Regulatory Reform in Norway

Government Capacity to Assure High Quality Regulation

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FOREWORD

Regulatory reform has emerged as an important policy area in OECD and non-OECD countries. For regulatory reforms to be beneficial, the regulatory regimes need to be transparent, coherent, and comprehensive, spanning from establishing the appropriate institutional framework to liberalising network industries, advocating and enforcing competition policy and law and opening external and internal markets to trade and investment.

This report on *Government Capacity to Assure High Quality Regulation* analyses the institutional set-up and use of policy instruments in Norway. It also includes the country-specific policy recommendations developed by the OECD during the review process.

The report was prepared for *The OECD Review of Regulatory Reform in Norway* published in 2003. The Review is one of a series of country reports carried out under the OECD's Regulatory Reform Programme, in response to the 1997 mandate by OECD Ministers.

Since then, the OECD has assessed regulatory policies in 16 member countries as part of its Regulatory Reform programme. The Programme aims at assisting governments to improve regulatory quality — that is, to reform regulations to foster competition, innovation, economic growth and important social objectives. It assesses country's progresses relative to the principles endorsed by member countries in the 1997 *OECD Report on Regulatory Reform.*

The country reviews follow a multi-disciplinary approach and focus on the government's capacity to manage regulatory reform, on competition policy and enforcement, on market openness, on specific sectors such as telecommunications, and on the domestic macro-economic context.

This report was principally prepared by Peter Ladegaard, in the Directorate for Public Governance and Territorial Development. It benefited from extensive comments provided by colleagues throughout the OECD Secretariat, as well as close consultations with a wide range of government officials, parliamentarians, business and trade union representatives, consumer groups, and academic experts in Norway. The report was peer-reviewed by the 30 member countries of the OECD. It is published under the authority of the OECD Secretary-General.

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1.1. The administrative and legal environment

Regulatory governance in Norway is moulded by traditional Nordic decision-making practices, and by the wealth endowment enabled by Norway's oil resources.

Norway has a long history of homogenous and parliamentary-based political leadership, strong ministerial autonomy and a close connection between political and administrative leadership. The prevailing decision-making mode in Norway is one of consensus-building, broad participation, incrementalism and pragmatism, enabled by informality and a homogenous four and a half millions population.[1] Strong mutual trust between policy-makers, the civil service and citizens is another key characteristic underpinning regulatory reform and regulatory policies in Norway. In many policy-areas, performance and high compliance rates are enabled not by enforcement, control or competition, but because policy-makers and regulators, in return for "fair" and agreed-upon regulations, can expect the regulatees to comply.

Public spending and the scope of public sector functions are significant by international comparison. This reflects two important societal choices: to ensure an extensive and universal welfare system; and to support decentralised settlements across a far-reaching country with demanding topography and climate. Maintaining and aspiring for high ethical standards are strong and independent features, which underlie and drive much of the policy agenda in Norway. Stand-alone ambitions to be good global citizens and a nation reaching or going beyond best practices seems to be the *Leitmotiv* for many initiatives. In 2002 Norway was ranked first on United Nation's Human Development Index.

Though sharing many of the above characteristics with its Nordic neighbours, Norway's oil and gas reserves constitute a unique context and set of challenges for regulatory reform. Oil and gas revenues account for 20-25% of Norway's GDP. Prudent fiscal and monetary policies and transfers of part of the oil revenue to the Petroleum Fund have enabled a gradual, non-inflationary boost of the economy. At the same time it has allowed Norway to put away "savings" to finance imports and provide for the ageing population when oil and gas revenues starts to decline.

In combination, the static and dynamic outcomes of these two forces are immense and at the same time very complex to untangle. From a regulatory governance perspective, six interrelated observations are particularly worth noting.

First, Norway is a *reluctant reformer* of the boundaries between state and market.[2] Compared to other countries with extensive public service provisions, Norway has continued to prefer solutions that are less market-orientated. This feature mirrors the fact that the state in Norway enjoys a high degree of trust as a capable and legitimate problem solver and as an appropriate tool for achieving the best results for the common good.

Second, there is *no immediate sense of urgency* for regulatory reform as a response to economic crises or prominent regulatory failures. Contrary to many other countries that have been in similar situations, Norway has been able to sustain an effective and prudent management of its oil wealth.

Third, however, social and political demands have increased the complexity and rigidity in the *regulatory governance structure* without improving its capacity to deliver.[3] Norwegian governments are facing high expectations and increasing dissatisfaction with the quality and availability of some welfare services, most notably hospitals, day care, and schools. Asymmetrical spending pressures from special interests groups can put at risk the prudent management of Norway's oil and gas revenue. With oil

revenues expected to start declining from around 2005, more nimble and rapid policy responses are needed to accommodate and balance rising demands. Innovative and flexible regulatory regimes are essential to address the combined challenge of spending pressures, fiscal constraints and an overall consensus that the state should be the main provider of public services.

Fourth, though Norway has invested many resources in reviewing and consolidating its stock of existing laws and regulations (see Section 4), there is still substantial scope for improving the overall *regulatory performance*, in particular for subordinate regulations. The regulatory production is extensive, and the significant increase since prior to 1992 is almost exclusively due to the transposition of EU regulations integrated in the EEA Agreement. In 2001 there were 715 primary laws and 11 500 secondary laws in force (see Table 1 below). Results from a 1998 OECD survey covering 8 000 small and medium sized businesses suggested that administrative compliance costs for businesses in Norway are relatively high.[4] Moreover, based on the initial findings of a Business Legislation Committee,[5] an exhaustive three-year inter-ministerial review finalised in 2002 identified inconsistencies in terms of legal quality, impact assessments, consultation and communication of subordinate regulations.[6]

Table 1. **Stock and flow of laws and subordinate regulations in Norway**

	1992	**1993**	**1994**	**1995**	**1996**	**1997**	**1998**	**1999**	**2000**	**2001**
New regulations (flow)										
Primary legislation	144	141	80	88	110	99	88	108	127	120
Subordinate regulations (national and regional)	992	1069	996	966	1117	1168	1079	1163	1 375	1525
Regulations in force (stock)										
Primary legislation	n.a.	n.a.	n.a.	n.a.	800	800	n.a.	720	710	715
Subordinate regulations (national and regional)	n.a.	n.a.	n.a.	n.a.	10000	12000	n.a.	12000	11400	11500

Note: Numbers for new regulations include new regulations as well as amendments to existing regulations
Source: Lovdata, Government of Norway.

Fifth, Norway's *regulatory policies*[7] *are fragmented* across ministries, and efficient decision-making is constrained by a systematic overload of the Cabinet agenda and by regulatory impact assessments of varying and often low quality. High levels of autonomy provide that individual ministries and even agencies tend to develop policies and tools, often sound, but without an overall policy covering the whole-of-government. As a result, many first-rate regulatory tools and guides are available to regulators, but not applied and enforced consistently and coherently across government (see Section 2). Evidence suggests that much regulatory decision-making is not sufficiently supported by or based on empirical evidence, but rather on consensus among stake-holders,[8] and that there is scope for improvement of capacities and co-operation in the public sector to ensure implementation of large-scale reform programmes.

Sixth – as a consequence of the above - regulatory policies in Norway do *not enjoy strong broad-based political support.* Regulatory policies are applied ad-hoc, depending on the political strength of individual ministers, without an institutionalised management-structure to support it. For these reasons, policy-makers and civil servants have no strong incentives to pursue a consistent and coherent application of the regulatory policy guidelines already in place.

Box 1. **Good practices for improving the capacities of national administration to assure high quality regulation**

The OECD Report on Regulatory Reform, welcomed by Ministers in May 1997, includes a co-ordinated set of strategies for improving regulatory quality, many of which were based on the 1995 Recommendation of the OECD Council on Improving the Quality of Government Regulation. These form the basis of the analysis undertaken in this report, and are reproduced below:

A. BUILDING A REGULATORY MANAGEMENT SYSTEM

1. Adopt regulatory reform policy at the highest political levels
2. Establish explicit standards for regulatory quality and principles of regulatory decision-making
3. Build regulatory management capacities

B. IMPROVING THE QUALITY OF NEW REGULATIONS

1. Regulatory Impact Analysis
2. Systematic public consultation procedures with affected interests
3. Using alternatives to regulation
4. Improving regulatory co-ordination

C. UPGRADING THE QUALITY OF EXISTING REGULATIONS

(*In addition to the strategies listed above*)

1. Reviewing and updating existing regulations
2. Reducing red tape and government formalities

1.2. Recent regulatory reform initiatives to improve public administration capacities

Over the past twenty years, four key types of regulatory reform initiatives can be identified in Norway. First, in the 1980s and early 1990s a series of *structural reforms* were implemented to improve the efficiency of capital and product markets and to increase the productive potential of the economy. The most important structural reforms included deregulation of housing, credit and currency markets (1980s), introduction of green taxes (1980s and onwards) deregulation of the electricity market (1991, reform of corporation and capital taxation (1992), revision of the competition policy (1994), legislation on public procurement (1994) and gradual deregulation of telecom (ending 1998). Many reforms were promoted by obligations within the context of the EEA Agreement (see Section 2.3.2), but also by the banking crisis in the late 1980s to early 1990s.

Second, a series of broad-based *public sector reforms* have been pursued to improve public sector efficiency and flexibility. Public sector reforms in Norway have gradually increased flexibility in budgeting and management and have heightened the emphasis on user-orientation for some public agencies. “Letters of allocation” introduced in 1996 as part of a formalised dialogue between agencies and the relevant ministry define performance targets, maximum budget appropriations, and reporting requirements on actual performance for the agencies. Most public agencies have elaborated user charters (“service declarations”). Benchmarking of municipal services has also been developed (see Section 2.3.1). The government also includes outcome targets in the budget documentation presented to Parliament. However, further challenges remain in relation to monitoring actual performance on objectives, and in terms of establishing credible incentive schemes, in particular for local government spending.[9] Box 2 lists the most important public sector reforms.

Box 2. **Milestones in improving regulatory capacities in Norway**

1963 –	Review of existing regulations; repeal of 80 outdated laws
1967 –	Public Administration Act
1970 –	Freedom of Information Act
1981 –	Establishment of the legal information data base *Lovdata*
1985 –	Instructions for Official Studies and Reports – first edition
1985 –	Review of existing regulations: Repeal of outdated pre-1814 statutes and provisions and of 39 other statutes
1986 –	"The modern state", introducing New Public Management inspired reforms
1986 –	"Free Municipality Experiment" (pilot programme): Devolution and decentralization of service provision and local regulation to municipalities.
1989 –	"A Better Organized State" introducing elements of strategic planning and management in the public sector
1989 –	Appointment of the "Business Legislation Committee"
1990 –	Review of existing regulations. As a consequence of the report "Improving the Structure of Legislation in Norway", (1992), 320 outdated statutes (30% of all acts in force) were repealed.
1993-96 –	Physical one stop shops introduced as a pilot project in seven locations at the local or municipal level; from 1996 continued on a permanent basis.
1994 –	Central Government Information Policy
1994 –	Checklist "To regulate – or not"- for use when deciding on instruments and new regulations
1994 –	Instructions for Official Studies and Reports, second Edition
1997 –	New regulation on financial management and budget control; performance management formalised as a steering principle in central government administration
1999 –	"Simplifying Norway", launched as a two-year programme.
2000 –	"eNorway" – programme for Norwegian e-government
2000 –	Instructions for Official Studies and Reports (third edition)
2000 –	Guidelines on Drafting Technique and Preparation of Legislation (third edition)
2001 –	"Simplifying Norway" re-launched, focus on regulatory burdens for businesses
2002 –	Guidelines on Drafting of Regulations in the Municipalities
2002 –	Review of existing regulations: Repeal of 420 sub-ordinate, national regulations (10 % of total stock) and of several hundred local regulations.
2002 –	"Modernizing the public sector in Norway"
2002 –	Innovation and Modernisation Unit established in The Ministry of Labour and Government Administration to support the public sector modernisation programme.
2002 –	Business Impact Unit established in the Ministry of Trade and Industry
2002 –	Establishment of a consultative *Forum* of business organisations, the mandate of the Business Legislation Committee's is not renewed
2002 –	Launching of "Simplifying Norway" Action Plan (late October).
2003 –	Regulation on financial management and budget control revised in order to modernise, simplify and clarify requirements. The revised regulations will enter into force in October 2003.

Launched in January 2002, *Modernising the Public Sector in Norway* is the most recent of this type of reforms. It is the overarching umbrella for more than two hundred sub-projects, also including a set of on-going projects initiated under previous governments. The programme is supported and controlled by a steering group led by the Ministry of Labour and Government Administration. The programme introduces several policy-statements with implications for the regulatory policy agenda (See Box 3).

Box 3. **Modernising the Public Sector in Norway.** ***Regulatory policy commitments***

The Programme's main objective is to make the public sector more user-oriented, efficient and simple, primarily by means of delegating within the state and by decentralising to the level of government closest to the user. The main goals are:

- A less complex public sector
- Public services adapted to individual needs
- An efficient public sector
- A public sector that promotes productivity and efficiency
- An inclusive and motivating human resource policy[10]

Several regulatory policy commitments are integrated in the Programme and its sub-projects:

- Consolidate and reduce public sector ownership interests
- Establish a clearer distinction between the state's administration, financing and service provision responsibilities
- Strengthen public supervisory authorities, ensuring they have high standards of expertise, and giving them a more independent position in relation to central government
- Strengthen the Competition Authority by implementing an action plan to ensure fair competition[11]
- User-oriented one-stop shops to public services, cutting across agencies and administrative levels
- Use of sun-setting
- Simplification of laws and regulations
- Requirements for estimates of total costs in connection with tenders, investigations and major re-organisations of service provision
- Delegation, decentralisation and more independence to municipal and county service providers with regard to their organisation, services and influence on their level of income

As per October 2002, follow-ups on these commitments include the appointment of a committee of relevant cabinet ministers responsible for implementing the public sector programme[12] and a revised and extended mandate for a committee working out proposals for a revised competition act.[13] Furthermore, the Ministry of Industry and Trade has announced an action plan (due late October 2002) on how to reduce administrative burdens of businesses. The action plan is intended to set out the strategy and priorities for the government's work on burden reduction for businesses. Finally, the Ministry of Labour and Government Administration has launched a review of supervisory agencies. The purpose of the review is to define and recommend the use of new normative models for future organisation of supervisory agencies, including new financing models and the possibility for third party (private) execution of the control activities. The Government presented a white paper on supervisory agencies in January 2003 (postponed from the original deadline, end of 2002).

Third, sometimes integrated in public sector reforms, *consolidation and repeal of superfluous regulations* has been the concern and priority of many Norwegian governments over the past few decades (see Section 4.1.). The most recent review finalised in May 2002 covered all national subordinate regulations. The review led to the repeal of approximately 10% of all subordinate national regulations, and introduced a set of proposals on how to improve the quality of future subordinate regulations.

Fourth, over the last few years greater attention has been paid to conflicts of interest between *the state as owner* and its role as supervisory and regulatory authority in a number of sectors. The current government has taken several steps towards a clarification and political consensus on how the state should improve and reduce its ownership role. In 2001 the Norwegian government transferred most of its ownership of business activities from various line-ministries – that also exercised regulatory powers in the relevant sector – to the Ministry of Trade and Industry. Statoil, by far the biggest state owned enterprise, remained under the auspices of the Ministry of Oil and Energy. In a 2002 white paper, *Reduced and Improved State Ownership*[14], the government presented a wide range of issues relating to the state's ownership interests in Norwegian businesses, including measures to reduce its ownership interests in a number of fully or partially owned companies. In its debate in June 2002, the Parliament did not endorse important elements of the white paper. It requested the Government to take an ad-hoc approach and to involve Parliament in possible future privatisation of a number of major companies.

