The Splendours and Miseries of Regulatory Impact Assessment in the Czech Republic

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• One of the recommendations of the OECD Review of Regulatory Reform in the Czech Republic in 2001
• Some elements already present in the 90s, however impact assessment not obligatory.
• Pilot implementation in 2005
  – Obligatory Business impact assessment
  – 3 pilot full RIAs
• Full implementation in November 2007
• Golden years of RIA in 2008 – 2009
• Today RIA mostly formal, not enforced properly, plans for revitalisation
• Assessment of economic, social and environmental impacts obligatory for all legislative proposals (new regulations and amendments) prepared by the Government

• “Small” and “Big” RIA
  • Similar structure, difference mostly in scope, quantification, number of policy options

• Inclusion of Parliamentary proposals now being considered
Institutional structure

• Ministry of Interior develops RIA Guidelines, provides for methodological assistance, quality check
  • Issue: Only a line ministry supposed to co-ordinate all the other ministries, not the centre of government → reluctance

• Quality oversight – interministerial Board for Regulatory Reform consisting of Deputy Ministers and Deputy heads of agencies + representatives of regions, municipalities, Chamber of Commerce

• Supported by an interministerial working group – same composition – lover level
  • Issues: Committee does not have a right of veto
  • Committee represented in the Government by the Minister of Interior, its opinions do not have to be taken on board
  • Non-gov stakeholders underrepresented
Capacity building

- Detailed guidelines issued and updated by the Ministry of Interior
- Model – IA Guidelines of the European Commission
- Training provided to public servants involved in preparing RIAs
- Seminars for high-level officials
Some general observations
3 dimensions of scope

- **Scope of requirements**
  - Question of which regulatory instruments will be subject to RIA
  - In principle, these should be all regulations that have potential impact on society
  - Mostly not feasible – RIA would not pass RIA on itself
  - Targeting, proportionality and significance principles
  - Primary or secondary legislation, threshold tests

- **Scope of analyses**
  - Important which method to choose in various cases
  - CBA gives the most precious result
  - On the other hand the most resource-demanding
  - “Lighter” methods available
  - Quantification vs. qualitative assessment
  - Perfect can be an enemy of the good
  - Two-step approach

- **Scope of implementation**
  - One-off vs. step by step approach
  - Sectoral view, Pilot projects
Stakeholders’ involvement

- Greater trust in government
- Better outcomes at less cost
- Higher compliance
- Ensuring equity of access
- Leveraging knowledge and resources
- Innovative solutions
When to consult?

- Defining a problem
- Identifying alternative solutions
- Assessing costs and benefits
- Drafting regulations
- Adoption
- Evaluation
How to consult?

- Informal consultations with selected stakeholders
- Public hearings
- Circulation for comments
- Notice and comment
- Advisory bodies (permanent/ad hoc) + social partners
- Use ICTs (Web 2.0) together with classical methods
  - Consultation portals
Prepare yourselves for:

- Civil servants’ reluctance (“all against you” coalition)
  - Political support from the highest level
  - High-quality control mechanisms
  - Get stakeholders involved through institutionalised dialogue
  - Actively offer assistance from the beginning

- Political pressure
  - Be as independent as possible

- Efforts to avoid RIA
  - Set clear criteria
Prepare yourselves for: (part 2)

- Not having enough or accurate data
  - Try to build the data bases, get academics involved
- Disappointment stemming from not having immediately visible results
  - Manage expectations
  - Demonstrate best practice examples and share them
- Demand for training
  - Create sufficient capacities
  - Differentiate content according to target groups (politicians, top management of the public administration authorities, civil servants)
Thank you!

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