



Strategic Regulatory Planning in Canada: *The Lifecycle Approach and Regulatory Cooperation Plans*

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Context: Canada's regulatory policy

- Canada's regulatory policy is the *Cabinet Directive on Streamlining Regulation (CDSR)* – introduced in April 2007, to be reviewed in 2012
- The CDSR introduced:
 - a performance and evidence-based approach to regulatory development and implementation
 - a **lifecycle approach** to continuously improve the regulatory system
 - a Triage framework to focus resources on high-impact proposals, making the regulatory system more responsive
 - enhanced coordination across government and jurisdictions
 - enhanced analytical guidance, including on competitiveness, trade and administrative burden

Context: CDSR implementation

- 2007-2008 approaches to implement the CDSR focused on system-wide challenges
- Even with a phased-in approach however, not all the requirements of the policy were met:
 - 2008 analysis of regulatory proposals revealed that important aspects of the CDSR had not been addressed in many submissions, especially with respect to quantification and monetization of costs and benefits and performance measurement
- To improve implementation, **Regulatory Cooperation Plans (RCPs)** were introduced in 2009
- With RCPs, TBS provides policy leadership and enabling support to Departments/agencies throughout the development of regulatory submissions

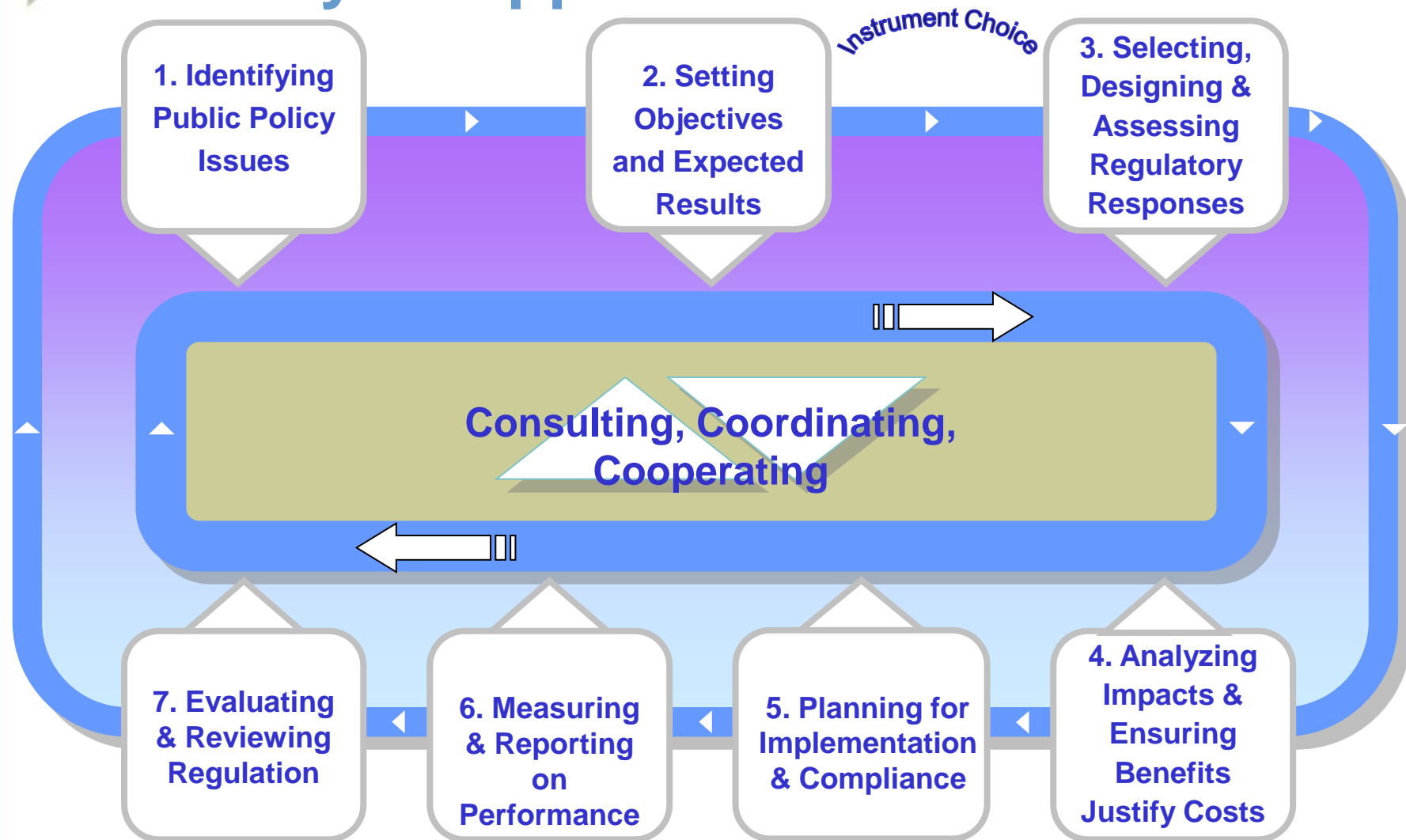


Presentation Outline

- Presentation will focus on two components of strategic regulatory planning in Canada:
 1. At the regulation level: the **lifecycle approach**
 2. At the departmental/agency level: **regulatory cooperation plans**



Regulation level planning: the Lifecycle approach





Lifecycle: Key features

- Regulations monitored over a lifecycle, not just ex-ante but also ex-post
- Initial objectives linked to outcomes and measured post-implementation
- Consultation, coordination and cooperation with key stakeholders throughout regulatory development and implementation
- After implementation, evaluation of regulations based on a five-year cycle (high-impact regulations only)
- Evaluation results may lead to a review of a regulation or regulatory programme: in this case the cycle restarts at step 1