2. Drivers of regulatory reform: national policies and institutions

2.1. Regulatory reform policies and core principles

The 1997 *OECD Report on Regulatory Reform* recommends that countries adopt at the political level broad programmes of regulatory reform that establish clear objectives and frameworks for implementation.[15] The 1995 *OECD Council Recommendation on Improving the Quality of Government Regulation* contains a set of best practice principles against which reform polices can be assessed.

As will be demonstrated in Sections 3 and 4 of this report, several programmes are addressing a number of important regulatory quality aspects, although there is not a single, explicit or published policy in place promoting a government-wide regulatory policy. Regulatory quality efforts are segmented across ministries and agencies, without the framework of an overall policy. On the whole-of-government agenda regulatory quality issues appear as part of broader public sector reform, primarily touching upon elements of regulatory quality such as reviewing and re-organising existing regulations as well as easing administrative burdens for business. Very important aspects of regulatory reform policies already in place include the following elements:

The *Instructions for Official Studies and Reports*[16] ("Utredningsinstruksen") is the cornerstone of Norway's current regulatory policies. Laid down by Royal Decree in 1985 (revised in 1995 and 2000) it sets out procedural obligations for the preparation of laws and subordinate regulations as well for reports by preparatory committees and working groups. The Instructions oblige regulators to study financial, administrative and other significant consequences of regulations, and to include affected bodies and the general public in the decision-making process. The instructions do not prescribe any particular format or approach of the impact assessments, nor does it prescribe sanctions for non-compliance.

Guidance on how to carry out impact assessments are laid out in a series of *non-mandatory guidance documents* from various ministries. There is currently one guideline on socio-economic analysis and four different guidelines on how to carry out various impact assessments (gender alignment, regions, business, the environment,). Another important guideline supporting the Instructions is a 1994 checklist issued by the Ministry of Labour and Government Administration (see Box 4). Adapted from OECD standards, the checklist includes a set of questions assisting regulators in their choice of regulatory and non-regulatory instruments.[17]

Box 4. **"Do we or don't we?" Norway's 1994 checklist for new regulations**

Part I: General questions

1. Define the problem
2. Do we want a solution to the problem?
3. Is it possible to solve the problem – and if so, who should do it?
4. What measures/combination of measures can be applied and are most likely to solve the problem?
5. What does our commitment to established and planned national and international obligations suggest?
6. What are the financial, administrative and actual effects of the measure?

Part II: About regulations

7. How should a regulation be formulated?
8. How should such a regulation be administrated, sanctioned and enforced?
9. To what extent will the regulation be complied with?
10. If the regulation is recommended: What will be necessary in the terms of publicity, information and implementation? When should the regulation be evaluated?

Legislative techniques and legislative preparation (2000, previous version from 1973 revised in 1979) is the Ministry of Justice's guideline to regulators on legal terms and language as well as technical advice on how to design bills. The guide also urges regulators to consider if and according to which criteria a review could be carried out. In 2002 the Ministry of Justice issued a similar guidance supporting the legal quality of regulations prepared at the municipality level.

As indicated above, *repealing superfluous regulations* and establishing a clear and comprehensive regulatory structure has been the concern of many Norwegian governments over the past several decades. A series of broad reviews from 1963 to 2002 have trained and developed regulatory management capacities in Norway. A very important effect of these reviews has been the repeal of large numbers of obsolete regulations and a firm consolidation of the regulatory stock (see Section 4.1.). However it has also dominated the regulatory policy agenda and distorted resources and the attention of decision-makers away form broader regulatory quality issues such as RIA and the institutional set-up necessary to sustain regulatory policies.

The absence in Norway of a government-wide policy promoting regulatory quality for social, administrative, and economic regulations is in contrast to many other OECD countries. An explicit government-wide policy on quality of regulation, with the institutions and legal support to carry it out, would boost the benefits of reform for Norway.

2.2. Mechanisms to promote regulatory reform within the public administration

Mechanisms for managing and tracking reform inside the administration are needed to keep reform on schedule and to avoid a recurrence of over-regulation. It is often difficult for ministries to reform themselves, given countervailing pressures, and maintaining consistency and systematic approaches across the entire administration is necessary if reform is to be broad-based. This requires the allocation of specific responsibilities and powers to ministries the centre of government.

Experience across the OECD suggests that central oversight units are most effective if they are:

- Independent from regulators (*i.e.* they are not closely tied to specific regulatory missions);
- Operate in accordance with a clear regulatory policy, endorsed at the political level;
- Operate horizontally (*i.e.* they cut across government);
- Staffed by experts (*i.e.* they have the information and capacity to exercise independent judgement); and
- Linked to existing centres of administrative and budgetary authority (centres of government, finance ministries).

As in many OECD countries, individual ministries in Norway are responsible for initiating and developing regulatory proposals within their areas of responsibility, as well as for consulting with affected parties and assuring regulatory quality control. In most areas few regulatory powers have been delegated to agencies or autonomous bodies, although they often draft, implement and supervise secondary legislation. Ministries enjoy a high degree on autonomy in initiating, developing and implementing regulations within their respective areas.

Norway does not have a centralised unit reviewing and supporting regulatory reform across ministries. Horizontal regulatory reform responsibilities are diffused among several ministries, cf. below. Several ministries are currently embarking on new cross-cutting initiatives to improve regulatory quality.

The Ministry of Finance. The Ministry of Finance plays an important role in the regulatory process due to its responsibility for fiscal and economic policies. Its role is formalised in the *Instructions* and other internal procedures. Regulation, which may result in effects on the budget, substantial changes within the central government organisation, or significant socio-economic consequences, must be submitted to the Ministry on three different occasions in the regulatory process: Preliminary assessments must be submitted to the ministry “as soon as possible”; draft regulations prior to public consultation; and bills prior to Cabinet discussions. There is no specific unit vetting or co-ordinating the ministry's responses to draft regulations. The scrutiny exercised by the Ministry varies. The most important impetus for scrutiny is the potential budgetary, structural and product market effects as well as the political controversy of draft regulations.

The Ministry of Trade and Industry is responsible for reducing and monitoring regulatory burdens on businesses. The activities supporting this task fall in three broad categories. First, it offers support and guidance to ministries preparing regulations with impacts on businesses. So far, ministries' compliance with the Business Impact Assessment guidelines has been low. In 2002 the Ministry's efforts have been strengthened by the establishment of a Business Impact Analysis task-force (with a staff of four). Second, the Ministry has an on-going dialogue with business on how to optimise businesses' regulatory obligations. To this end the Ministry in 2002 established a *Forum* of business organisations. The

Forum, chaired by the Minister, will provide input on how to simplify and reduce businesses' regulatory burdens.[18] In the same vein the Ministry is planning to establish a number of business test panels.[19] Third, the ministry is responsible for various initiatives to reduce the regulatory burdens on business, for instance regarding reporting obligations.

The Ministry of Justice is responsible for ensuring the technical and legal quality of primary legislation. The ministry also provides legal advice to other ministries on the planning and drafting of legislation. Draft legislation is subject to a technical review by the ministry before the proposal is submitted to the Parliament.[20] Following a critical review of secondary legislation an inter-ministerial in 2002 recommended that the Ministry of Justice should establish a central unit to support and guide regulators' preparation of secondary legislation.[21]

The *Ministry of Labour and Government Administration* has two horizontal roles in the regulatory process. First, it is responsible for ensuring a proper consideration of administrative and/or organisational changes in central government administration. Second, the Ministry is responsible for the key document defining the requirements of the regulatory process, the *Instructions*.[22] There are three weaknesses associated with the ministry's exercise of this function. First, there are no criteria or sanctions in place to enforce compliance with the requirements of the Instructions. Second, the ministry has no unit or staff allocated to review, support and control RIAs. And third, regulatory policies have a relatively weak standing vis-à-vis other policies. These problems are further exacerbated by the fact the ministry from 2002 delegated its regulatory policy activities to *Statskonsult*, an agency under the Ministry of Labour and Government Administration.

The *Prime Ministers Office* is responsible for co-ordinating the forward planning of the government's law-making. The office does not play a role in terms of co-ordinating or quality checking the regulatory process of individual regulations.

The Government Committee for Modernisation and Simplification[12] is co-ordinating and supervising projects under the Modernising the Public Sector programme, including initiatives to simplify regulations and reduce administrative burdens on businesses.

The *Cabinet* is often involved on several occasions during the regulatory process. There is no sub-committee clearing or preparing Cabinet meetings. With current guidelines encouraging ministers to get involved at an early stage in matters of interest on other ministries portfolios there is a significant overburdening of the Cabinet. Even though studies have shown that many cabinet ministers often feel matters should have been solved at a lower level, they express broad support for the existing decision-making process.[23]

Parliament – notwithstanding the high degree of autonomy of ministries – is also playing an independent role as initiator and pacesetter of reform. Majorities in Parliament not including the government is often obligating the government to initiate or moderate policies on range of issues (see also endnote 1).

Different *parliament committees* are often very active and successful in changing bills presented by the (minority) Government. However the scrutiny exercised is primarily focussed on the regulatory objectives rather than on regulatory quality.

Preparatory Committees are widely used to prepare new legislation and other policy initiatives. Committees normally work within a fixed deadline of 1-2 years. Use of committees has increasing considerably over the last 10 years, reflecting demands from Parliament and the Government. Depending on the subject matter, committees are composed of a mixture of representatives from political parities,

business and trade organisations, trade unions, NGOs, independent experts, and civil servants from concerned ministries. The latter usually provide the secretarial assistance to the committees. Committees' outputs are public reports with analysis and advice within the mandate provided to it by the government.

Box 5. **The Formal Regulatory Process in Norway**[24]

1. *Intra-Governmental Circulation of a Preliminary Impact Assessment.* The process is usually initiated by the ministry responsible for the concerned policy area. In theory, as a first step before commencing on detailed preparatory work, the ministry must prepare a preliminary assessment (PIA) of financial, administrative and other significant consequences affecting the responsibilities of other ministries. If preparatory work is to be undertaken by a preparatory committee, the PIA must also include the draft mandate for the committee's work. The PIA is circulated to relevant ministries for a period of at least two weeks.[25] The proposal is presented to the Cabinet in the case of continued disagreement between ministries, or if any minister considers that the proposal should be discussed by the Cabinet. In such cases the proponent ministry must prepare a note to the Cabinet in which other ministries, in a wording of their own choice, are allowed a brief presentation of their views on the matter (*"merknader"*).

2. *Preparation of Committee Report.* The framework and duration of committees' work is set out in a mandate issued by the proponent minister or by the Government. Work processes, structures and compositions of the committees are very similar, although there is no established procedure for this other than specified in the mandate. The *Instructions* requires the mandate to obligate the committee to include RIAs for its proposals together with the inclusion of at least one cost-neutral alternative. Committee reports sometimes also include draft bills suggesting the legal implementation of the Committees' recommendations. The proponent ministry supports the committee – technically and administratively – in the completion of the study and the elaboration of the report. Upon completion the final report is officially handed over to the commissioning minister, who normally circulates it for public consultation.

3. *Intra-Governmental Circulation of Final Impact Assessment.* Based on the preparatory work (undertaken by a committee, by an inter-ministerial committee or the ministry itself) the proponent minister submits to affected ministries the proposal together with an assessment of administrative, financial and other significant consequences. The final impact assessment is circulated to relevant ministries for a period of at least two weeks. The proposal is presented to the Cabinet in the case of continued disagreement between ministries.

4. *Public Consultation of Draft Regulations*. Public consultation should normally be for three months and no less than six weeks (see also Section 3.1.2). The proponent ministry is in charge of planning and implementing communication and consultation strategies and must make sure that the list of participants is made public and that all potential stakeholders are properly notified. If proposals are substantially changed as a result of the consultation process, the proposal is once again taken through the notice and comment procedure. Drafts of subordinate regulations are not presented to the Government unless considered politically difficult or conducive to significant economic or administrative impacts; in such cases the government might also consult with Parliament to get a political standing on the matter.

5. *Government Discussion.* Before being presented to the government bills must once again be submitted to the Ministry of Finance together with other affected ministries within a timeframe of at least three weeks unless otherwise agreed by the concerned ministries. As part of the overall presentation of the proposal, Cabinet notes must include a summary of the administrative and economic consequences and a summary of comments from the public consultation. After the inter-governmental consultation, draft propositions for legislation are submitted to the Ministry of Justice for technical and legal review.[20] When agreed by the Government the proposal is passed as a resolution by The King in Council[26] before submitted to Parliament.

6. *Parliamentary Reading.* Bills are presented to the Parliament (*Stortinget*) and scrutinised by one of 12 sector-specific permanent committees, who delivers its written opinion to the first chamber of the Parliament, the Odelsting.[27] During proceedings, committees can call in ministers, organisations or private individuals, and ask for further information from the ministry. Upon approval by the plenary of the Odelsting proposals are further discussed at the Lagting and enacted by the Storting if approved by both chambers.

7. *Royal Assent, Publication, Entry into Force.* To become law, the enacted bill granted is grated Royal Assent by the King (a formality). Regulations become legally binding though their publication in the Official Legal Gazette. Regulations affecting private and public commercial activity normally come into force at the beginning of a new year.[28]

*The Office of the Auditor General***.** Over the last decade the Office of the Auditor General has expanded its activities to include performance audits investigating and assessing whether policy goals have been achieved. Such audits can be initiated on the Office's own initiative based on assessments of importance and political topicality. Even though the agenda-setting role of Office of the Auditor General in Norway is not as prominent as for instance the NAO in the United Kingdom[29], the Auditor General has in some cases contributed to setting the regulatory reform agenda in Norway.[30] In 1999 for example, the Office published reports on the model used to regulate monopoly network functions in the power generation market, and on the administration of the Petroleum Fund.[31]

2.3. Co-ordination between levels of government

The *1997 OECD Report* advises governments to "encourage reform at all levels of government." This difficult task is increasingly important as regulatory responsibilities are shared among many levels of government, including supranational, international, national, and subnational levels. High quality regulation at one level can be undermined or reversed by poor regulatory policies and practices at other levels, while, conversely, co-ordination can vastly expand the benefits of reform. The policies and mechanisms for co-ordination between levels of administration are thus becoming increasingly important for the development and maintenance of an effective regulatory framework.

2.3.1 National – Local

Norway is a unitary state with three levels of government: central government, 19 counties (*fylkeskommuner)* and 434 municipalities. Municipalities differ considerably in size and population – more than half having less than 5 000 inhabitants while eight have more than 50 000 inhabitants. Councils directly elected for a period of four years govern the counties and municipalities. In each county a governor (*fylkesmann*) represents central government. The division of responsibilities between levels of government is set by Parliament. There is no stipulation in the Constitution or in any general legislation about how government functions are to be divided between the state, the counties and the municipalities.

To retain households in remote areas and to attract others, the central government imposes on each municipality a relatively demanding set of regulations and standards for the provision of core public services, in particular for primary education, health care and cares for the elderly.

While responsible for providing the majority of public services,[32] counties and municipalities have limited regulatory authorities. Counties' and municipalities' main regulatory authorities are in the areas of physical planning, traffic regulations and opening hours. In addition to the tasks determined by legislation, counties and municipalities may undertake local functions not vested by law in other authorities. Local government spending is mainly funded through central government grants and tax-sharing arrangements. Central government grants are predominately allocated as block grants. Local government taxes can be levied as proceeds from personal income taxes, wealth taxes and real estate taxes according to minimum and maximum rates determined by parliament each year. In practice all local authorities levy the maximum rates, which has been seen as evidence of inefficient spending incentives at the local government level.[33] Central government undertakes a substantial annual redistribution of funds between high-income and low-income municipalities.

