

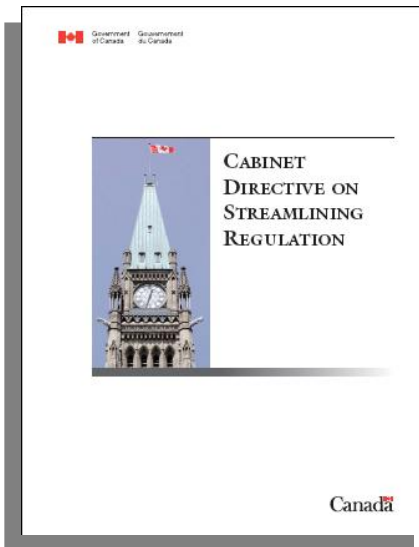
*Measuring and Evaluating
the Performance of
Regulatory Frameworks*

**OECD 2009 Workshop and Policy Dialogue on
Technical Barriers to Trade**

Foreign Affairs and International Trade Canada

Cabinet Directive on Streamlining Regulation

“The Government of Canada is committed to protect and advance the public interest by working with Canadians and other governments to ensure that its regulatory activities result in the **greatest overall benefit to present and future generations of Canadians.**”



Protect and advance the public interest

Promote a fair and competitive market economy

Make decisions based on evidence

Require timeliness, policy coherence, and minimal duplication

Create accessible, understandable and responsive regulation

Advance efficiency and effectiveness

Focus of Canadian Approach

- The focus at present is on making improvements to new regulations as they are developed and brought forward for consideration
- This approach is governed by the Cabinet Directive on Streamlining Regulation, which seeks to ensure that departments and agencies adopt a “lifecycle” approach to regulating.
- The CDSR requires that regulatory departments and agencies regularly assess the results of performance measurement and evaluation of their regulatory programmes, and identify regulatory frameworks in need of renewal. Once identified, departments and agencies are to examine the regulation with a focus on:
 - The effectiveness of the current regulation in meeting the policy objective;
 - The current instrument selection, level of intervention, and degree of prescriptiveness;
 - Clarity and accessibility of the regulation to users; and
 - The overall impact on competitiveness, including trade, investment, and innovation.

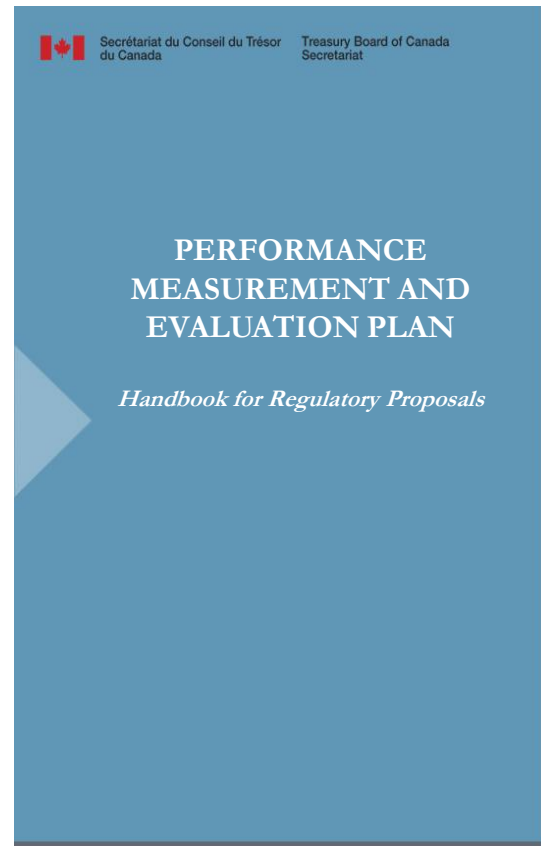
Measuring, evaluating, and reviewing regulation

“Departments and agencies are responsible for ensuring that regulation continually meets its initial policy objectives and for renewing regulatory frameworks on an ongoing basis”.
(section 4.6 of the CDSR)

- Three basic requirements:
 - Measuring and reporting on performance;
 - Evaluation;
 - Review

What are the Requirements for Performance Measurement & Evaluation?

- **Implemented July 1, 2009**
- **Regulatory organizations are responsible for:**
 - Measuring, monitoring & evaluating extent to which their regulatory programs attain intended policy objectives
 - Reviewing when the evaluation demonstrates that the regulatory activities are not achieving the intended outcomes
 - Adjusting the regulatory program, as needed, &
 - Providing an accurate account of progress and results to Canadians in a timely manner



When is a Performance Measurement and Evaluation Plan (PMEP) Required?

- Departments are first required to complete a *Triage Statement* to assess the level of impact of their regulatory proposal (i.e., Low, Medium or High).
- A PMEP Template is required when the impact level of a proposal is assessed to be high.
- For regulatory proposals of low or medium impact, completing a PMEP Template is optional and is left to the discretion of the regulatory organization

PMEP Template

- The template consists of 9 Sections.
 1. Description and Overview of the Regulatory Proposal
 2. Logic Model
 3. Indicators
 4. Measurement and Reporting
 5. Evaluation Strategy
 6. Linkage to the Program Activity Architecture
 7. Sign-Off – Treasury Board Secretariat (Regulatory Affairs)
 8. Sign-Off – Regulatory Organization (ADM Level)
 9. Departmental Contact
- The completed template should not be more than 12 pages.

In addition to the CDSR...

- The Treasury Board of Canada Secretariat also administers the Policy on Evaluation:
 - Requires departments/agencies to assess the results of government policies, programs, and initiatives, including their impacts both intended and unintended, and alternative ways of achieving expected results.
 - Applies to all regulatory programmes, and establishes a framework that can help determine the need for a review of regulations attached to the programme being evaluated.
- Strategic Reviews enable the Government to review on an ongoing basis the funding, relevance and performance of all direct program spending,
- Federal statutes may also stipulate requirements for regulatory review.
 - For example, the Canada Marine Act and the statutes that govern Canada's financial institutions (e.g., the Bank Act), including all subordinate regulations, are subjected to a five-year review cycle.