Rotterdam on December 15, 2006.

ENBR project partners recently appointed an Expert Group on Process, under the leadership of Katarina Staronova from the Slovak Governance Institute. The Expert Group will review the state-of-the-art in the choice of regulatory options adopted at international level for the regulation of specific issues or economic sectors and provide recommendations for improvement. In particular, Group members will investigate which types of regulation (re-regulation, de-regulation, co-regulation, self-regulation, etc.) are selected by national governments, with an eye on the context in which regulatory efforts take place. The Expert Group is composed by ENBR researchers from the Vienna-based Institute for Advanced Studies, the New University of Lisbon, Haifa University, the National and Kapodistrian University of Athens, the Warsaw School of Economics, and the University of Osnabrueck.

Future developments & planned activities

Forthcoming Workshop on Regulatory Process in Lisbon.

At the end of June, the Law Faculty of the New University of Lisbon will host the ENBR Workshop on Regulatory Process. The seven ENBR members of the Expert Group on Process will present their findings. As usual, research papers and other contributions will be made available on the ENBR website. Stay tuned in the coming months for further details on this initiative!

Expert Group on CEE Countries to be appointed in June.

In June 2007, ENBR partners will appoint the third ENBR Expert Group. Research will focus on the challenges faced by EU and non-EU Central and Eastern European countries in their attempt to enhance the quality of their regulatory environment and introduce impact assessment as a tool to foster better regulation. More information will be available in the coming months!

SUBSCRIBE TO OUR NEWSLETTER!

Please visit our website at www.enbr.org



EVIA contribution

Evaluating Integrated Impact Assessments (EVIA), a two years FP-6 project is currently performing case studies on impact assessments carried out in the UK, Poland, The Netherlands, Denmark and the European Commission. The different approaches to IA are investigated in detail. In addition, the IA guidelines for all EU member states have been analysed.

The consortium is about to prepare a comparative analysis and a survey to validate the results obtained so far. For June 2007 a workshop is foreseen to present the empirical results to the academic community and officials from the European Commission and the member states. Based on the investigations, indicators for the quality of integrated IA will be derived and operational recommendations for the process of IA will be developed. A paper about the conceptual framework of the project and the underlying hypotheses is available on the project's website: <http://web.fu-berlin.de/ffu/evia/index.htm>

OECD Working Group on Regulatory Policy

On December 7, 2006, the OECD Group on Regulatory Policy discussed extensively the merits of introducing competition and trade assessment as mandatory steps of the RIA procedure. Representatives from most advanced countries in this field, such as Mexico, Australia and the UK illustrated the results of their pioneer efforts in these directions. The OECD warmly recommends the development of a culture of competition amongst policymakers. Andrea Renda, ENBR Coordinator, was invited to discuss presentations from Mr. Eduardo Perez Motta (President, Federal Competition Commission, Mexico); Mr. Werner Stengg (DG Internal Market, European Commission); Mr. Daisuke Otsuki (Ministry of Internal Affairs and Communications, Japan), and Mr. David Shortall (Consultant, Canada).

Symposium on the Standard Cost Model

The Erasmus University of Rotterdam organised a symposium on the main results of the application of the Standard Cost Model (SCM).

Following the recent Commission Communication on the reduction of administrative burdens and the increasing diffusion of the Standard Cost Model (SCM) across Europe, the University of Rotterdam held a dedicated workshop to explore the main limits and qualities of the SCM and draw lessons from the Dutch experience. Speakers from different backgrounds expressed their views on the current state of play and the potential problems that could emerge in the future when the SCM gains momentum in other member states. Andrea Renda (Centre for European Policy Studies) illustrated the main findings of the pilot project on administrative burdens that he recently completed for DG Enterprise. Jurgen G.S. Warmerdam from MKB-NL presented the position of the industry and in particular the impact of the SCM on SMEs, while Colin Kirkpatrick (University of Manchester) provided

an insightful European perspective of the problem. Finally, Leo Van der Howe from the Dutch Ministry of Economics gave his ex-post view on the results achieved so far and some clarification on the government's approach for the future.