The county governor exercises control functions over the municipalities and the ministries exercise control over the county authorities, ensuring that the activities of local authorities are carried out in accordance with the regulatory and budgetary provisions of central government. Various other systems of government control are also established. Three or more members of the municipal council or the county council may together bring a decision made by a popularly elected body or the municipal or county

municipal administration before the Ministry for review of the legality of the decision. The central government's power to review the legality of a municipality decision is largely delegated to the county governor (fylkesmann). The Ministry and County Governor may also on their own initiative bring a decision up for review of legality.

The KOSTRA database (an abbreviation for "Municipality-State-Reporting") – fully operational from June 2002 – provides useful benchmarks and comparisons on the availability, prices and costs of many municipal services and allows the municipalities to identify "best practice".[34]

Co-operation across municipalities is limited in the core spending domains. This partly reflects the absence of appropriate compensation schemes between jurisdictions. However, in the technical sector, such as waste disposal, water supply, accounting, and in the energy sector (through the joint ownership of power plant) most municipalities are involved in inter-municipal co-operation.[35]

Several mechanisms are in place to ensure co-ordination of regulatory proposal affecting local government. First, regular formal meetings are now being held between representatives from central and local government. At the political level a process of four consultative meetings per year (since 2000) brings together key ministries of the central government with high level representatives from the Norwegian Association of Local and Regional Authorities (*Kommunenes Sentralforbund (KS)*). Similar meetings are held addressing issues pertaining specifically to county and municipality issues.[36] Second – as part of the public consultation on draft laws and regulations – local government and local government organisations (KS) receive for comment those government draft regulations considered of special relevance for local governments.[37] Third, and probably most importantly, continuous informal dialogue takes place between central and local government representatives at different levels, in many different forms, and on political as well as technical and professional issues.

The distribution of responsibilities between levels of government is an issue of much political and administrative attention in Norway. As in other OECD countries with similar governance structures, there is an immanent tension in Norway between – on the one hand - central government's funding and control of activities, and – on the other hand – the fact that these activities are carried out under the responsibility of autonomous and "only" politically accountable municipalities. To ensure accountability and performance, the central government may earmark grants to local governments. In doing so, however, the autonomy of local governments is arguably reduced, as is the justification for maintaining the provision of the concerned services as a local government responsibility.

Over the past decades there has been a change in the distribution of responsibilities in Norway from the national to the local level government. In April 2002 the Government presented a White Paper (Stortingsmelding nr. 19 2001-2002) on new functions for municipalities and county authorities. This paper emphasised the trend towards more decentralisation. The five priorities of the programme were:

- A reduction in the level of state control of the municipalities;
- Strengthening the municipalities through decentralisation of functions;
- Strengthening the county authorities' role in regional development.[38]

Overall, the institutional dialogue between the state and the local level functions well in terms of consultation, dialogue and sharing of information. However, two other co-ordination challenges with effect on regulatory quality issues are emerging.

First, the intention to strengthen and transfer more functions to the municipalities and to reduce the level of state control raises concern about municipalities' regulatory capacities. In 1998 a Business Legislation Committee[39] voiced concerns about the relatively low quality of local regulations. In follow-up to the committee's recommendations an inter-government working group also uncovered a need to improve guidelines for municipalities and local state authorities on how to produce good quality regulations.[40] As a partial response to the problem the Ministry of Justice developed a guideline to support the production of subordinate regulation at the municipality level. However, the capacity problems at the municipality level seem also to be of a structural nature requiring more profound changes. At the local levels this could include the consideration of establishing stronger incentives to share administrative resources across municipality borders.

Second, municipalities' inefficient budget spending incentives may lead to an equally inefficient mix of budgetary and regulatory instruments to deliver public policies. Traditional or alternative regulation can often be a cost-efficient alternative to direct government provision. However if decisions among different policy instruments are constrained or biased by inefficient budget incentives, the overall mix of budgetary and regulatory tools may be faulty.

2.3.2. European level

Though not a member of the European Union (EU), Norway enjoys extensive co-operation with and integration into the Internal Market. By virtue of the European Economic Area Agreement (EEA) (1994) Norway is part of the EU's internal market, except for fisheries and agriculture.[41] Under the Agreement Norway is obliged to comply with EU legislation covered by the EEA Agreement. The transposition of EU legislation into Norwegian law has been an immense task with significant impacts. Not only as an important driver of regulatory reform, but also in terms of its effects on Norwegian practices for drafting regulations.

In 1994 the EEA Agreement included 15 000 pages of legal text. Since 1994 nearly 4300 EU regulations have been transposed into Norwegian law. A significant amount of EU regulation is continuously being transposed into Norwegian law. In each of the years 1999-2001 the EU produced an average of more than 230 acts relevant for the EEA Agreement. As in EU countries, the Norwegian parliament's involvement in the "day-to-day" transposition is limited. Approximately 5-10% of the law amendments passed by the Norwegian Parliament are driven by EU regulations. Based on framework laws already adopted by the Storting, other regulatory changes driven by EU regulations can be accommodated through adjustments in existing regulations without the involvement of the Parliament. The implementation of EU acts varies from 2-3 months to several years.[42] Since May 2000, Norway has reduced its transposition deficit considerably. By May 2002 the backlog was reduced to 0.5% of the EEA Internal Market directives, well below the 1.5% aim of the European Council.[43]

The internal government co-ordination process on EEA matters is set out in guidelines issued by the Prime Minister's Office to ministries in October 2001.[44] The guideline specifies bodies participating in the national policy-making process and their functions, the policy-making process, information and contact to Parliament and implementation of the EAA Committee's decisions in Norwegian law.

The establishment of a Norwegian position of EEA matters starts with the preparation of "framework notes". The Prime Minister's Office's guidelines define a fixed structure for the notes, with the possibility to adapt according to the complexity and importance of the subject matter. Among the mandatory items to be covered in the notes is an assessment of the economic consequences for private enterprises and public authorities, as well as an assessment of the institutional changes. As for other regulations, individual ministries are responsible for preparing the documents and for assessing regulatory impacts. The *Instructions* do not apply for the assessment of EEA legislation.

The EEA Agreement only gives Norway (and other EEA EFTA countries) limited influence on the development of EU regulations. In the early stages of preparing EU regulations the EU Commission is obliged to consult with experts from the EEA EFTA countries on an equal basis as experts from EU countries. Furthermore, representatives from EEA EFTA countries can participate in the majority of committees established to assist the Commission with the administration of directives already in force, and the assessment of needs for changes. Norway makes extensive use of this possibility. The EEA agreement also allows EEA EFTA countries the right to raise issues and make statements about new EU regulations during the EU political process to which the EEA EFTA countries do not have access. Such dialogue can take place in the EEA Joint Committee, where the Commission represents the EU. In cases of extreme importance, matters on new EU regulation relevant for EEA EFTA countries can be raised in the EEA Council, in which EFTA foreign ministers meet the EU Council twice a year.

The Nordic tradition of rule-making based on relatively brief laws and regulations, with precision and details outlined in preliminary work and guidelines, is sometimes at odds with the EEA Agreement's requirements of detail and prescription. The Norwegian government sees a need to improve the administration's skills to implement EU regulations. To this end, it is currently considering complementing the current guide on legal techniques and legislative preparation with a separate guide on the implementation of EEA regulations.

Information on legal acts to be integrated into the EEA Agreement is submitted to the Storting prior to each EEA Joint Committee meeting. In addition, information on all EEA relevant acts, as well as proposals that are in the pipeline, is submitted to the Storting on a biannual basis. Both documents are made available to the general public in electronic versions. These "annotated lists" include much of the information contained in the "framework notes" referred to below.

Norwegian business is concerned about the quality and timing of information provided to them by the Norwegian government about regulations under consideration in Brussels, as well as the subsequent guidance on how EU regulations will be implemented. On EEA matters Norwegian business rely primarily on information provided by Brussels based consultants and business associations, rather than the Norwegian Government. Though not exempted from the Freedom of Information Act, and with much of the information available from other publicised documents, the framework notes used by the government to prepare and assess regulations under way in the EEA are considered as internal documents and therefore not systematically made available to the public or affected businesses.

In its 2002 report to Parliament about EEA Co-operation, the Government recognizes that there is still considerable room for improving the work of the public administration related to EEA matters. This relates particularly to Norway's participation in the preparatory stage, in its dialogue with affected interests and in the efforts to ensure implementation without undue delay.[45] It is important that the follow-up to these objectives include as early and precise information as possible about the expected economic and other regulatory impacts on affected parties, as well as indications for the expected implementation in Norway. Systematic publication of the framework notes or other documents providing more detailed information about the expected implementation and economic consequences of the regulations would be an important step in that direction.

2.4.2. Nordic co-operation

Nordic countries share a supranational identity rooted in their political history and cultural similarities. Nordic co-operation is formally based on two main institutions: The Nordic Council[46] (1952) serves as a forum for dialogue and co-operation among Nordic parliaments, and The Council of Ministers (1971) as a forum for intergovernmental co-operation co-ordinated by the respective Nordic Ministers. The

two councils are supported by a total staff of approximately 100 persons secretariat. Establishment of a passport union (1952) and a common Nordic labour market (1954) represent the most significant outcomes of the Nordic co-operation. Throughout the 1950s, 60s and early 70s further co-operation and economic integration was considered as an alternative to European co-operation, but eventually abandoned. The Nordic co-operation today serves primarily as forum for cultural co-operation, but occasionally it has facilitated political solutions on other areas,[47] not least in the foreign policy sphere. The Norwegian Government considers Nordic co-operation as a strategically important tool in its European policy, since it provides access to inside information on the EU agenda. It provides an opportunity to make known Norwegian views on issues on the European agenda and in areas where Norway has important interests.

3. Administrative capacities for making new regulation of high quality[48]

3.1. Administrative transparency and predictability

Transparency of the regulatory system is essential to establishing a stable and accessible regulatory environment that promotes competition, trade, and investment, and helps insure against undue influence by special interests. Just as important is the role of transparency in reinforcing the legitimacy and fairness of regulatory processes. Transparency is a multi-faceted concept that is not easy to change in practice. It involves a wide range of practices, including standardised processes for making and changing regulations; consultation with interested parties; plain language in drafting; publication, codification, and other ways of making rules easy to find and understand; and implementation and appeals processes that are predictable and consistent.

3.1.1. Transparency of procedures to make new laws and regulations

Transparent and consistent processes for making and implementing legislation are fundamental to ensuring confidence in the legislative process and to safeguarding opportunities to participate in the formulation of laws. In Norway, as in the majority of OECD countries, such procedures are established in legislation as well in a set of guidelines issued by the government or individual ministries.

The 1967 *Public Administration Act* a set of general provisions for the preparation of regulations. The provisions oblige administrative agencies to ensure that a "case is clarified as thoroughly as possible" and to give interested and affected groups "the opportunity to express their opinions before the regulation is issued". The Public Administration Act also prescribes that regulations cannot be invoked until they have been published in the Norwegian Law Gazette. Failure to comply with the requirements of the Act does not make the administrative decision invalid, unless there is reason to assume that the error has had a decisive effect on the decision.

The 1970 *Freedom of Information Act* provides citizens with the right to access any documents of the public administration. All exceptions from public disclosure must be made by, or pursuant to, law. The Act was revised in 1997 requiring Government agencies to contemplate a higher degree of public disclosure than before, *i.e.* to consider whether a document can be published even though disclosure can be restricted under the law.

More elaborate standardised administrative procedures for preparing new regulations are set out in *Instructions for Official Studies and Reports* (see Section 2.1.), and in the Ministry of Justice's guide on *Legislative Techniques and Legislative Preparation*. The Prime Minister's office's *Guide for Cabinet Meetings* regulates the inter-ministerial consultation on laws and regulations.

3.1.2. Transparency as dialogue with affected groups: use of public consultation

The *Instructions* and the Public Administration Act lay down the formal requirements for consultation with affected groups. The *Instructions* require the proponent ministry or its subordinate agency circulate draft regulations for general review to all public and private organisations affected. The consultation process is open to the general public. Consultation documents are available via the Internet or as paper copies upon request to the responsible minister. The consultation procedure is mandatory. The Instructions require consultations to run over normally three months and no less than six weeks. Decisions to deviate from this requirement can be made when necessitated by special circumstances and decided by the minister concerned (or by the ministry if a subordinate agency is responsible for the regulation). The justification must be in writing and attached to the material sent to consultation.

In 1995 and 1997 the Ministry of Labour and Government Administration examined ministries' compliance with the *Instructions'* consultation time limits. In 1995, nearly 80% of the 447 consultations were completed within a shorter time frame than the three months principal rule. More that 25% were completed under the minimum time frame of six weeks. Out of the latter 25%, more than 8 out of 10 deviations occurred without the mandatory decision having been made by the relevant minister. In 1997, only marginal changes had occurred: More than 75% of consultations were carried through within a timeframe of less than three months; a little more than a fourth of the consultations were completed in less than six weeks, and out of these, more than 7 out of 10 deviations occurred without the decision had been taken by the responsible minister.[49] In follow-up to each of these surveys, the Ministry of Labour and Government Administration distributed information about the consultation requirements to all ministries, and organised information meeting in order to increase awareness on these obligations. Observers have noted several cases of rushed-though consultations in matters of high controversy, such as the recent hospital reform. In many of these cases, a consensus among the political parties has allowed for a fast decision-making process through Parliament.

Informal consultation with selected partners often takes place during the process of preparing laws and regulations. Though being exclusive by definition, informal consultations in Norway often add value to the regulatory process by taking into account expert opinions and assessments of potentially affected parties at the earliest possible stage.

A *tripartite Contact Committee* established in 1962 with representatives from the government, main trade unions and business confederations meet twice a year to discuss government policies of importance with the social partners. The Committee does not take formal decisions.

Forward planning. Most OECD countries have established mechanisms for publishing details of the regulation they plan to prepare in the future. The objective of this forward planning is to foster the participation of interested parties as early as possible in the regulatory process and, to some extent, to reduce transition costs through giving more extended notice of forthcoming regulation.

Formally, forward planning in Norway is based on the requirements issued in the Prime Minister's Office's guidelines on the "preparation of cases for the King in Council" according to which the Government "with certain intervals" shall prepare catalogues of planned bills and reports for the Parliament. The Prime Minister's Office co-ordinates forward planning of bills and reports to the Parliament. Twice a year the Office compiles a catalogue of ministries' proposals for bills and reports to be presented to Parliament in its coming session. The proposals are discussed and prioritised by the Government. The Prime Minister officially submits the catalogue to the Parliament each year in January and March. The catalogue lists the name of the planned bill or report together with the expected month of submission to the Parliament. The catalogue is publicly available and easy accessible from the Government's Web-portal. The Government also prepares an internal catalogue with planned propositions and reports. This catalogue is exempted from public disclosure used exclusively for the Government's own planning purposes.

There is no standard procedure in place for forward planning and notification of subordinate regulation. However, some ministries and agencies occasionally announce proposals for secondary legislation on their Web sites, but there is no common practise in terms of timing (*i.e.* how much time in advance the proposals are announced), exhaustiveness (*i.e.* whether all or only some planned subordinate regulations are notified) or the level of detail of the notification.

There are other broad mechanisms in place to provide notice and direction of legislative plans. First, the national budget (which is also an annual paper on economic policy) and the government's four-year long-term programme provide an overview of impending reforms and political priorities. Second at a change of government, a Declaration is normally prepared to present the main initiatives of the new government's policy.

In sum, the notice-and-comment procedures established in the *Instructions*, and the mechanisms in place to make available plans for future regulation represent a formal framework in line with OECD best practices. Informality, mutual trust and close links between regulators and stakeholders play an important role in the preparatory process. The deviations from the formal consultation requirements merit attention to avoid a potential weakening of the credibility and legitimacy of the consultation procedures.

