

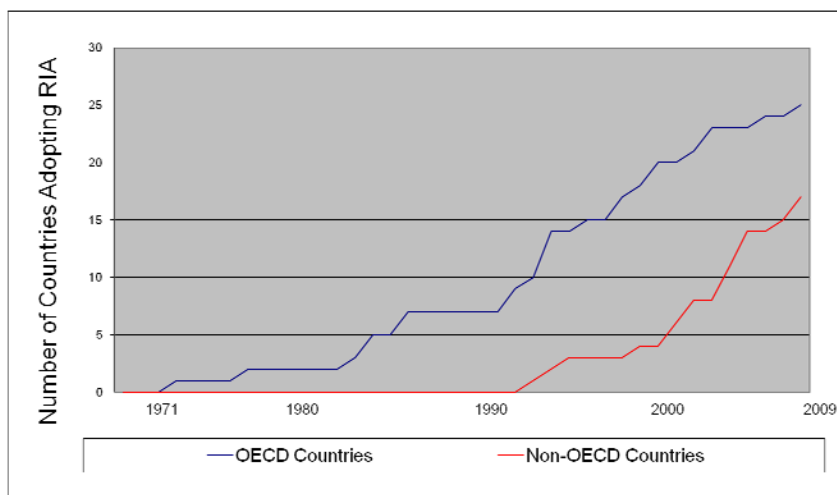
Impact Assessment: An international perspective

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(R)IA has spread rapidly



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Drivers for RIA

- Today everybody demands good regulation ...
 - Bad regulation and ‘dumb’ regulation
- The crisis has exacerbated the demand
 - ‘Regulation issues’ quoted 47 times in 9 pages of G20 establishment Declaration (Nov 2008)
 - UK general election : All manifestos talk about better regulation

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RIA is a powerful driver

- Economic efficiency
 - Europe competitiveness
 - Productivity
- Good governance
 - New public management
 - Transparency and accountability
- The EU factor around the world
 - EU Soft power for market based and accountability in trade partners

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The objectives of impact assessment are common sense

- “Better prevent to be sorry”
 - Ex ante evaluation of future regulatory (and non-regulatory) regulations
- The main objectives of IA are to improve:
 - Efficiency
 - Transparency
 - Accountability

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But has RIA delivered?

- Some disappointments
 - A plateau ?
 - Business are still unhappy
 - Is RIA a new fad?
 - Can work only in ‘Anglo-Saxon’ countries?
- Important challenges in the practices

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Because opposition, inertia and tradition

- By regulators
 - Tradition, capacity limits, lack of incentives, internal red tape, etc.
- By politicians (including MPs)
 - RIA is a 'check and balance' mechanism
- By regulatees
 - 'Good old way'
 - Too long to produce results

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Because the costs of doing RIAs

- No pain, no gain?
 - Unfunded mandates
- Calibration of IA scope
 - Too little or too much
- Managing the system
 - Oversight of the system
- Fitting it to the rule making process
 - RIA as 'command and control' regulation
 - Incompatibilities with other decision making processes

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Because dispersion and capture due to success

- Returning to 'balkanization' of policy making
 - Proliferation of ex ante tests
- Captured by interest groups
 - Information asymmetries
- RIA, PIA, IA
 - 'test hopping'
 - Difficulties to do a IA of laws with multiple instruments and objectives

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Because of political economy reasons

- Over reaching and managing expectations
 - RIA requires time
- A too technocratic approach
 - Why best practice is not adopted?
 - Why SCM was quicker to get traction?
 - "rights to good regulation" & the courts
- Difficulties to evaluate RIA
 - Contra factual, etc.

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However, there are some way out

- RIA as part of rulemaking infrastructure
 - Control at the source (forward planning)
 - Control at the end
- RIA and consultation
 - Decentralizing the 'challenge function'
- Size is important
 - RIA in small jurisdictions
 - Mutual recognition (sub national level)

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RIA and technical infrastructure

- E*RIA
 - Reducing 'internal red tape'
- Better targeting RIA
 - Two stages
- Focus supports
 - RIA 'vouchers' and special support agencies
- Better Oversight Bodies
 - Mandate, location, resources
 - Technical & political aspects
 - Networks of controls

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Other emerging interesting trends

- Building political constituencies
 - Business sector RIA bodies
 - Building political support for RIA after SCM
- Leveraging RIA
 - Climate change, Egov
 - RIA in infrastructure policies (Telecom, Transport ...)
- Mainstreaming RIA
 - Competition and trade policies
 - Structural reform and State reform
- Checking on RIA
 - Audit Offices & independent bodies evaluations
 - Committees & processes

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Summing up

- RIA is a major economic governance reform in OECD and non OECD countries
- It is not an easy and fast road nor a 'panacea' for low quality regulation
 - It is not a black box that can be installed at the end of a policy/regulatory process
- Requires adaptation, innovation and patience

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