Finland

Overview and recent developments

There has been a long-standing increase in attention to improving the quality of legislation and regulation in Finland. The current government programme (since 2015) proposes to create enabling regulation, promote deregulation and reduce administrative burdens. Finland has also introduced a pilot stock review (one in one out) in 2016-2017 for two ministries, whereby new compliance or administrative costs for business have to be off-set by corresponding savings. An evaluation of the pilot in 2018 states it has resulted in reduced stock and costs and increased transparency, and recommend the continuation of the pilot. The areas of regulation subject to ex post evaluations have increased since 2015, albeit without consistent methodologies.

A number of stakeholder engagement platforms exist in Finland to inform the public of current draft legislations and to solicit feedback. These include lausuntopalvelu.fi launched in 2015, as well as the revamped (2017) Governments Registry for Projects and Initiatives (http://valtioneuvosto.fi/hankkeet).

Regulatory Impact Assessment (RIA) is formally required and conducted for all primary laws and for some subordinate regulations. In 2016, Finland established the Finnish Council of Regulatory Impact Analysis (FCRIA) with the mandate of improving the quality of bill drafting and, in particular, of the impact assessments of legislative proposals. The review and use of RIA in Finland could be further strengthened by the introduction of an oversight function that allows for returning proposed rules for which impact assessments are deemed inadequate. Furthermore, the results and adequate resourcing of the FCRIA will merit close assessment in its first years of functioning for maximum impact of its activities.

INSTITUTIONAL SETUP FOR REGULATORY OVERSIGHT

The Finnish Council of Regulatory Impact Analysis (FCRIA) is an arms-length body created in 2015. The FCRIA reviews selected RIAs (based on significance and representativeness) before approval of the final version of the regulation and provides advice as well as a formal opinion on the quality of the RIA. The FCRIA has no sanctioning power. The Council also has the mandate review ex post assessments of other bodies and plans to carry out a first review in 2018. The Unit of Legislative Inspection in the Ministry of Justice and the Chancellor of Justice share responsibilities linked to scrutiny of the legal quality of regulation under development. Observations made during this legislative inspection are taken into account for further versions.
Note: The more regulatory practices as advocated in the OECD Recommendation on Regulatory Policy and Governance a country has implemented, the higher its iREG score. The indicators on stakeholder engagement and RIA for primary laws only cover those initiated by the executive (100% of all primary laws in Finland).


### REQUIREMENTS TO USE REGULATORY MANAGEMENT TOOLS FOR EU-MADE LAWS: FINLAND

<table>
<thead>
<tr>
<th>Stakeholder engagement</th>
<th>Regulatory impact assessment</th>
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<tbody>
<tr>
<td><strong>Development Stage</strong></td>
<td></td>
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<tr>
<td>The government facilitates the engagement of domestic stakeholders in the European Commission’s consultation process</td>
<td>Yes</td>
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<tr>
<td><strong>Negotiation stage</strong></td>
<td></td>
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<tr>
<td>Stakeholder engagement is required to define the negotiating position for EU directives/regulations</td>
<td>Yes, RIA is required to define the negotiating position for EU directives/regulations</td>
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<tr>
<td>Consultation is required to be open to the general public</td>
<td>Yes</td>
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<tr>
<td><strong>Transposition stage</strong></td>
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<tr>
<td>Stakeholder engagement is required when transposing EU directives</td>
<td>Yes, RIA is required when transposing EU directives</td>
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<td>The same requirements and processes apply as for domestically made laws</td>
<td>Yes, the same requirements and processes for RIA apply as for domestically made laws</td>
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<tr>
<td>Consultation is required to be open to the general public</td>
<td>Yes, RIA includes a specific assessment of provisions added at the national level beyond those in the EU directives</td>
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<td></td>
<td>RIA distinguishes between impacts stemming from EU requirements and additional national implementation measures</td>
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THE OECD REGULATORY INDICATORS SURVEY AND THE COMPOSITE INDICATORS

The data presented in the 2019 Better Regulation Practices across the EU report are the results of the 2014 and 2017 indicators of Regulatory Policy and Governance (iREG) surveys. The results from these surveys for OECD members and accession countries as well as the European Union have also been presented in the 2015 and 2018 Regulatory Policy Outlooks. Composite indicators and country profiles for the five EU countries that are not members of the OECD are published for the first time and are solely based on the data from the 2017 iREG survey.

The Regulatory Indicators Survey investigates in detail three principles of the 2012 OECD Recommendation of the Council on Regulatory Policy and Governance: stakeholder engagement, regulatory impact assessment (RIA) and ex post evaluation. Three composite indicators were developed based on information collected through the surveys for these areas. Each composite indicator is composed of four equally weighted categories:

- **Systematic adoption** which records formal requirements and how often these requirements are conducted in practice;
- **Methodology** which gathers information on the methods used in each area, e.g. the type of impacts assessed or how frequently different forms of consultation are used;
- **Oversight and quality control** records the role of oversight bodies and publicly available evaluations; and
- **Transparency** which records information from the questions that relate to the principles of open government e.g. whether government decisions are made publically available.

The data underlying the composite indicator reflect practices and requirements in place at the national level of government, as of 31 December 2017. Whilst the indicators provide an overview of a country’s regulatory policy system, they cannot fully capture the complex realities of its quality, use and impact. In-depth country reviews are therefore required to complement the indicators and to provide specific recommendations for reform. A full score on the composite indicators does not imply full implementation of the Recommendation. To ensure full transparency, the methodology for constructing the composite indicators and underlying data as well as the results of sensitivity analysis are available publicly on the OECD website (http://oe.cd/ireg).

Related links:
- Full report: Better Regulation Practices across the European Union
- Indicators and underlying data and methodology
- Regulatory Policy Outlook 2015 and Regulatory Policy Outlook 2018
- 2012 Recommendation of the Council on Regulatory Policy and Governance
- OECD Measuring Regulatory Performance Programme
- OECD work on regulatory policy

For more information:

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- http://oe.cd/ireg