3.1.3. Transparency in implementation of regulation: Communication

Norway employs a variety of tools to ensure that laws are effectively communicated to affected parties. In common with most OECD countries there is a basic requirement for all new primary and secondary legislation to be published in the official Gazette (*Norsk Lovtidend).*[50] Amendments to primary legislation are always incorporated into the relevant act. There is consequently only one consolidated official version of the act in force.

According to the *Instructions* the ministry responsible for preparing a regulation is also responsible for informing affected parties about new and changed regulation.

All primary and secondary legislation in force are available from an easy accessible and searchable, free-of-charge Web site (*www.lovdata.no*). The database contains all existing regulations published in the Norwegian Gazette, as well as other legal information such as court decisions and official studies. The Public Administration Act provides as a main rule that only subordinate regulations published in the Gazette are enforceable to the disadvantage of private citizens. *Lovdata* also contains a business register with relevant laws and regulations organised according to industries.

Use of plain language. The Ministry of Justice's guideline on *Legislative techniques and legislative preparation* contains guidance on plain language and consistent wording in the drafting of laws and regulations. A more detailed guide giving practical advice on the linguistic presentation of laws and regulations supports the guide.[51]

3.1.4. Compliance, enforcement and appeal of regulations

Adoption and communication of a law or regulation sets the framework. But the framework can achieve its intended objective only if the regulations are implemented, applied, enforced and complied with. A mechanism to redress regulatory abuse should also be in place, both as a democratic safeguard of a rule-based society, and as a feedback mechanism to improve regulations.

Compliance. A crucial performance instrument for any regulation is the degree of compliance it generates. An ex-ante assessment of compliance is increasingly a part of the regulatory process in OECD countries, although the level of resources and attention directed varies significantly. In Norway Government guidance in general terms stresses the need to consider compliance issues when preparing regulations. For example, the 1994 checklist (see Box 4) guiding regulators on how to choose appropriate regulatory and non-regulatory tools raises awareness of compliance issues by pointing out that regulations should not be adopted when compliance is not expected and where compliance with regulations in the relevant area is already poor. In the latter case the guide recommends more stringent enforcement of the old regulations rather than the introduction of new ones. Similar references to the importance of considering compliance issues is included in the regulatory business impact assessment guide of the Ministry of Trade and Industry. As most OECD countries, Norway does not systematically measure and monitor compliance for all regulations. Yet the level of compliance seems to be high in most areas. Some enforcement agencies provide information about compliance rates in specific areas. For example, the Norwegian Pollution Control Authority (SFT) provides continuously and publicly available information on all individual plants regulated by emission permits. Data shows number of inspections and non-conformity/deviation from regulatory requirements.[52] Overall compliance results concerning environmental regulations and fire and electric safety are summarised in an annual report by the respective enforcement agencies.

Enforcement. As for compliance, government guidance in general terms stresses the need to consider the enforceability of legislative proposals. The 1994 checklist guiding regulators on their choice of regulatory and non-regulatory tools includes a set of sub-questions about enforcement, control and sanctions. There is no overall policy on how and which enforcement measures are to be introduced in different areas. Nevertheless within public law such provisions are normally of a similar character – including features such as duties to provide information, legal basis for investigation and inspections by civil servants, and in some cases penal provisions. The individual ministries formulate enforcement measures as part of the preparation of the law. Each ministry, via its regional or local branches, is responsible for monitoring compliance and enforcing the laws and regulations under its portfolio. Though there are examples of extensive co-ordination of inspection and enforcement across ministries and agencies,[53] such mechanisms have often been developed independently within each sector. However there is no evidence that this leads to inefficiency and inconsistencies across regions and between authorities.

Administrative appeal. In Norway, the notification of administrative decisions must include information on the right of appeal, the time limit for an appeal, the appellate instance, and the specific procedure to be followed for appeals.[54] The first stage for seeking redress is to complain directly to the administration. The appellant must first direct the claim to the agency responsible for the decision. If the decision is maintained, the appellate instance is the immediate superior administrative agency of the agency responsible for the appealed decision.[55] The responsible ministry generally decides appeals of decisions by agencies and independent regulators, which implies that the Cabinet often decides in important or controversial cases. The time limit for lodging an appeal is three weeks form the notification of the administrative decision. The appellate instance may try all aspects of the appealed case, but may generally not be altered to the detriment of the appellant. There are no time limits for the appeal body's decision to reverse or change an appealed administrative decision. However, the administrative agency shall prepare and decide upon the case “without undue delay”.[56] The agency responsible for the administrative decision may decide that the plaintiff's rights to use administrative appeals should be exhausted before any legal proceedings can be initiated. A plaintiff will have a greater chance of having an administrative decision altered by an appellate instance rather than with the courts since the appellate instance may be discretionary in its assessment, whereas the courts may not.

Judicial review of administrative decisions. A plaintiff may also launch a judicial review, either to appeal to the courts an alleged abuse of discretion by decision-makers or an appeal against regulators appealing the validity of the regulation itself. Norway has no separate administrative or constitutional courts. Administrative decisions or the legality of regulations may be appealed to any regular court. Courts have a wide access to review administrative decisions. First, they can review whether the administrative decision has a legal basis and is in conformity with the relevant laws, and they may review the administrative agency's interpretation of the law, as well as the assessment of evidence. Second, the court may review any infringement of procedural provisions as set out in The Public Administration Act or other relevant acts. Third, the courts may review whether the administrative agency was authorised to decide in the case (particularly relevant where powers are delegated.) In the two latter cases, an administrative decision remains valid if there are no reasons to assume that the error committed had a decisive effect on the contents of the administrative decision. As a rule, the courts cannot try aspects of the case relating to the administration's discretionary powers. A decision may, however, be declared null and void by the court if the decision is based on irrelevant consideration, arbitrary or unreasonable misuse of powers or discrimination.

Judicial review of regulations. The Norwegian Constitution provides any court with the competence to review the constitutionality of any acts invoked in a specific case before it. The courts may not review regulations unless the regulations have been applied in a specific case. The review is limited to assess consistency with the provisions of the Constitution. The courts may also review the consistency of acts and secondary regulations in relation to international human rights obligations (the 1999 Human Rights Act) and obligations that follow from the EEA agreement (the 1992 EEA Act). There is no right for the court to set aside laws on the basis of non-constitutional principles of justice.

In 2001, the average time spent by the courts in dealing with civil cases (including judicial review of regulations and administrative decisions) was 6.4 months for first instance courts and 9 months for appeal courts.

Ombudsmen. The institution of the Parliamentary Ombudsman has been in operation since 1963. Any person – including foreign parties and companies – who believes he has been subjected to injustice by the public administration, may bring a complaint to the Ombudsman.[57] Complaints cannot be brought to the Ombudsman before administrative redress is exhausted, and they must be submitted no later than one year after the administrative decision. Generally, the Ombudsman deals with complaints unless they are clearly unsubstantiated.[58] As of 31 December 2001, the Ombudsman's office employed a staff of 36. In 2001 the Ombudsman received 2209 complaints concerning administrative agencies, Altogether 2214 cases were settled in 2001. Of these 998 complaints were dismissed and 1 216 were investigated.[59] The Ombudsman expressed criticism of the administrative agency in 216 of the cases investigated. Decisions[60] by the Ombudsman are not binding upon the administrative authorities, but normally they follow the advice from the Ombudsman. The opinion of the Ombudsman is well respected throughout the public administration, and considered based on thorough and objective preparation and consideration.

3.2. Choice of policy instruments: regulation and alternatives

A core administrative capacity for good regulation is the ability to choose the most efficient and effective policy, whether regulatory or non-regulatory. The range of policy tools and their uses is expanding as experimentation occurs, learning is diffused, and understanding of the potential role of the market increases. At the same time, administrators often face the risk of using relatively untried tools, bureaucracies are conservative, and there can be disincentives for public servants to be innovative. A clear leading role – supportive of innovation and policy learning – must be taken by reform authorities, if alternatives to traditional regulation are to make serious headway into the policy system.

Norway has a long-standing tradition in the use of alternatives to command and control regulation. Regulatory innovation and transformation is present in many forms, including economic instruments, voluntary agreements and self-regulation, information based strategies, and performance based regulation. Regulatory innovation is taken many policy-areas, though concentrated in the environmental field, starting in the 1980s with the introduction of economic instruments.[61]

Guidance on alternatives is included in the 1994 checklist issued by the Ministry of Labour and Government Administration (see Box 4). The checklist assists regulators in their choice of regulatory and non-regulatory instruments in the pursuit of public measures (cf. Section 2.1.). Since 1995 The *Instructions* includes a requirement to assess the potential use of alternative instruments as part of regulatory process.

Alternative instruments are used as a supplement to administrative regulation, and have not replaced the existing stock of legislation or the use of concessions/permits in any area. Environmental taxes and voluntary/negotiated agreements have been applied mostly for new environmental problems such as climate policy and waste management. A major step in green taxations was introduction of an extensive CO2 tax in 1991. Developments the last years have been comparably minor in revenue terms, but important concerning introduction and improvement of taxes with environmentally-friendly incentive effects. There has been some repeal of green taxes or reduction of rates the last years. In March 2002 the Government presented a white paper on Norwegian climate policy, where it proposed an early national system of tradable quotas for emissions of greenhouse gases (GHG) from 2005, which was approved in principle by Parliament. A broad quota system from 2008 which had been proposed already by the former government was also endorsed.

Since January 2002, a new agency has been responsible for promoting energy conservation, new renewable energy and environmentally friendly natural gas solutions: Enova SF. The company is owned by the state, represented by the Ministry of Petroleum and Energy. The establishment of Enova signals a shift in Norway's organization of its energy efficiency and renewable energy policy. By gathering strategic policy responsibilities in a small, flexible and market oriented organization, Norway intends to create a pro-active agency that has the capacity to stimulate energy efficiency by motivating cost-effective and environmentally sound investment decisions. The funding comes from a levy on the electricity distribution tariffs and from ordinary grants over the central government budget. Enova is given the freedom to choose its policy measures and the responsibility to establish incentives and financial funding schemes that will result in cost effective and environmentally sound investments.

A summary of regulatory alternatives used in Norway is summarized in Table 2.

Table 2. **Use of regulatory alternatives in Norway**

Example	Results / effects
Economic instruments	
Green taxes. Introduced to induce changes in environmentally harmful activities, particularly in transport, energy use and waste disposal.	In 2002, green taxes generated 8.5 % of central government tax revenue (equivalent to 3.1 % of GDP). The fiscal incentives (green taxes) have been criticised, on the ground that numerous exemptions given to various industries may reduce the cost-effectiveness of the tax.[62]
Waste charges. Following amendment of the Pollution Control Act that came into effect 1 February 1994, municipalities are encouraged to differentiate charges in order to support waste reduction and recycling.	In 1999 nearly 50% of municipalities were practising some form of differentiation.
Health-related taxes. Introduced to reduce consumption of goods with negative effects on health (tobacco, alcohol, sugar, and soft drinks).	In 2002 health-related taxes generated 3.1 % of central government tax revenue (equivalent to 1.1 % of GDP).
Deposit-refund. Established for the end of life vehicles and beverage bottles and boxes	End-of-life vehicles and beverage boxes now have a return rate of around 90 %, while return of plastic bottles is picking up from a lower level (since the refund-system was recently expanded into new types of bottled beverage).
Subsidies. Operating support to new, renewable energy equivalent to 50% of tax on electric power. Investments can also be eligible to a 25% direct subsidy.[63]	Investment grants in 2001 of NOK 72 million are estimated to release wind power of about 120 GWh/year, and NOK 110 mill. in bio-energy, heat pumps, etc. to release 328 GWh/year
Tradable permits. Government proposal on introducing a national system of tradable quotas for emissions of greenhouse gases (GHGs) in 2005 has been approved in principle by Parliament. A broad quota system from 2008, which had been proposed already by the former government, was also endorsed.	According to a Government proposal the system should comprise, as far as it is practicable, all GHG emissions that are exempted from CO2 tax (about 30% of GHG emissions). Quotas will be allocated free of charge ("grandfathering"). A broad system, comprising over 80% of GHG emissions, is envisaged from 2008.
Fishing quotas are transferable when a vessel is permanently withdrawn from fishing (so-called «unit quotas»), but only within certain vessel groups and for a limited period.	Number of vessels has been reduced by more than 20% in those parts of the fishing fleet that have access to «unit quotas».
Voluntary agreements and self-regulation	
Fisheries. Distribution of quotas. Quotas usually allocated between groups of vessels in accordance with proposals of the fishermen's organizations. (The Ministry of Fisheries formally distributes the right). The sales organizations report catch data and irregularities to the Directorate of Fisheries.	High degree of legitimacy of the provision of exclusive rights to a limited number of fishermen

Example	Results / effects
Recycling and recovery industry. Based on bilateral arrangement by which industry commits to achieve certain target or objectives mutually agreed upon. If voluntary schemes do not produce satisfactory results, the sectors are required to comply and get sanctioned in line with the Pollution Control Act.	The alternative of taxation gives a strong incentive to co-operate. To avoid a new tax being implemented, business associations in 1994-1995 signed an agreement with the Ministry of Environment that they would establish their own collection and recovery system for plastics, metals, glass, beverage, cartons and corrugates. So far, monitoring and control exercised by the industry itself has avoided major free-riding problems.
Occupational Health and Safety. A new concept of labour inspection entered into force 1 January 1992. The legislation applies to all enterprises and implies an obligation for the employer to take full responsibility to implement health and safety policies at the firm level and to establish a democratic dialogue with employees in order to ensure health and safety at work.	While results are ambiguous at the SME level, the system has provided for a high rate of compliance in large enterprises. The legislation was revised in 1997 in order to facilitate internal checks in SMEs and was further harmonised with EFTA's framework. From 1993 to 1996 the number firms completing the adoption of the program rose from 8% to 45% with a reduction in workplace accidents.
The Industrial Energy Efficiency Network is a voluntary scheme for industrial energy conservation. Participating companies are obliged to establish energy monitoring systems. In return, the participants receive government support for training of key personnel and energy audits. A similar network exists in the building sector.	The Industrial Energy Efficiency Network was established in 1989 and currently covers about 80% of energy use in the mainland industrial sector (800 member companies). The Network provides various forms of assistance to industries for improving energy efficiency.
Media. Ethical standards. Applied and enforced by the Norwegian Newspapers Publisher's Association and the Association of Norwegian Newspaper Editors.	n.a.
Aluminium industry. Voluntary agreement with the Ministry of the Environment to limit GHG emissions (signed in 1997). By 2005, the industry is to reduce its GHG emissions per product unit by 55% relative to 1990 emissions.	In 2000, when the agreement was evaluated, total GHG emissions from the aluminium industry were estimated at somewhat less than 50% of 1990 emissions. However, most of the reductions had been accomplished by the industry prior to signing the agreement.
Information and performance based strategies	
The GRIP Center.[64] Established in 1995 by public and private organisations the GRIP Centre aims to contribute to greater eco-efficiency and thereby to greater competitive strength in Norwegian enterprises by developing, testing and disseminating methods that combine sustainable commercial development with better competitive ability.	n.a.

Example	Results / effects
Eco-labelling -The Nordic Swan. Adopted in 1989, the voluntary seal of approval is an officially certified environmental label for Norway, Denmark, Sweden and Iceland.	According to a survey conducted in 1996, 80% of Norwegians recognised the label and 79% preferred labelled products.
Performance based contracting. Following changes in the Transportation Act in 1994 tender was allowed as an option to counties when buying public transport services (bus and local ferry routes). Performance based contracts involve financial incentives for product development, quality requirements and the possibility of tendering the contract if the operator does not fulfil expectations.	Results so far are positive in terms of lower public subsidies.

