

Institutions, processes and habits

Workshop on simpler and more effective
business regulation

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1. A bit of history

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Pre-2005

- » As from 1993 all Government bills have to be accompanied by a statement on the impact on the State budget
- » In 1999 a law on official monitoring rules is adopted, establishing a consultative committee under the Prime Minister tasked with advising Ministries on impact assessments in this particular field



Action plan „simpler Iceland“

- » PMO issues guidelines on simplification
- » All Ministries develop simplification plans
- » A handbook on legislative drafting is issued
- » The presentation of the legislative programme is improved
- » The Ministries have to complete a checklist which accompanies bills when presented in the Cabinet
- » The action plan is developed and implemented in cooperation between the Ministries, the office of Parliament, local authorities and stakeholders from the industry



DLA established in the PMO in 2009 (5 lawyers, doing other things as well)

- scrutinises draft laws from the Ministries, issues a confidential opinion presented in the Cabinet
- develops standards, organises training
- was instrumental in preparing new Cabinet rules of procedure issued early 2013, prepared a draft Parliamentary resolution which was not passed
- participation in international fora (OECD, EU, Nordic cooperation)
- » Builds on previous work, but not much involvement outside Ministries and the Parliament's Office (l. no. 27/1999 a „sleeping beauty“)



2008-2013

The new law on local authorities from 2011 mandates that every Government bill presented in Parliament and affecting the local authorities must be accompanied with an analysis of the financial impact on them.



Key challenges

RIAs are gaining ground, but there is still a lot of room for improvements (point in time, data, quality of analysis).

Consultation is also gaining ground, but it is not mandatory, at Ministry level, and sometimes the quality of the consultation and the way it is presented in the notes to the relevant bill can be criticised.

Planning and project management are underdeveloped.

Need for more consensus on the respective roles of Parliament and the Ministries.

Little focus on simplification or ex-post evaluation.



Proposed action: Revision of law 27/99

Goals of revision:

Increase the effectiveness of the law.

Make the purpose of the law clearer.

Increase the independence of the advisory committee under the law.

Increase the transparency of the work of the committee.

Give the committee a special role in promoting the quality of RIAs.



Revision of law 27/99 – some ideas

Broaden the scope so that it not only covers inspection rules, but all legislation imposing regulatory burdens on businesses.

Increase the independence of the committee, in particular the chairperson should be independent of both business and Government.

Ensure transparency through the publication of opinions.

Task the committee with reviewing RIAs, perhaps step by step, so that at the beginning selected bills, depending on their impacts on business, are in sent to the committee for review.

Give the committee wider tasks in reviewing the government's performance in the better regulation field (yearly report etc.).



Proposed action – procedures

Goal:

Improved accordance between legislative proposals and the Coalition agreement.

Better overview of the total impact of proposed legislation on businesses.

Give the the businesses an opportunity to learn in a timely manner about legislative intentions.



Procedures – some ideas

The legislative programme should

cover a longer period,

be reviewed more closely at cabinet level as regards compliance with the coalition agreement, inter alia regarding impact on businesses,

be reviewed at cabinet level as regards appropriate planning, project management (are RIAs and consultation planned?) and the necessity for legislative intervention,

in short, should be taken more seriously as an important planning tool.



Other related issues

A new advisory committee under law no. 27/1999 has already been appointed with an independent chairperson.

The composition of the committee has been reviewed, including now a representative of the Chamber of Commerce for the first time, in addition to representatives of the local authorities and the social partners.

A network of „better regulation“ contacts in all Ministries has been established.