Lifecycle: Impacts and lessons learned

- Currently 3.5 years into the implementation phase of the CDSR and lifecycle approach. Full implementation to be completed in 2012
- Data is available for ex-ante stages and shows that the quality of analysis has significantly improved (for example a majority of medium and high impact proposals had a Cost-Benefit Analysis in 2009-2010, a higher proportion than in 2007-2008)
- Too early to judge ex-post stage of the lifecycle (performance measurement and evaluation) because of a lack of data
 - First round of evaluation should start in 2013-2014



Departmental level planning: Regulatory Cooperation Plans

- Regulatory cooperation plans (RCPs) – overview:
 - Introduced in 2009 to:
 - Outline the actions and corresponding resources needed to increase short term RIA performance
 - Increase departmental/agency capacity to maintain performance on a sustainable basis.
 - Departments identify high priority regulatory initiatives
 - The Centre of Regulatory Expertise (CORE) provides resources and support where needed



Regulatory Cooperation Plans: Main Objectives

- Obtain a strategic overview of planned medium and high-impact regulatory projects for the coming year
- Anticipate and solve potential problems with regulatory proposals well ahead of pre-publication and approval
- Focus on specific analytical and planning needs of departments and agencies in addition to system-wide training and guidance
- Strategically allocate resources to ensure best quality RIAs for high priority regulations (e.g. providing resources to improve CBAs)
- Promote capacity building within departments/agencies to sustain high quality RIA (e.g. through regulatory bootcamps and Canada School of Public Service courses)



Regulatory Cooperation Plans: Process

- 12 month Plans that are renewed on an annual basis for three years
- Plans reviewed on a monthly basis to assess performance and adjust as necessary
- 3 parts:
 - Part 1 – Regulatory Priorities
 - Part 2 – Regulation Specific Assistance
 - Part 3 – Regulatory Program Support
- Championed by an Assistant Deputy Minister within targeted Department or Agency
- Call Letter sent out to all Heads of Departments and Agencies to initiate the project

Regulatory Cooperation Plans: Examples (2010 -2011)

DEPARTMENT/ AGENCY	TITLE & DESCRIPTION	TRIAGE IMPACT (where applicable)	GOVERNMENTAL PRIORITY?	DELIVERABLES	REGULATORY COOPERATION PLAN Assistance request
Health Canada	Assisted Human Reproduction Regulations - Expert review of PMP	Regulation s are high impact	CDSR requirement – to be completed before submission of Regulations to CGII.	Review, provide advice, feedback and recommendations on the PMP to ensure alignment with CDSR requirements.	0
Industry Canada	Industry Canada Regulatory Database		Ensure compliance with Canada's regulatory policy (CDSR)	Software (if necessary) and programming services.	\$12,500
Fisheries and Oceans	Fisheries Act – Regulatory Roadmap project		Speech from the Throne (SFT) - the creation of a new Fisheries Act was expressly stated in the SFT 2010.	SOW development and finding a consultant to perform the contract (Q1) Complete contract and have DG approve contract (Q2) Obtain first draft (Q3) Obtain final product (Q4)	\$20,000
Food Inspectio n agency	Agrifood Division Regulatory Renewal Project Phase 2	N/A	Cabinet Directive on Streamlining Regulations (CDSR), Paper Burden Reduction, Speech from the Throne, Food and Consumer Safety Action Plan, CFIA Report on Plans and Priorities	A- Perform triage of policy issues B - Research C - Facilitated Session D - Develop proposal for future regulatory framework	\$50,000



Regulatory Cooperation Plans: Recap of the first year (2009-2010)

- Seven (7) departments/agencies signed Regulatory Cooperation Plans
 - Selection criteria: regulatory volume and complexity, need for assistance and regulatory priorities
 - Selected departments: Health, Transport, Citizenship and Immigration, Food Inspection, Fisheries and Oceans, Industry and Environment
- Plans transfer financial and human resources through Memoranda of Understanding (MOUs):
 - Support and training with cost-benefit analysis (CBA) and performance measurement and evaluation (PMEP)
 - RIAS writing (training at the Canada School of Public Service)
 - Review of regulations
 - Internal and interdepartmental cooperation and coordination

Regulatory Cooperation Plans: Some numbers, 2 years in

- 2009-2011:
 - About \$1m CAN / year funding available, as well as 4-5 FTEs of the Central Oversight Body to support Departments
 - Over 50 different projects / year
- 2010/2011: 32% of interventions related to Cost-Benefit Analysis, 11% on PMEP, 16% on training, 4% on RIA drafting and 37% on miscellaneous items



Regulatory Cooperation Plans: Lessons learned

- Many projects do not progress as rapidly as anticipated -> need to start the process earlier in the Financial Year
- Even projects that do not have funds attached to them should still be maintained and monitored
- Projects may not be completed in a fiscal year and often require ongoing assistance in the next Financial Year



Strategic regulatory planning: Conclusions and next steps

- Planning has improved:
 - At the regulation level: continuous monitoring over the lifetime of a regulation
 - At the departmental level: better planning and resource allocation for both Regulators and the Central Oversight Body – leads to better analysis
- Next steps:
 - Pilot projects on service standards
 - Improving transparency: exploring the feasibility of a publicly released Forward Regulatory Agenda



Thank you! / Merci !

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