Source: Government of Norway.

Assessment. Compared to most other OECD Countries, Norway's long-standing use and development of alternatives to regulation is extraordinary. In many cases, a "credible threat" in the form of government intervention seems to have been an important driver for the successful introduction of a regulatory alternative. A formal requirement to consider alternatives exists, as does general guidance on how to consider which policy-tools to use.

Alternatives have been used primarily to implement environmental policy objectives, whereas the use in other policy areas has been relatively modest. This may in part be due to the general weak standing of regulatory policies and the subsequent lack of awareness of the potential benefits of and need to assess alternatives. Stronger enforcement the *Instructions*, including its requirements to consider alternatives, may support a more widespread use and consideration of regulatory alternatives.

3.3. Understanding regulatory effects: the use of Regulatory Impact Analysis (RIA)

The 1995 *Recommendation of the Council of the OECD on Improving the Quality of Government Regulation* emphasised the role of RIA in systematically ensuring that the most efficient and effective policy options were chosen. The 1997 OECD *Report on Regulatory Reform* recommended that governments "integrate regulatory impact analysis into the development review and reform of regulations".

3.3.1. Description of RIA used currently

Compared to most other OECD countries Norway adopted elements of RIA procedures relatively early. The first formal requirements for assessment of administrative and economic impacts of proposed legislation were implemented by Royal Decree in 1985. Revisions of the *Instructions for Official Studies and Reports* were carried through in 1995 and 2000. These revisions granted ministers substantial discretion to deviate from the requirements of the instructions; and, in order to have the Instructions focussing purely on procedural requirements, they eliminated all obligations and advice on how substantially to carry out impact assessments.

The *Instructions* apply to all work on "official studies, regulations, reforms and measures, and to propositions and reports to Parliament carried out by, or at the request of government bodies." The proponent ministry is responsible for preparing an impact assessment for all regulatory proposals, however with the scope and content of the RIA adapted to importance of the proposal and the significance of its impacts.

A *preliminary impact assessment* must be prepared and submitted to affected ministries as early as possible. This preliminary assessment should include estimates of expected financial, administrative and other significant consequences. As part of the following preparation a *full impact assessment* must be prepared, according to which:

> *Financial consequences must be assessed with a view to the impact on the income and expenditure of the parties affected, including central government, county and municipal budgets as well as the business sector and individuals. Thorough and realistic socio-economic analyses shall, to the extent necessary, form part of this assessment. Should there exist any appreciable uncertainty regarding any of the elements included in the calculation, estimates must be made for both maximum and minimum cost-benefit alternatives, and an assessment must be made of how the effects of the measure are thought to be dependent on the uncertain factors. Administrative consequences must be assessed with a view to the impact on the central government's centralized, regional and local administration, counties and municipalities as well as the impact of any changes on agency structure, new bodies, positions and other consequences that can result in significant changes with regard to responsibilities, administrative procedures or workload.*

Additional impact assessments, *i.e.* on the environment, the business sector, gender equality, regional consequences etc., shall be prepared if considered necessary in the individual cases. The Ministry of Finance has issued guidelines for socio-economic analysis, including benefit-cost analysis. Several other ministries have issued non-mandatory guides for how substantially to prepare impact assessments on their respective areas of responsibility, including:

- Guidelines for Business Impact Assessments (Ministry of Trade and Industry);
- *Guidelines to Regional Impact Assessments* (Ministry of Local Government and Regional Development);
- Guidelines for Environmental Impact Assessments (Ministry of the Environment);
- *Guidelines for Gender Impact Assessments* (Ministry of Children and Family Affairs);

Furthermore, the Ministry of Finance has issued instructions on the calculation of profitability in the public sector, and on how to deal with discount rates, estimated prices, risk assessments and tax costs in socio-economic analysis. In the following, a list of RIA best practices provides the framework further description and assessment of RIA practice in Norway. [65]

3.3.2. Description and assessment against 1997 OECD best practise

Maximise political commitment to RIA. Use of RIA to support reform should be supported at the highest levels of government. The current Norwegian system rates low on this criterion. Political commitments to regulatory policies are integrated in wider public sector reforms and primarily focussing on ex-post quality measures, *i.e.* on reviewing and simplifying existing regulation rather that on ex-ante tools such as RIA (cf. Section 2.1.).

Allocate responsibility for RIA programme elements carefully. To ensure "ownership" by the regulators, while at the same time establishing quality control and consistency, responsibilities should be shared between regulators and a central quality control unit. Norway requires regulating ministries to be primarily responsible for the conduct of RIA and individual ministries are invited to comment on RIAs affecting their portfolios. Several players do exercise control over the impact assessments affecting their areas of responsibility. However there is no single central quality control unit in place. The Ministry of Labour and Government Administration who is responsible for *the Instructions* has no criteria, sanctions or dedicated staff or unit in place to report or enforce compliance with the procedural requirements of the Instructions.

The establishment at the centre of government of an oversight unit with broad responsibility for regulatory policy would mirror the importance the government attributes to regulatory policy. The principal function of the unit would be to oversee the RIA system and provide technical opinions on the substantive quality of the proposed measures. The unit could also offer training and provide advice on regularly instruments. Another option could be to equip the unit with a formal challenge function vis-à-vis ministries' regulatory proposals. Though applied with success in some countries, it is less likely that in the Norwegian institutional and cultural context a formal challenge function would improve the quality and policy effectiveness of RIAs.[66]

Train the regulators. Regulators must have the skills to do high quality RIA. Here, Norway has a series of initiatives working. Twice a year the Directorate for Communication and Public Management under the Ministry of Labour and Government Administration arrange skills-development courses in the area of laws and regulations. The courses primarily focus on legal/judicial aspects of making regulations. The considerable quantity of existing guidelines, manuals and instructions concerning impact assessments and the regulatory process are made available to the participants. The *Business Impact Unit* currently being established in the Ministry of Business and Industry is expected to offer advice and support to ministries in the process of developing regulations affecting business. (See also Section 3.4).

Use a consistent, but flexible, analytical method. The requirements of the Instructions are in principle wide-ranging and do not prescribe a detailed analysis. The Ministry of Finance has issued a comprehensive guideline on cost-benefit analysis. However the degree of consistency and quantification of impact assessments is low. While some of RIAs have been well prepared and feasibly quantified, the general quality of RIAs for are very varying, and often of low or mediocre standard. Empirically based models and methods are used mostly in RIAs on larger reforms (*e.g.* implementation of Norway's commitments pursuant to the Kyoto protocol) – but there is great variation between sectors and policy areas in both the development of analytical tools and the inclusion of empirical analysis in government documents. Cost-benefit analyses are only rarely used in the regulatory decision-making process,[67] while there is some valuation of benefits especially of environmental measures.

Develop and implement data collection strategies. The usefulness of a RIA depends on the quality of the data used to evaluate the impact. An impact assessment confined to qualitative analysis would provide fewer incentives for regulators to be accountable of their proposals. Since data issues are among the most problematic aspects in conducting quantitative assessments, the development of strategies and guidance for ministries is essential if a successful programme of quantitative RIA is to be developed. The intention of the Ministry of Trade and Industry to use business test panels[68] in cases when this would be an appropriate tool is an encouraging step. Also relevant to the issue of data collection is the systematic monitoring by the Brønnøysund Register Centre of reporting burdens imposed on business (see Section 4.2). Currently, information about reporting burdens is only available "*ex post*", *i.e.* it appears in the Brønnøysund Register Centre's yearly report only when the regulations have been implemented. Including estimates of expected reporting burdens in the regulatory decision-making process would add to the quality of this process.

Target RIA efforts. The preparation of an adequate RIA is resource intensive task for drafters of regulations. RIA efforts should be targeted at those regulations where the impact is greater and where the prospects are best for altering outcomes. The amount of time and effort spent on regulatory analysis should be commensurate with the improvement in the regulation that the analysis is expected to provide. In principle, Norway is in accordance with this "benchmark": According to the *Instructions* "[t]he scope and content of the consequence assessment shall be adapted to the importance of the matter and the significance of its impact". However there are no binding or sanctioned criteria for how to prepare the RIA, and there are no criteria or guidelines for regulators to follow when making the assessment on which analytical intensity to apply to the RIA. There is therefore little certainty that RIA efforts will reflect the improvement in the regulation that the analysis can potentially provide.

The *de facto* absence of clear criteria for how to target RIAs has had two notable consequences. First, there is a disproportionate focus in RIAs on effects on the public sector, in particular on staffing consequences. Second, although RIAs are required for primary as well as secondary legislation, RIAs for the latter are often of low quality. Less effort on RIAs for subordinate legislation is generally consistent with a focus on the most significant impacts. But in the Norwegian case this is rather consequences of systematic neglect that one of ad hoc assessments. Many lower level rules have major impacts and RIA efforts should be targeted to their preparations accordingly. Norwegian officials are recognising the potential for improving the quality of secondary regulation. In its final report from May 2002 an inter-ministerial working group reviewing and simplifying secondary regulations concluded that "impacts of new and revised regulations are often not satisfactory assessed, and assessments often have no description of alternative measures".[69] Ensuring full application of RIAs to secondary legislation is highly desirable, since they are not subject to the parliamentary scrutiny applied to laws. OECD countries that apply RIA to lower level regulations manage the costs of RIA by targeting only the most significant regulations, by incorporating RIA into public consultation to reduce information costs, and by building RIA into the policy process from the very beginning, that is, not adding it as another step late in the process.

Integrate RIA with the policy development process, beginning as early as possible. Integrating RIA with the policy making process is meant to ensure that the disciplines of weighing costs and benefits, identifying and considering alternatives and choosing policy in accordance with its ability to meet objectives are a routine part of policy development. Integration is a long-term process, which often implies significant cultural changes within regulatory ministries. In some countries where RIA has not been integrated into policymaking, impact assessment has become merely an *ex post* justification of decisions or meaningless paperwork.

The two-step approach of RIA laid down in the *Instructions* coupled with the Prime Minister's Office's guidelines ensuring early presentation of important draft regulations to the Government (including cost-benefit estimates) constitute a perfect formal framework for integrating RIA very early in the policy process. However, impact assessments play a seemingly minor role in the political decision-making process. Policy officials are able to point to relatively few cases in which the conduct of RIA has lead to significant changes in the legislative proposals. This may have two reasons. First because the current quality of impact assessments and the lack of presentation of alternatives simply cannot attract the attention of political decision-makers towards RIA as potentially adding value to the decision-making process. Second because the regulatory political decision making process in Norway is guided more by obtaining consensus than by empirically based methods such as RIA. Making RIAs play a more significant role in the policy development process would require higher quality RIAs than today, as well as regulatory decision-making culture more receptive to empirically based assessments of policy proposals.

Involve the public extensively. Public involvement in RIA has several significant benefits. The public, and especially those affected by regulations, can provide the data necessary to complete RIA. Consultation can also provide important checks on the feasibility of proposals, on the range of alternatives considered, and on the degree of acceptance of the proposed regulation by affected parties. As indicated above, Norway has several mechanisms by which to ensure public involvement in the development of policy. The committee structure used for developing bills ensures wide representation of organised interest groups and can act as a conduit of RIA data. In addition, the release of legislative proposals for public consultation – which should include assessments of economic and administrative consequences - provides a further opportunity for input into the policy content and impact assessments.

Apply RIA to existing, as well as new, regulation. RIA disciplines are equally useful in the review of existing regulation as in the *ex ante* assessment of new regulatory proposals. Indeed, the *ex post* nature of regulatory review means that data problems will be fewer and the quality of the resulting analysis potentially higher. Even though there is a strong political attention on reviewing existing regulations there is no consistent methodological approach to review activities in Norway. Ministries have, to date, been asked to review legislation for which they are responsible. However, such reviews have not been directed by detailed guidance from the centre, or subjected to scrutiny by centre of government agencies. As noted above, an inter-ministerial project group reviewing secondary legislation in Norway in early 2002 concluded that impacts of new and revised regulations are often not satisfactory assessed. The project group recommended drawing up guidance on, among others, reviews of existing regulations. Implementation of this recommendation would be an evident opportunity to promote the application and integration of RIA disciplines in the reviews of existing regulations.

3.3.3. Assessment

Overall, there is a mixed picture arising from Norway's use of RIAs. On the one hand, most necessary tools and guidelines are in place, as well as the formal obligation to integrate RIAs early and fully in the decision-making process. Furthermore, thorough preparation of major reforms, sometimes by expert groups, and extensive consultation with effected parties, can ensure draft regulations of high quality. Taken together, the six or seven non-mandatory RIA guidelines provide good substantive and procedural advice on how to conduct RIAs. Compliance with and application of different RIA standards has so been based primarily on self-assessment by the individual ministries.

The *Instructions* do not prescribe any format or substance of the required RIAs, nor how (or if) the various impact assessments should be weighted and consolidated. There is no unit responsible for reviewing, monitoring and supporting the preparation of RIAs. Though in force since 1985 there has been no assessments of the use, usefulness and effects of the *Instructions.* No official overview or date exists on

the compliance with its requirements, nor of the quality of the individual RIAs produced. Most officials agree that RIA has, to date, had relatively little impact on the shape of regulation and therefore has made little contribution to regulatory quality improvement. The lack of institutional oversight, scrutiny and co-ordination, as well as a limited political attention and priority of RIA leads to a systematic bias in the regulatory process. This bias includes several linked elements. First, "minor" regulations, *i.e.* regulations not prepared by expert groups or cross-departmental committees, are generally not subject to adequate assessments. Second, effects on the public sector, most notably staffing consequences, are given disproportionate attention in impact assessments; effects on competition, business and consumers are subject to much less scrutiny. In addition to this, an improved institutional oversight and co-ordination could be a strong driver and initiator of ex-post evaluations of regulatory tools and procedures. This again would constitute an important feedback loop to the on-going improvements and revisions of Norway's regulatory policy.

3.4. Building administrative skills through training

The Directorate for Communication and Public Management (Statskonsult), which is a directorate under the Ministry of Labour and Government Administration, annually arranges skills-development courses in many areas including the areas of regulatory reform. The courses are only available for civil servants in the public administration and, so far, not for people employed in the local administrations/municipalities. The courses have chiefly been concentrated on juridical method and rules, but there are also courses or themes in courses covering other important elements in the regulatory process such as: identification and assessment of feasible alternatives to traditional regulation; the process of regulation; drafting technique and preparation of legislation; language of legislation; RIA (Regulatory Impact Analyses) in general and in specific areas; submission and review procedures in connection with official studies, regulations, propositions and reports to the Parliament (Storting). The courses are voluntary and without any exams, some are free of charge, while others are usually paid by the participants' employer.

4. Dynamic change: keeping regulations up-to-date

Regulations that are efficient today may become inefficient tomorrow, due to social, economic, or technological change. Over the years, most OECD countries have accumulated a large stock of regulation and administrative formalities. If not checked or reviewed these can lead to a highly burdensome regulatory system. The 1997 OECD Report on Regulatory Reform recommends that governments "review regulations systematically to ensure that they continue to meet their intended objectives efficiently and effectively". A systematic approach helps to ensure consistency in approaches and review criteria, generates momentum and ensures that important areas are not exempted from reform due to lobbying by powerful interests.

Norway pays – as it has done over the past decades – extensive attention to the review of existing regulations and to simplifying and reducing administrative burdens.

4.1. Revisions of existing regulations, laws and subordinated regulations

The Ministry of Justice's guideline from February 2000 on the preparation and drafting of regulations sets out broad guidelines for when and how to review existing regulations.[70] The guide recommends that regulators – already when preparing a regulation – consider if and when the regulation should be reviewed. The guide also notes that a meaningful review is contingent on a clear statement of the regulatory objectives.

