

MENA-OECD Governance Programme

Administrative Simplification

Session 2: Measuring Administrative Burdens *How to build a national programme*

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Pre-requisites for launching an AB project

1/ overall BR Strategy/ Regulatory Reform :

- tackling new legislation & stock laws
- covering: Policies - Institutions - Tools

2/ strong political backing at government level, interested stakeholders and ministries; knowledge of foreign best practice;

3/ Resources

Overview of BR tools

- Impact Assessment of new legislation
- Consultation guidelines
- Simplification Programme /codification
- Access to legislation
- Enforcement and inspections (modernise)
- ABM: a good indicator to support a BR/ RR policy or process (not a means in itself)
- But not the only way to guide simplification (ex. France)

Context for the national AB project

- Economic policy
 - Ease of doing business
 - Attracting FDI
 - Link to competitiveness agenda
- Political agenda
 - Making life easier for citizens by cutting red tape
 - Reforming the public service

Check-list of issues for a national AB programme (components)

- I. Targets
- II. Methodology
- III. Scope
- IV. Organisation
- V. Results

1. National targets

- Most countries adopt a AB reduction target, to mobilize efforts and provide the yardstick to evaluate results
- A full baseline or a sectoral target?
- By area or by legal type (ex: licensing)
- What to cover ? RIG, irritation, delays
- What percentage?

2. Methodology (1/ measuring)

- Clarify methodology issues at the start
- SCM approach is the reference
- Countries can adapt the methodology to national specifics; need to translate guidance; keep it simple to contain costs of measurement
- Active involvement of stakeholders (workshops, panels) should be organised at all phases of project (including adopting methodology)

Methodology (2/ reducing)

Common principles for reducing AB (from AP)

- Reduce frequency
- Eliminate duplication
- Require electronic/web-based info
- Introduce thresholds
- Target risk operators
- Drop obsolete requirements

3. Scope of project

- Should correspond to national priorities/ambitions: baseline or selected priority areas;
- Capitalise on findings published by IFC Doing Business and other relevant publications
- Administrative costs/burdens or full compliance? Business or citizens, or both?
- Project to remain simple and focused (see WB recommendations)
- Implement in “waves”

4. Organisation (1)

- Need to set-up a central unit, sufficiently staffed and trained; which ministry?
- Need to oversee process with a Steering Group composed of relevant services;
- Mapping/ Measurement can be carried out by a contractor or by the ministries;
- Reduction plans: ministries should take ownership;
- Share with other MENA SCM programmes and SCM Network

Organisation (2) using contractor

Using an external contractor: a few tips:

- Get help to write the tender specs
- Keep in-house capacity to control execution of contract, including line experts
- Special attention to the quality of interviews of companies or expert panels
- Contractor to support inter-ministerial management of project
- Include communication campaign in contract

5. Results: lessons learnt (1)

- Mapping and measurement must be linked to re-engineering; associate measurement results with simplification plans (ex UK)
- Get stakeholders to validate results and impacts (ex NL)
- Promote results: communication programme; give feedback to stakeholders and actors; (example EC)

Results: lessons learnt (2)

- Consider rapid results in parallel before end of project (ex EC fast track actions);
- Link to other (legal) simplification for mapping and reduction ideas (ex Morocco)
- Monitor implementation down to new official forms (ex France)
- Embed the AB project in the new culture: link with impact assessments

Useful links

OECD manuals and monographies

IFC Doing Business

WBG Investing Across Borders

IFC Investment Climate Advisory Services

For methodology and national projects: SCM network

For Red Tape news from around the world:
<http://www.smartregulation.net>

Note: the text of these slides cannot be considered separately from the oral presentation. The text is available on <http://montin.com/documents/budapest.pps>

Reference documents

- IFC overview: “using SCM to measure regulatory compliance costs in developing countries”
<https://www.wbginvestmentclimate.org/uploads/SCM+Final.pdf>
- Methodologies for Measuring: International methods for measuring regulatory costs” (Bertelsmann Stiftung) http://www.bertelsmann-stiftung.de/cps/rde/xbcr/SID-01061409-06D938F2/bst_engl/xcms_bst_dms_29041_29042_2.pdf
- “International Standard Cost Model Manual” (on SCM Site)
http://www.administrative-burdens.com/filesystem/2005/11/international_scm_manual_final_178.doc
- Methodology for Reduction of AB: “Process re-engineering for burden reduction” (C.H. Montin)
<http://www.montin.com/archive/documents/reengineering.doc>