Future Events

RIA training course in Bruges, 5-9 March, 2007. This 5-Day Regulatory Impact Analysis Training Course is organised by The College of Europe and Jacobs and Associates. <http://www.coleurop.be/ria>

2nd DBR Training Course on Impact Assessment, Exeter, 21-23 March 2007.

After a successful pilot training on impact assessment in the multi-level setting of the EU held in July 2006, a follow-up edition of this course is planned for 21-23 March 2007. The course will again be organised by the Centre for Regulatory Governance at the University of Exeter in close cooperation with the Directors and Experts on Better Regulation (DBR). Attendance is limited to national civil servants who are nominated for participation by their DBR representative. Professor Claudio Radaelli will be the course director; teaching will be provided by him, by other University of Exeter faculties as well as by IA experts from various European administrations.

Info: Anne Meuwese (a.c.m.meuwese@ex.ac.uk).

ENBR PARTNER INSTITUTIONS

Coordinator

Centre for European Policy Studies - Brussels
Partner Institutions

Institute for Advanced Studies - Vienna

LUISS Guido Carli - Rome

Erasmus University Rotterdam

London School of Economics

University of Manchester - IARC

New University of Lisbon

Praxis Institute - Tallinn

Polytechnical University of Milan

Jacobs and Associates - Dublin

Haifa University

Slovak Governance Institute - Bratislava

University of Exeter

National & Kapodistrian University of Athens

Instituto de Empresa - Madrid

Warsaw School of Economics

University of Osnabrueck

Swedish Institute for European Policy Studies



Featured publications

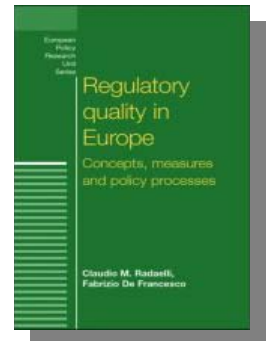
Claudio M. Radaelli & Fabrizio De Francesco

Regulatory quality in Europe

Concepts, measures and policy processes

Manchester University Press, January 2007.

The European Union and its member states are investing in ambitious programmes for 'better regulation' and targets of regulatory quality. This book lifts the veil of excessively optimistic propositions covering the whole better regulation agenda. It provides an innovative conceptual framework to handle the political complexity of regulatory governance. It approaches better regulation as an emerging public policy, with its own political context, actors, problems, rules of interaction, instruments, activities and impacts. Focusing on the key tools of impact assessment, consultation, simplification and access to legislation, the authors provide fresh empirical evidence on the progress made in the member states and in Brussels, drawing on an extensive research project and an original survey of directors of better regulation programmes in Europe.



Scott Jacobs

Current trends in Regulatory Impact Analysis: the Challenge of Mainstreaming RIA into Policy-Making

Available on www.regulatoryreform.com

RIA is evolving quickly as it is mainstreamed into policy processes around the world. In this report, Scott Jacobs examines current trends in the process and methods of RIA by the top RIA performers in the world. The particular contribution of this report is that it assesses the most recent trends (2002-2006) in many of the most advanced countries, and identifies lessons for governments who wish to be at the forefront of good regulatory practices. The conclusion of this paper is that, to reach a sustainable level of RIA quality, governments need a clear strategy aimed at the institutionalization of capacities and incentives within the machinery of government. Such a strategy rests on a whole series of good RIA practices: clearer targeting strategies, development of multi-level consultation strategies, more attention to data collection and data quality issues, much more investment in training, more effective quality control through central RIA units and ministerial accountability, better use of scarce scientific resources, and better technical RIA manuals.



Andrea Renda

Impact Assessment in the EU. The State of the Art and the Art of the State

CEPS Paperbooks, January 2006.

Policy-makers increasingly see impact assessment it as the philosopher's stone that will enhance the quality of EU legislation in the years to come, leading Europe back onto the Lisbon track. But does the EU's impact assessment model actually possess the virtues ascribed to it? This new book by Andrea Renda offers a scorecard analysis of the first 70 Extended Impact Assessments performed by the European Commission. Renda's analysis of international best practices reveals that impact assessment is far from being a panacea, especially when built on shaky methodological and organisational grounds. The book proposes ten roadmaps to improve the current model, aiming to contribute to the upcoming review of the EU's impact assessment model, scheduled for early 2006.