Over the last four decades Norway has carried through five major reviews of its regulatory stock. These broad reviews have primarily focussed on repealing outdated regulations and on improving the organisation and technical quality of the regulations:

- In 1963 approximately 80 outdated statutes were repealed.

- In 1985, all statutes and provisions adopted before 1814, and of no present interest, were repealed. Furthermore, 39 statutes adopted after 1814, of marginal importance or of no practical value, were repealed.

- In the 1980s, as part of the establishment of the comprehensive regulatory database, *Lovdata*, all laws and regulations in force were scrutinised and assessed in terms of their conformity with technical/legal standards. Only laws and regulations fulfilling these criteria were admitted to the database, whereas all other regulations were repealed.

- In 1990, based on the recommendations of a committee appointed by the government in 1989 to improve the structure of Legislation in Norway, the Norwegian parliament repealed 320 outdated statutes – representing approximately 30 % of the total number of Norwegian acts in force at that time.

- From 1999-2002 an inter-ministerial committee undertook a comprehensive technical review of all subordinate regulations applicable at the national level (see Box 6). As a result of the work, 420 outdated, unnecessary or technically flawed regulations were repealed (approximately 10% of the total stock).[71] Also, in many cases the level of precision was improved and regulations were given a more user-friendly structure. Furthermore, unpublished regulations identified during the review were published, and overlapping regulations were consolidated into one regulation.

Box 6: **Review of Subordinate Regulations**

In May 2002 a cross-ministerial committee tabled a report with the results of three years' of work reviewing and simplifying all national secondary legislation in Norway. During the course of the project the number of nation-wide secondary legislation were reduced with approximately 10%. The committee also tabled a set of proposals to increase the quality of future regulations:

– Setting up a central unit to serve as an expert body advising and supervising all regulatory work at the sub-ordinate level. The unit is proposed to be administrated within the Legislation Department of the Ministry of Justice

– Organisational measures within the ministries and other bodies responsible for preparation of regulations (*e.g.* units giving advice and performing quality control, establishing a network of desk officers responsible for drafting regulations and acts of law)

– Mandatory publication of all regulation in the central Web site registry Lovdata

– No sub-ordinate regulation not registered in the Web site registry Lovdata may be invoked unfavourably towards the public

– Automatic repeal of all existing regulations not registered at Lovdata within a specific time limit

– A clear obligation in the Instructions to assess whether review of the act in preparation should be carried out at a later stage, and if so when
– Training programmes for regulatory work
– Developing guidelines on regulatory work at sub-ordinate level, on review of existing regulations and consequence assessment
– "Sun setting" of regulations should be considered used to a greater extent than today. The Ministry of Justice should elaborate this question further on a general basis.

Sun-setting. Currently sun-setting is not used as an automatic review requirement for primary laws and other regulations, and very few primary or subordinate regulations include automatic review requirements.

Political commitments to up-dating and simplifying the stock of regulations remain prominent on the Norwegian government's agenda. In the Prime Ministers inaugural address in 2001 the government announced it would resume the project "Simplifying Norway", originally launched by the then Government in 1999. Assessments of the first two years of the project suggest that stronger internal co-ordination and leadership is essential to improve the "real world" effects of the project (see Box 7). The Government also announced that it would simplify laws and regulations; and that it would sun-set subordinate regulations.[72]

The Norwegian Government has not yet decided how in practise to implement the commitment to sun-set secondary regulation, including the sun-setting period.[73]

Assessment. The substantial efforts to up-date, consolidate and simplify the stock of regulations have been successful in terms of weeding out and simplifying very large amounts of superfluous regulations. As a result, Norway has a very well consolidated, accessible and readable stock of regulations in force. Two aspects of Norway's reviews of existing regulations indicate how efforts to improve regulatory quality can be further improved.

First, it is worth noting that the reviews and the following repeal of regulations have been ad-hoc and primarily based on technical criteria and obsolescence. In the absence of standardised approaches, discretion is left with the parties designing and conducting the review. This has had clearly positive aspects in terms of flexibility and goal-orientation, but inconsistencies will necessarily be the result and quality control cannot be exercised at the whole of government level. Review efforts have often been focused on marginal and technical changes not necessarily improving the total regulatory environment. Budgetary and economic costs of regulation have not or only rarely been included in review programmes. The application of RIA standards in future reviews – including a set of efficiency and performance criteria on which to assess the regulations – may add further value to the extensive efforts assigned to reviews of existing regulations in Norway.

Second, the very "productivity" of the review implies that current regulatory quality assurance practices would benefit significantly from an increased and more systematic ex-ante assessment of regulations. *Ex post* reviews can help to determine whether legislation is meeting its initial objectives. However it cannot substitute for the role of ex ante impact assessments in providing a systematic basis for the weighing of policy alternatives from the very beginning. *Ex post* analysis corrects them while *ex ante* analysis avoids them.

Box 7. **"Simplifying Norway"**

Simplifying Norway was originally launched in 1999 as a two-year programme co-ordinated by a committee of 16 ministers headed by the Prime Minister. The programme was terminated after eighteen months due to change of government, but re-launched by the current government in 2001.

The program's main objectives were originally: 1) simplification of government regulations of the business sector; 2) the development of a citizen and use- oriented public administration and 3) the simplification of the regulatory framework of local municipalities to engage them more in service delivery instead of compliance with central government guidelines. By reducing the administrative and regulatory complexity, the program intends to engage in an effort to increase the flexibility and autonomy of public servants and a partial devolution to local governments, as well as a more intensive use of the Internet to gather public information and documentation.

The program acted as a broad umbrella for a set of projects managed by the various ministries. For example, in 1998 the Ministry of Labour and Government issued a guide to support all public service agencies drawing up service declarations by the end of 2000.

The re-launching of the programme in 2002 focuses on reducing administrative burdens for businesses. The Ministry of Trade and Industry, on the request of the government, is developing a continuous government strategy to reduce administrative burdens imposed on businesses. In an "Action Plan" based on contributions and suggestions from all ministries the Ministry of Trade and Industry will provide an overview of on-going initiatives and come up with proposals the future prioritising of new initiatives. The government will present the first version of the Action Plan in late October 2002.

There is no government evaluation of the overall project or its sub-components. However, a survey conducted in late 2000[74] revealed that 40% of ministers and high-level civil servants interviewed about the performance of the project estimated that the effect of the programme had been "close to zero regarding increased efficiency"[75]. The interviewees estimated that the project had lead to no simplification. Despite the strong political will, the project was not sustained by sufficient capacities and co-operation by central politicians and because it faced resistance of the administrative leadership. Due to the large number of institutions and departments involved the project was also believed to have been too fragmented.

4.2 Reform of permits and licences and impacts of administrative burdens

Reducing administrative burdens imposed on business by regulation is also a prominent theme in Norwegian efforts to improve the quality of existing legislation. Norway has developed a range of policy responses to the problem, including one-stop shops, inventories of formalities, and programmes to reduce licenses and permits.

The Brønnøysund registers play a key role in the efforts to monitor and reduce administrative burdens. As explained in further details in Box 8, the registers' purpose is to provide:

- A continuously up-dated an exhaustive count of reporting obligations imposed by central government on businesses (a total of 669);
- A continuously up-dated an exhaustive count of central government permits and licences for businesses in various sectors (a total of 255);
- Quantitative estimates expressed in man years of administrative compliance cost imposed on businesses by central government (see Table 4);
- Co-ordination of reporting obligations of business and industry, ensuring that business never report the same information more than once.

Box 8: **OECD Best Practice: The Brønnøysund Registers**

The Brønnøysund Register Centre, an administrative agency under the Ministry of Trade and Industry, is Norway's central register authority and source of information. It currently operates fourteen registers with information on, among others, business' reporting obligations, legal entities, company accounts, bankruptcies etc. The registers – in particular the Register of Reporting Obligations of Enterprises and The Central Co-ordination Register for Legal Entities – play a key role in efforts to monitor and reduce administrative burdens.

The Register of Reporting Obligations of Enterprises (*Oppgaveregisteret*)

Created in 1997, the main task of this register is to maintain a constantly updated overview of businesses' reporting obligations to central government, and to find ways to coordinate and simplify these obligations. The register keeps an updated overview of all reporting obligations of industry and business. The information supplied by each business enterprise is not registered by the *Oppgaveregistret*, but by the authorities using the information. Under the Act relating to the Reporting Obligations of Enterprises, the public authorities must co-ordinate their reporting activities. This means that if two or more public authorities ask the same questions of the same type of company, these authorities shall collaborate so the question is asked only once. The register also maintains an overview of the permits that are required to operate within various businesses and industries, and provides information on how to obtain such permits. Currently the register is restricted to business and industry's reporting obligations to the central authorities. The results of its monitoring efforts are published on a yearly basis. The register has compiled a database of about 669 reporting obligations and a total of 255 different permits and licenses covering all business sectors in Norway. The register estimates burdens related to submission of information in terms of time.

The Central Co-ordination Register for Legal Entities

Created in 1995, the primary task of this register is to coordinate information on business and industry that resides in various public registers, and which is also frequently requested on questionnaires from the public authorities. Instead of having each public authority send their own separate form for a company to answer, the register ensures that all the information is collected in one place.[76] A nine-digit organization number identifies an entity, making it easier for the authorities to collaborate on information exchange. Pursuant to the Act relating to the register, other state registers are obliged to cooperate with the register and keep their register information updated. A co-ordinated register notification replaced the registration forms from various authorities that were previously used. Many associations and others with no registration obligation find it useful to register voluntarily with the register. There is no charge for registration. The register only contains information that is stipulated by law, and everyone has access to register information, such as correct name and address, business objective, industry/branch and representative. Key information can be obtained without cost via the Internet and over the phone.

Applying national reporting definitions

In order to create synergies across the administration and increase coordination capabilities, the code sharing policy is complemented with a process of classification and homologation of information items. The Register of Reporting Obligations for Enterprises has recently established a repository of definitions based upon a database that contains all the information collected from enterprises nationwide. This repository is open to the public and intends to have continuous feedback both from the business community and the administration. All ministries and agencies are obliged to use these definitions in everything concerning reporting obligations of enterprises. Large national projects dealing with electronic reporting also use the definitions kept in this register. The use of national definitions for information items clearly simplifies processes in which two agencies require the same kind of information from an enterprise, and eliminates ambiguity or confusion about requirements to the firms. The national system of informational definitions also relies on a high degree of compatibility with international standards, with obvious advantages.

The Brønnøysund Registers provide the possibility for an outstanding overview of reporting obligations imposed on Norwegian business, and it facilitates the reduction of future reporting burdens by using and sharing identical reporting definitions across the whole of government. Two initiatives may improve the comprehensiveness of the register further.

First, the registers today do not cover reporting obligations issued by local governments. Coverage of burdens imposed by local governments would enable a transparent comparison of municipalities' different approaches to the implementation of regulations involving reporting obligations. This may lead to a fruitful exchange of practices as well as pressure to reduce burdens where some local governments' reporting obligations impose higher costs on businesses than in others. Second, awareness among ministries about the obligations to use the register may be improved. A 1999 survey prepared by the Confederation of Norwegian Business and Industry (NHO) suggested that only 30% of the surveyed ministries always or often calculated businesses' reporting obligations when planning new reporting obligations. Less than 20% of the surveyed ministries consulted regulations with potential reporting obligations with the Brønnøysund Registers.[77] Improving awareness and enforcement of the information obligation may not only provide more valid numbers for business' administrative compliance costs. It may also lead to a reduction of these burdens as the reporting requirements are co-ordinated and harmonised with the use of the registry's common data definitions.

Measuring administrative burdens. Administrative burdens imposed on business enterprises by public authorities are measured as time spent on filling in forms and preparatory work for the reporting obligations. The Brønnøysund Register Centre is responsible for the methodology and for the collection of data from ministries and agencies, whereas the ministries implementing the regulation are primarily responsible for measuring the actual burden of a new reporting obligation. The authorities issuing the reporting obligation make the workload time estimates mainly by individual judgement. When making the overview of the reporting obligation, The Brønnøysund Register Centre asks the public authorities to give an estimate of time (minutes) for an enterprise to fill in each form, including preparation time, the number of enterprises affected and the frequency of reporting. If a form is to be filled in periodically (for instance monthly, quarterly, annually), the total administrative burden corresponds to:

Minutes per form X number of affected enterprises X frequency. If a reporting obligation is caused by only one occurrence, the total administrative burden corresponds to:

Minutes per form X number of affected enterprises X average amount of forms per enterprise. The calculation is made under the assumption that all the enterprises companies obliged to report actually do report. The public authority gives a workload estimate on electronic reporting, and the percentage of electronic reporting. When making the total estimate, this dimension is also taken into consideration.

Table 4. **Administrative Compliance Costs of Business in Norway (man years)**

	1998	1999	2000	2001
Administrative compliance costs (ACC)	7385.9	7338	7342.3	7358
ACC as percent of man years in the private sector	0.53%	0.52%	0.52%	0.52%
Impact of new formalities	60.4	11.3	16.3	1.8
Impact of new simplification initiatives	-12.5	-15.6	-32	-65.5
Net change	47.9	-4.3	-15.7	-63.7

Source: Brønnøysundregistrene and Statistics Norway [78]

E-formalities. Throughout the OECD, technology-driven mechanisms are getting increasingly prominent in initiatives to reduce administrative burdens, particularly burdens imposed on businesses.[79] In Norway there is currently no single electronic access point for business' interactions with government. However as part of the government's overall IT-strategy, *eNorway,* all forms used by businesses in communications with public authorities must be available and transferable to the relevant public authority via the Internet by the end of 2004. To this end, the *Alltinn* project managed by the Brønnøysund Register Centre, the Tax Department and Norway Statistics is preparing a common electronic reporting portal for business. As part of this an "E-form group" is drawing up guidelines for design of e-formalities. The intention is to make e-communication across ministries with businesses and citizens as consistent and

coherent as possible. Currently, Electronic Data Interchange (EDI) reporting is possible – at a pilot programme stage – in areas such as accounting information, registration and tax contributions. The Ministry of Finance has developed a VAT collection mechanism that allows electronic submission of VAT statements (but not the actual payment) since 2001. A separate state secretary committee is responsible for the implementation of the eNorway Plan, and a government appointed eEnvoy reports frequently to the Prime Minister on progress and challenges of the project, which includes more than 150 sub-projects.[80] Other activities with potential positive effect on administrative burdens and regulatory quality include:

- Establishment of an electronic marketplace for all public procurements.[81]
- Making electronic case handling "the norm".
- Electronic certification (in vocational training).

Silence is consent. At the national level, Norway does not currently make use of silence or tacit authorisation rules (*i.e.* rules by which citizen is automatically granted approval if administrators fail to act on a notification within specified time limits).

Assessment. In sum, compared to most OECD Countries, Norway's past as well as planned initiatives to measure and reduce administrative burdens are comprehensive and technically well developed. There seems to be some scope for further improvement by expanding the coverage of the Brønnøysund Register to local governments' reporting obligations, and by increasing awareness among ministries about the usefulness and obligation to consult with and report to the registers.

5. Conclusions and recommendations for action

5.1. General assessment of current strengths and weaknesses

Past reforms bear witness to Norway's ability to adapt to changing global and national conditions, while at the same time maintaining distinct policy-priorities related to the scope and size of the public sector.

Very important elements of a sound regulatory policy are in place. Most notably, considerable investments over more than twenty years in capacities to review and simplify existing regulations have resulted in a well-consolidated, easy accessible and readable stock of national laws and regulations in force. Well-functioning systems are also in place in terms of forward-planning, co-ordination, consultation and communication of regulations. Norway's capacity to measure and monitor administrative burdens imposed on businesses is also consistent with OECD best practice. Furthermore, Norway has a long-standing tradition in the use of regulatory alternatives with regulatory innovation and tradition present in many forms. Moreover, Norway has carried through ex-post evaluations of the use of selected regulatory tools (consultations and alternatives).

The oil wealth and the absence of any economic crisis in the foreseeable future mean that there is no immediate sense of urgency for regulatory reform. The significant economic and regulatory achievements, however, are no reason for complacency. Norwegian governments are facing increasing demands for higher regulatory standards – in particular for public services. Spending pressures are reinforced by popular and political temptations to increase short-run spending by means of the Petroleum Fund. The oil wealth can mask the need for better regulatory policies and make implementation more difficult. In accommodating and balancing these demands, the Norwegian Government is bound by fiscal and budgetary constraints as well as by the overall consensus that the state should be the main provider of public services.

Meeting these challenges requires better regulatory policies and implementation through an institutional framework supporting the regulatory process. The most significant challenge is to establish a comprehensive, government-wide regulatory policy and the necessary institutional support to monitor and guide its implementation. Attention should also be paid to consolidate and improve the tools already available to assess regulatory effects.

Though very important elements are in place, Norway does not have a single, explicit or published policy promoting a government-wide regulatory policy. As a consequence, regulatory policies are diffused across ministries and not applied and enforced consistently across government. On the whole-of-government agenda, regulatory policy issues appear as parts of broader public sector reforms, primarily focussing on reviewing and re-organising existing regulations as well as easing administrative burdens for business. Notwithstanding the positive effects of this focus of the regulatory policy agenda, it has distorted resources and the attention of decision-makers away form broader regulatory quality issues such as RIA and the institutional set-up necessary to sustain regulatory policies. In designing a regulatory policy Norway should seek not only to integrate and consolidate the already available tools under a stronger institutional framework; it should also increase the focus on "*ex ante*" aspects of regulatory quality.

Several ministries at the centre of government play important roles in supporting regulatory quality. However their focus differs and no single unit or ministry is responsible for establishing a consolidated assessment based on a set of pre-defined criteria. Partially as a result of this, the Cabinet agenda is overburdened. There are few formal and informal constraints on ministers' access to adding to the Cabinet's agenda. Furthermore, without strong co-ordination mechanisms and clear assessment criteria for regulatory quality, the Cabinet is presented with RIAs of varying and sometimes low quality, cf. below. An integrated approach to the institutional support of regulatory policies may benefit Norway in terms of creating synergies and promoting a more efficient, coherent and transparent implementation of regulatory policies.

As for forward-planning, co-ordination, consultation and communication of regulations, Norway has also developed a set of high-quality tools and guides to support regulators' assessment of regulatory impacts. However the current instructions do not prescribe any format or substantial requirements to be followed in the RIAs. The lack of a lead unit or agency, in combination with an incoherent application of quality assurance tools means that the scrutiny of draft regulations varies significantly. Many regulations are not subject to adequate assessments. The analytical scrutiny tends to focus on public sector impacts, whereas effects on competition, business and consumers are given less attention. Cost-benefit analysis are only rarely used in the regulatory decision-making process. To reap the potential benefits of the already developed RIA and cost-benefit guidelines it is important that RIAs are carried out in an integrated fashion and published in a single and if possible standardised document based on clear and binding criteria for when and how to prepare RIAs. Reiterating and enforcing obligations to use cost-benefit analysis would be a significant improvement towards more empirically based regulatory decision-making.

The distribution of responsibilities between levels of government is an issue of much political and administrative attention in Norway. Overall, the institutional dialogue between the state and the local level functions well in terms of consultation and sharing of information. However, the continuous transfer of functions to the municipalities and the reduction of the state's control raise concern about municipality's regulatory capacities. The Norwegian Government is aware of this challenge and has so far addressed it by improving guidance and by prompting better practices for the notification and reviews of secondary legislation issued by local authorities. It is difficult to say to which extent this will ensure regulatory quality and capacities at the local level. Stronger incentives to co-operate across municipalities – including the sharing of administrative resources – may be another important step to address capacity problems at the local level.

The Norwegian government gives high priority to improving its influence on the preparation of EU regulations that will be incorporated in the EEA Agreement. The Government is also increasing efforts to consult as early as possible with those affected by new or amended EU regulations. These efforts respond to strong concerns by affected parties – particularly business. In addition, there is also significant scope for improving and making available government assessments of the expected effects and implementation of the relevant regulations.

Finally, there seems to be scope for further improving Norway's review practices for existing regulations. To date, review efforts have often been focused on marginal and technical changes, rather than on systematic assessments of the performance of regulations against pre-defined criteria such as cost-efficiency. The application of RIA standards in future reviews – including a set of efficiency and performance criteria on which to assess the regulations – may add further value to the extensive efforts assigned to reviews of existing regulations in Norway.

5.2. Potential benefits and costs of further regulatory reform

The potential benefits of further improving Norway's capacity to produce high quality regulation are significant. Enhancing regulatory capacities will improve the quality of policy choices, and thereby facilitate political responses to increasing demands for more and better welfare services and for high regulatory standards. A more coherent and consistent application of regulatory quality tools will expose the nature of the trade-offs that exist between different policy options, and it will clarify the nature and extent of costs associated with high regulatory standards.

The adoption of more rigorous, evidence-based and transparent rule-making processes may seem uncontroversial, but they do have the potential for conflict with traditional Norwegian (and Nordic) ways of making policy. In particular, achieving greater transparency as to costs, benefits, alternatives and criteria for weighing different types of impacts can mean that the traditional goal of consensus becomes more difficult to reach. On the other hand, it is arguable that an agreement reached on the basis of a better-informed set of stakeholders will necessarily be a more robust and durable one.

5.3. Policy options for consideration

This Section identifies actions that, based on international consensus on good regulatory practices and on concrete experiences in OECD countries, are likely to be particularly beneficial to improving regulation in Norway. They are based on the recommendations and policy framework in the OECD *Report on Regulatory Reform*.

In terms of priorities, implementation of recommendations 3 and 9 may have the most immediate positive effects on regulatory quality in Norway.

1. Strengthen regulatory policy as a higher priority for the government.

While several programmes and policy commitments address different aspects of a regulatory policy, Norway does not have a single, explicit or published policy promoting a government-wide regulatory policy. Currently, many regulatory policy elements are applied ad-hoc, depending on the political strength of individual ministers, without a government-wide and institutionalised management structure to support it. Policy-makers and civil servants have no strong incentives to pursue a consistent and coherent application of the regulatory policy guidelines already in place. An explicit government-wide policy on the quality of regulation, with the institutions and legal support to carry it out, would boost the benefits of reform for Norway. The United Kingdom and Canada are examples of countries that have used regulatory policies as an important part of policies supporting economic growth and innovation.

2. Select a permanent ministerial committee responsible for developing and setting broad targets for Norway's regulatory policy. The committee should increase accountability for regulatory reform results within the ministries by establishing a systematic process of oversight, against which ministries will be held accountable.

Once adopted at the highest political level, a permanent ministerial committee should be established or adapted to support Norway's regulatory policy. Such a committee could be particularly valuable in the context of adopting and reviewing a regulatory policy, and it would provide the necessary authority to drive forward the effective implementation of a regulatory policy. Similar arrangements to ensure high-level political attention and accountability to regulatory reform have been successfully adapted in Denmark (the Regulation Committee) and in the Netherlands (the MDW Committee).

Today, the Government Committee for Modernisation and Simplification lead by the Minister of Labour and Government Administration is responsible for co-ordinating and supervising projects under the Modernising of the Public Sector Programme, including the programmes' initiatives to simplify regulations and reduce administrative burdens on businesses. To reap synergies, and to avoid possible duplication and overlap, this Committee – with possible, adequate changes in portfolio, composition and support – could be suitable also to assume the responsibility for developing and monitoring an integrated regulatory policy in Norway.

Experiences from Norway as well as other OECD countries suggest that high-profile, external committees, that are independent from the government administration, can play a very important role in advocating regulatory reform and in challenging and steadily pushing the reform agenda toward further progress. In line with existing practices, Norway should ensure that stakeholders are included in the process of developing a government-wide regulatory policy, and that the bodies representing experts and affected interests (such as the Contact Committee and the Forum of business representatives) play a continuous role in developing and implementing regulatory policies in Norway.

3. Establish a central unit with the mandate, capacities and resources to promote, advice, support and evaluate a government-wide and comprehensive regulatory policy.

It is paramount for the implementation of regulatory policy in Norway that the current lack of criteria, sanctions or staff resources to enforce RIA obligations is replaced with a stronger and more credible institutional set-up. The establishment at the centre of government of an oversight unit with broad responsibility for regulatory policy would mirror the importance the government attributes to regulatory policy. The principal function of the unit would be to oversee the RIA system and provide technical opinions on the substantive quality of the proposed measures. The unit could also offer training and provide advice on regularly instruments. As part of this, ex-post evaluations of tools and procedures would constitute an important feedback loop to on-going improvements and revisions of the regulatory policy. Another option could be to equip the unit with a formal challenge function vis-à-vis ministries' regulatory proposals. Though applied with success in some countries, it is less likely that in the Norwegian institutional and cultural context a formal challenge function would improve the quality and policy effectiveness of RIAs. It is recommended that the unit is established at the centre of government, with sufficient expert capacities (especially economic) and credible means by which to fulfil its mandate and in particular the implementation of RIA requirements (see below).

4. Integrate, formalise and enforce RIA requirements and place the responsibility for quality assurance in relation to all aspects of RIA with the central unit (recommended above).

Norway should address the current fragmentation of RIA requirements by providing that all RIA should be carried out in an integrated fashion and published in a single and if possible standardised document. In addition to the purely procedural requirements of the current RIA requirements, Norway should carefully consider to complement this with clearer criteria for when and how to prepare RIAs. This could, for example, include incorporating in the *Instructions* elements from the five guidelines currently supporting the regulators' preparation of RIA.

5. Adopt explicit and measurable government-wide criteria for making decisions as to whether and how to regulate, including stronger implementation of the benefit-cost principle.

RIAs in Norway show considerable variation in quality, scope and analytical methods. Cost-benefit analysis is rarely used in impact assessments of regulations. Adopting the precise criteria and detailed methodologies for benefit/cost analysis, together with a mechanism to target the efforts, will provide an objective basis for regulatory decision-making, including a basis for comparing a range of policy alternatives. Gradually increasing the analytical rigour required in the analysis of important regulations and expanding the scope of RIA to substantive lower level rules would progressively increase the benefits from the adoption of this principle as expertise increases and resources permit. The accountability and transparency of regulation would be increased, as would the efficiency of public consultation, if it were to be integrated with RIA, as recommended below.

6. Further improve the processes for review and reform of existing regulations by incorporating in the reviews regulatory quality elements, consistent with the RIA requirements applied to proposed new legislation.

As a result of several broad reviews of existing regulations, Norway's stock of national regulations is well consolidated and of high technical standards. To date, review criteria have been mainly legal/technical and determined ad-hoc. Future reviews should incorporate regulatory quality elements consistent with those applied to new regulations. Most notably, this could include regulatory performance and efficiency assessments, enabled by impact analysis requirements and the identification and assessment of alternative policy options. To the extent possible, such criteria could also be used and incorporated into the on-going review of regulations with potential constraints on competition, cf. chapter 3.

7. Strengthen the application of consultation and reporting requirements already in place

Many first-rate regulatory tools and processes are available to support regulators. Though generally well developed there is scope for improvement in the application of some of these tools. First, current deviations from the formal consultation requirements should be corrected to avoid a potential weakening of the credibility and legitimacy of the consultation procedures. Second, the use of the Brønnøysund registers could be improved by i) expanding its coverage to local governments' reporting obligations; ii) by increasing awareness and incentives among ministries to comply with the obligations to report and consult with the Registers, and iii) by systematically integrating reporting burden estimates – based on the methodological standard developed by the Brønnøysund Registers – in RIAs.

8. Improve awareness and enforcement of the existing requirements to assess alternatives during the policy making-process

While existing requirements obligate regulators to consider alternatives as part of the policy development process, the use of alternatives to command-and-control regulation remains relatively poor in most policy areas, other than the environment. The central regulatory policy unit (recommended above) should ensure that these issues are addressed, among others in the context of the training courses. Adopting untried alternatives necessarily involves an element of policy risk. Thus, government must take on the responsibility of promoting the use of alternatives by policy-makers. A possible first step would be to better document and promote the progress already made in this area, particularly in the environmental field. A further step might be the preparation of a public and periodic report on progresses in implementing alternatives.

9. Improve impact assessments, consultation and communication of EEA regulations by applying RIA standards and by involving and informing affected parties as early as possible in the implementation process.

Norway should continue its efforts to ensure that affected stakeholders are informed as early as possible in the EEA process. Currently planned improvements of the consultation procedures should include a stronger emphasis on providing better estimates of expected economic and other impacts of EEA regulations, as well as information about the envisaged implementation of the regulation.

10. Ensure that decentralisation of regulatory authority is matched by sufficient capacities to prepare, assess, implement and monitor regulations at the local level.

The intention to strengthen and transfer more functions to the municipalities and to reduce the level of state control raises concern about municipalities' regulatory capacities. Although initiatives to provide better central guidance and support are being established, further attention seems to be needed to ensure that sufficient regulatory capacities can be maintained and developed locally.

NOTES

1. After some 30 years of experiences with coalition governments (and since 1985 minority coalitions) the Nordic emphasis on consensus is well entrenched in the regulatory process. Parliament is chosen for a fixed term of four years, and cannot be dissolved by the government. As a consequence, governments seek different coalition partners for different policies. Increasingly, the Norwegian parliament forms majorities not including the government, obligating the government to assess, study or implement policies. Recent examples include parliament's amendment to the government's privatisation plan as well as its pro-active decision to impose maximum prices on day care.

2. See for example Johan P. Olsen, “Norway: Slow Learner or Another Triumph of the Tortoise?”, pp. 181-213 in Olsen and Peters, Lessons from Experience: Experimental Learning in Administrative Reforms in Eight Democracies, Scandinavian University Press, 1996.

3. Findings of a five-year research project on changes and challenges facing the Norwegian parliamentary democracy identifies some of the changes faced by the public sector in adapting to increasing and changing demands. The most substantiated finding of the project has been summarised as "the retreat of politics" according to which the political system over the last decades has either lost or renounced much of its decision-making power. The project concludes that Norwegian politics has been fragmented from the top through unstable minority parliamentarism and a weakly co-ordinated state apparatus, and from below by the crumbling of political parties and their loosing grip on the electorate. Furthermore, "reform politics have not been able to create a simpler and more manageable system because transition costs have been underestimated, because the complexity in setting targets for public sector activities have been ignored, and because the ability of market led development to distort it's own assumptions have been underestimated". (Leader of the research group Øyvind Østerud in Aftenposten 7. mars 2002: "Foreløpig maktdiagnose: Politikken på retrett."). The Power and Democracy project was launched by the Norwegian Parliament in 1997/1998. As for similar projects undertaken in Sweden and Denmark the Norwegian power and democracy project was inspired by the "vital challenges that a representative democracy will have to face - increasing internationalisation, the development and availability of modern technology; the growth of public opinion; environmental issues; the problems generated by a multiethnic community; a community demanding qualifications and knowledge; decentralisation, deregulation, privatisation, mechanisms influencing markets and consumer involvement." See http://www.sv.uio.no/mutr/eng/index.html.

4. OECD (2001). The annual administrative compliance costs per SME in Norway was near the 11-countries average (USD 27 500), but measured as a percentage of annual turnover, total administrative compliance costs accounted for an average of 8% of turnover in the participating Norwegian enterprises, significantly above the 4 % average and individual results of other countries covered by the survey.

5. The Committee was appointed by government in 1990 with the purpose to examine legislation effecting business and to table proposals for simplifications and other changes that could stimulate business activity. The objective of the work was to achieve smoothly functioning regulations, which can create conditions for enhanced efficiency and thereby improved competitiveness. The needs of small and medium-sized enterprises were particularly focused on in the terms of reference. The Business Legislation Committee tabled between 30 and 40 proposals. The term of the committee was extended several times, but not renewed in 2002.

6. Norwegian Ministry of Justice and Ministry of Trade and Industry (2002)

7. A regulatory policy can be defined as a policy designed to maximise the efficiency, transparency and accountability of regulations based on an integrated approach to the application and governance of regulatory tools and institutions. Regulatory policies do not focus on the "substance" of regulations per se (*i.e.* large scale structural reforms or specific regulations on environmental protection or food safety), but about creating the optimal framework for the process of producing and reviewing regulations. Key purposes of regulatory policies are 1) to improve the quality of regulatory decisions by generating relevant information to stakeholders and decision-makers about expected consequences of the policy decision, and 2) to ensure that regulatory decisions are implemented and complied with.

8. As observed by Christensen and Lægrid (1998) in Lægrid (1999) "Rule steering is as strong in the Norwegian ministries as it was 20 years ago, and efficiency is ranked as much less important among the civil servants than rational-legal norms and bureaucratic virtues such as neutrality, predictability and due process".

9. OECD (2002).

10. See *www.modernisering.dep.no*

11. Actions a commitments include i) a review of the existing regulatory framework aiming at the repeal of provisions hindering competition ii) future submission of all major state framework agreements on public procurement to the Competition Authority for assessment before competitive tendering takes place, and iii) establishment of a new appeals body for public procurement.

12. The committee is headed by the Minister of Labour and Government Administration, and consists of cabinet ministers of: the Ministry of Local Government and Regional Development, The Ministry of Health, The Ministry of Justice, The Ministry of Social Affairs, The Ministry of Education and Research and The Ministry of trade and Industry. In addition State secretaries represent The Office of the Prime Minister and The Ministry of Finance. Other cabinet ministers can be called upon when matters within their responsibilities are being handled.

13. According to the mandate of the Committee the proposal shall correspond to the competition rules in the EEA agreement. The Committee shall consider a model consisting of a politically independent appeal body, instead of the current model in which the Ministry of Labour and Government Administration is the appeal body of decisions made by the Norwegian Competition Authority. The Committee shall also consider the appropriateness of model in which all competition related laws shall be handled by the NCA exclusively, or whether the current model with regulation of competition issues being the responsibility of the authorities in the respective sectors. Finally, the Committee shall consider a provision in the Competition Act instructing authorities to respond within given time limits to questions raised by the NCA concerning effects on public regulations on competition.

14. Ministry of Trade and Industry (2002).

15. OECD (1997), *The OECD Report on Regulatory Reform*, Paris.

16. Ministry of Labour and Government Administration (2000).

17. Royal Ministry of Labour and Government Administration (1994): "Skal – Skal Ikke. Sjekkliste for valg af virkemidler og nye reguleringer", Administrationsdepartementet. November 1995.

18. *www.odin.dep.no/nhd/norsk/aktuelt/pressem/024081-070021/index-dok000-b-n-a.html*

19. Business Test Panels, a concept first implemented in Denmark in 1996, is a process in which a cross-section of businesses is asked directly about the expected administrative burdens of proposed legislation.

20. This does not apply to proposals concerning taxation, which are reviewed by the Taxation Legislation Department of the Ministry of Finance.

21. Ministry of Justice and Police, Ministry of Trade and Industry, The Norwegian (2002).

22. The *Instructions*, Section 1.4.

23. Hege Skjeie: "Inne i «beslutningsmaskinen» – Regjeringen som kollegium" (Inside «the decision-making machine» – the Cabinet as a collegium), page 184, in Bent Sofus Tranøy and Øyvind Østerud (eds.) "Den fragmenterte staten – Reformer, makt og styring" (The fragmented state – Reforms, power and governance), 2001.

24. The *Instructions for Official Studies and Reports* – laid down by Royal Decree in February 2000 (third and latest edition) – sets out the procedures for ministries' preparation of Bills and secondary legislation prior to the presentation of these matters to the Cabinet. Two other guidelines issued by the Prime Minister's Office - *About Cabinet Meetings* and *About meetings of the Council of State* – provide guidance on formats and procedures for discussion in the Cabinet and for the presentation of matters to the Parliament.

25. Depending on the results, the preliminary assessment shall be submitted to the following ministries: *The Ministry of Finance*, should the preliminary assessment reveal that the matter may result in an increase in budget limits, any reduction in revenues, substantial redistribution within the budget limits, substantial organizational changes within the central government administration or significant socio-economic consequences; *The Ministry of Labour and Government Administration*, should the preliminary assessment reveal that the matter may entail substantial administrative and/or organizational changes in central government administration; *The Ministry of Local Government and Regional Development*, should the preliminary assessment reveal that the matter may have substantial financial and/or administrative consequences for counties and municipalities or substantial regional consequences; *ministries that are heavily affected*, should the preliminary assessment reveal that the matter may have substantial consequences in their respective areas. The Ministry of Justice must be consulted before the initiation of major legislative work or other legislative work that may raise the issues relevant for legal structure.

26. When the Government passes resolutions in the plenary, it acts as the King in Council under the King's leadership. The Cabinet normally meets twice every week, the Council meets weekly.

27. For the legislative process the Storting otherwise a unitary chamber is split into two chambers: the Odelsting and the Lagting. Among themselves, the Storting members select one fourth of their members to the Lagting and the rest to the Odelstingt. Each Ting holds separate meetings and has its own President and Secretary. Both are involved in the discussion and approval of legislative changes, which are generally passed by simple majority.

28. Acts by parliament become legally binding either according to the date of entry into force given in the act itself, according to the date decided upon by the King in Council (normally in the same resolution that grates Royal Assent), or – if no specific date is given – one month after the date of publication in the Official Legal Gazette. Subordinate regulations become legally binding one month after the date of publication in the Official Legal Gazette, if no other later date is decided. Laws and regulations of importance to private and public commercial activity shall normally come into force at the beginning of a new year.

29. See OECD (2002*b*).

30. Christensen et al. (2002):75.

31. See *www.riksrevisjonen.no/Default.asp?Application=Riksrevisjonen_Norsk*

32. In terms of service provision, the central government is responsible for: higher education and universities, the social security system, defence, the national road network, railways, labour market training schemes, justice and police force, prisons, foreign policy and since 2002 hospitals. The counties are responsible for: upper secondary schools, vocational training, child welfare institutions, institutions for the care of drug and alcohol abusers, county roads, provision of local public transport and museums. The municipalities are responsible for: primary and lower secondary schools, early childhood educational and care facilities, child welfare, primary health, care for the elderly and disabled, public libraries, fire departments, harbours, municipal roads, water supply, sewage, garbage collection and disposal, and the organisation of land use within the municipality. Local government spending amounts to 40% of general government expenditure. Local authority employment accounts for about one fifth of the total work force or 75% of the work force in the public sector.

33. OECD, 2002a.

34. See *www.ssb.no/english/subjects/00/00/20/kostra_en*

35. *Op.cit.*

36. To address issues pertaining only to central-regional government relations, the ministers of Environment and of Local and Regional Development meet annually with regional authorities represented by the County Mayors, together with the Association of Local and Regional Authorities. To address issues pertaining to central-local government relations the local state representative – *Fyllkesmannen* – meets annually with local authorities represented by the Mayor and the Chief Administrative Officer. The 19 Fyllkesmen also meet regulatory with the Minister and Ministry of Labour and Government Administration.

37. Formally, local government considerations are also taken into account during the intra-governmental consultation – although indirectly via the Ministry of Local Government and Regional Development. According to the *Instructions for Official Studies and Reports* ministries shall consult regulations with substantial financial and/or administrative consequences for counties or municipalities with the Ministry of Local Government and Regional Development.

38. *www.dep.no/krd/norsk/publ/stmeld/016001-040007/index-dok000-b-n-a.html*

39. See endnote 5.

40. Ministry of Trade and Industry, The Norwegian, 2002.

41. The EEA Agreement also covers a number of co-operation areas beyond the internal market of great importance to Norway, such as research and development, education, environmental policy, social policy, culture, health, equal opportunities and a range of other programmes and activities carried out in the EU.

42. Source: The Government of Norway.

43. Source: The EFTA Surveillance Authority, Internal Market Scoreboard EFTA States, May 2002. Available at *www.efta.int/structure/SURV/efta-srv.asp*

44. See *www.odin.dep.no/archive/smkvedlegg/01/01/eossa020.pdf*. (The guidelines replace the previous guide from 1997 (*rundskriv* 97/1259, 30. May 1997))

45. See *www.odin.dep.no/ud/engelsk/publ/p10001859/032141-040002/index-hov001-b-n-a.html*

46. The Council has 87 members, representing the five Nordic countries (Denmark, Finland, Iceland, Norway, Sweden) and three autonomous regions (Åland, Faroe Islands, Greenland).

47. For example, several important acts in the private sector on inheritance, purchase of goods, copyright, maritime issues etc. were drafted in co-operation between some of the Nordic states. As a result the enacted regulations came out more or less identical in the Nordic countries, much to the advantage of Nordic people moving to another Nordic state.

48. Regulatory bodies and institutions in Norway is the subject of a separate background report in the regulatory reform review of Norway, and will therefore not be dealt with in detail here.

49. Source: Notes by the Ministry of Labour and Government Administration dated 27.02.96 and by the Planning and Co-ordination Department dated 12.12.1997: *Almindelige høringsfrister og gitte høringsfrister [i 1997]*.

50. Act of 19 June 1969 No. 53 sets out the obligation to publish all new legislation in the Norwegian Gazette, including decisions on entry into force of acts and repeal of acts. The Public Administration Act of 10th February 1967 sets out the same basic obligations for subordinate regulations, however with a few exceptions in cases of short term applicability of the regulation or if it relates to specific events. The regulation may then be announced in some other way, cf. the Public Administration Act § 38.

51. Vinje, Finn-Erik (1995): *Lovlig språk. Om språk og stil i lover og annet regelverk.*

52. See *www.sft.no/bmi*

53. One example is the systematic practice of co-ordinating inspection and enforcement across ministries and agencies in the areas of health, environment and safety. Another example is the petroleum sector on the Norwegian continental shelf, where one agency co-ordinates supervisory activities according to several different regulatory requirements.

54. The Public Administration Act, Section 27.

55. *Op.cit.*, Section 28.

56. Op.cit., Section 11a.

57. Pursuant to Section 6 of the Act 22 June 1962 No. 8 concerning the Storting's Ombudsman for Public Administration.

58. Pursuant to Section 6, Para. 4 of the Ombudsman Act, the Ombudsman will decide whether there are sufficient grounds for dealing with a complaint. This decision is left to the Ombudsman's discretion.

59. Source: The Ombudsman's Annual Report, 2001. *www.sivilombudsmannen.no/melding/2001E.pdf* (English version).

60. Pursuant to Section 10 of the Ombudsman act the Ombudsman is entitled to express his opinion and point out that an error has been committed or that negligence has been shown in the public administration. He may also say when a decision in his opinion may be considered invalid.

61. Revisions of the regulatory framework in the 1990s introduced a high degree of decentralisation in the responsibilities to implement environmental policies. Norway's 19 counties and 435 municipalities have the responsibility for the implementation of environmental policy in conservation, local water pollution controls, waste management and Environmental Impact Assessment.

62. OECD (2001), Environmental Performance Review.

63. Norway currently has one of the highest energy consumption per capita in the world, and the purpose of these subsidies is to promote the production of renewable energy.

64. The GRIP Centre - The Foundation for Sustainable Production and Consumption - was established by the Ministry of Environment and is governed by it in partnership with the Confederation of Norwegian Business and Industry, the Norwegian Confederation of Trade Unions, the Federation of Norwegian Commercial and Service Enterprises, the Norwegian Association of Local and Regional Authorities, the Norwegian Society for the Conservation of Nature and the Norwegian Pollution Control Authority. The basic financing of GRIP is provided by the Ministry of the Environment. A large part of the project financing is contributed by the companies participating in projects. Source: *www.grip.no/Felles/english.htm*

65. OECD (1997).

66. In advanced regulatory management systems, potential conflicts of objectives may occur between guiding and RIAs. See OECD (2002*d*).

67. Cost-benefit analysis have so far been used most extensively for road construction projects.

68. See endnote 19.

69. Ministry of Justice and Police and The Ministry of Trade and Industry, 2002: 32.

70. Ministry of Justice (2000): 209-210.

71. The project also lead to the repeal of several hundred local regulations adopted by national authorities (*i.e*. regulations issued by local authorities but needing assent by national authorities to become valid).

72. See for example the public sector modernisation programme and the inaugural address *www.odin.dep.no/smk/engelsk/aktuelt/taler_statsmin/taler/001001-090228/index-dok000-b-n-a.html*

73. Experiences across OECD countries offer some evidence on the success and experiences with the use of sunsetting Only few OECD countries routinely use these approaches and little evaluation has been done of their benefits and costs. An OECD study *) reviewing the use of sunsetting in several Australian states concluded that it had substantially reduced the overall number of regulations in force, removed much redundant regulation from the statute books and encouraged the updating and rewriting of much that remained. Four of the five states using sunsetting opted for a ten year cycle, with New South Wales adopting a five year cycle. However, a decade's experience has led the major participants in the process to the view that a five year cycle is too short, leading to wasted effort on review requirements and widespread abuse of the limited exemption provisions made in the governing legislation On the other hand, sun-setting may create unforeseen problems and wrong incentives, especially if too brief a period is established. In some cases, SMEs have raised concerns with regulatory sunsetting as it can reduce the predictability of the regulatory environment. Sunsetting may also tend to reduce compliance toward the end of the lifespan of the regulation. It is also potentially costly for regulatory bodies, as resources must be committed to developing new regulation and moving through the regulation-making process.

*) Report by the Public Management Service of the OECD on Regulatory Impact Assessment in New South Wales. PUMA/OECD. Published by the Regulation Review Committee, Parliament of New South Wales, Report No. 18/51, January 1999. See especially pp. 38-40.

74. In late 2000, Per Laegreid and Tom Christensen interviewed 58 political and administrative leaders, encompassing member of the cabinet (97-2000), secretary generals (administrative leaders in the ministries) agency leaders and director of state corporations. The results were presented in "Administrative reform policy: the challenges of turning symbols into practice", Paper presented at the Sixth National

Public Management Research Conference, School of Public and Environmental Affairs, Indiana University, (2001).

75. Laegreid and Christensen (2001), p. 18. (Secretary Generals were even more critical, with about two thirds of respondents being unable to identify any effects of the program.)

76. The Central Coordinating Register for Legal Entities contains basic data about entities that are under reporting obligations to the Register of Employers, the Value Added Tax Registration List, the Register of Business Enterprises, the Business Register of Statistics Norway, the Corporate Taxation Data Register or the County Governors' Register of Foundations.

77. Norwegian Business Association (NHO): *Skemaveldet fem år etter – undersøkelse af skemarutiner i statsetater*, 22 November1999.

78. Brønnøysundregistrene: *www.brreg.no/statistikk/2001/oppg1.html*; Statistics Norway: *www.ssb.no/english/subjects/09/01/nr_en/tabe_1991-2001_23.html*

79. OECD (2003).

80. See http://odin.dep.no/nhd/engelsk/publ/handlingsplaner/024101-990053/index-dok000-b-n-a.html

81. See *www.ehandel.dep.no*

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