

OECD Reviews of Regulatory Reform

# Austria

## Regulatory Impact Assessment and Regulatory Oversight

2020



OECD Reviews of Regulatory Reform

# **Regulatory Impact Assessment and Regulatory Oversight in Austria**



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# Abbreviations and acronyms

<b>BHG</b>	Federal Budget Act
<b>BMF</b>	Federal Ministry of Finance
<b>BMKOEDS</b>	Federal Ministry of Arts, Culture, Public Service, Sport
<b>BMVRDJ</b>	Former Federal Ministry of Justice
<b>BRU</b>	Better Regulation Unit
<b>FPMO</b>	Federal Performance Management Office
<b>NKR</b>	National Regulatory Control Council
<b>OBPR</b>	Office of Best Practice Regulation
<b>PBO</b>	Parliament Budget Office
<b>PMU</b>	Performance Management Unit
<b>RIA</b>	Regulatory Impact Assessment
<b>WFA</b>	Regulatory Impact Assessment ( <i>Wirkungsfolgenabschätzung</i> )

# Executive summary

The Government of Austria has an advanced regulatory policy system in place, but a lack of analytical capacities and inter-ministerial co-ordination continue to pose challenges for good quality regulation. While *ex ante* and *ex post* evaluation of regulations have been mandatory since the introduction of the system of “*Wirkungsorientierte Folgenabschätzung*”<sup>1</sup> (WFA) as part of a comprehensive system of Performance Orientation in 2013, the *OECD Regulatory Policy Outlook 2018* has pointed to several potential gaps in the system. In addition, responsibilities for regulatory oversight functions are shared between several ministries. The current set-up bears a potential risk of overlapping and unclear functions, and the system’s methods and performance have scope for improvement.

The OECD Project supports the Austrian Government’s efforts to improve the current system for regulatory impact assessment (RIA) and regulatory oversight. In a first step, an issues paper was prepared based on desk research,<sup>2</sup> identifying key challenges that Austria is facing on its way to improving the existing framework and providing examples of international best practices in this regard. The paper served as a discussion base for the OECD stakeholder workshop taking place November 2019 in Vienna, where Austrian counterparts identified priority areas for reform. Following the workshop, the OECD team conducted stakeholder interviews with relevant ministries, economic and social partners, research institutes, business representatives and academics. Based on the findings of stakeholder workshop and fact-finding mission, the OECD developed an action plan outlining 10 priority areas for reform with concrete actions for improvement to the Austrian RIA and regulatory oversight system.



## Action plan

### **Promoting regulatory impact assessment and regulatory oversight in Austria**

Action	Description	Entity/entities with primary responsibility	Time frame (short-/medium-/long-term)
<b>Priority 1: Embedding RIA in a broader better regulation strategy to renew political support for a whole-of-government approach to RIA</b>			
1.1	Demonstrate willingness to making better regulation a priority by putting in place a whole-of-government strategy for regulatory quality	Federal Chancellery, Government	Short-term
<b>Priority 2: Strengthening the current institutional set-up for regulatory oversight</b>			
2.1	Consider options for reforming and strengthening the institutional structure of regulatory oversight	Government	Variable depending on the option chosen.
<b>Priority 3: Improving the regulatory oversight system's methods and performance</b>			
3.1	Strengthen the 'gatekeeper' function of the oversight body with regard to quality standards	FPMO, Government	Short- to medium term
3.2	Evaluate and monitor the performance of the oversight process	FPMO, BMF	Medium-term
3.3	Improve the accessibility of the yearly BMKOES report to Parliament	FPMO	Short-term
<b>Priority 4: Strengthening analytical capacities for RIA to promote RIA quality</b>			
4.1	Involve Performance Management Units more closely in the RIA process and staff them with experts in cost-benefit analysis or economics	FPMO, Ministries	Medium-term
4.2	Continue to bolster training efforts, guidance and hiring to conduct evaluation	FPMO, BMF, Government	Short- to medium-term
<b>Priority 5: Improving inter-ministerial co-ordination for RIA</b>			
5.1	Introduce a requirement to share legislative drafts and the government's legislative plan with ministries in the new IT-tool	Government	Short-term
5.2	Set up regular PMU meetings to discuss general RIA practice and upcoming legislative drafts	FPMO	Short-term
5.3	Closely develop the new IT-tool with the end user to address shortcomings of the old system	FPMO, BMF	Short-term

Action	Description	Entity/entities with primary responsibility	Time frame (short-/medium-/long-term)
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**Priority 6: Broadening the scope of impact assessments beyond financial impacts to increase RIA's informative value**

6.1	Create demand for high-quality analysis by strengthening regulatory oversight	FPMO, BMF	Short- to medium-term
6.2	Improve the availability of data for RIA	Federal Chancellery, FPMO	Short- to medium-term

**Priority 7: Making systematic use of RIA as a decision-making tool to ensure policies are based on evidence**

7.1	Incentivize policy teams to start developing RIA at the beginning of the policy process	FPMO, Government	Medium-to-long-term
7.2	Promote evidence-based law-making in Parliament	Parliament	Medium- to long-term
7.3	Communicate the benefits of RIA to both civil servants and external stakeholders	Government	Short- to medium-term

**Priority 8: Further targeting the approach to RIA to focus capacities on the most burdensome legislation**

8.1	Effectively targeting RIA towards the most burdensome legislation	Federal Chancellery, FPMO, Government	Medium-term
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**Priority 9: Making RIA transparent and accessible for more inclusive law making**

9.1	Involve stakeholders more systematically early in the legislative process	Ministries, FPMO	Medium-term
9.2	Ensure the publication of all RIA statements and include short, easy-to-read summaries	Ministries, FPMO	Short-term
9.3	Implement accountability- and performance oriented arrangements for RIA quality	Ministries	Short-term
9.4	Establish oversight of the stakeholder consultation process	Federal Chancellery, FPMO	Medium-term

**Priority 10: Improving the quality of policy goals and objectives to support ambitious policy making**

10.1	Ensure strong oversight of the process for developing policy goals and objectives	FPMO	Short- to medium-term
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Note: Short-term measures: < 1 year; medium-term: < 3 years; long-term: > 3 years. It should be noted that the order of the priorities is not intended to reflect their relative importance.

## Notes

<sup>1</sup> = Regulatory Impact Assessment (RIA).

<sup>2</sup> The paper was based on desk research of existing sources of national, OECD and EU information to obtain detailed information about the current institutional setup and the use of RIA in Austria. It heavily drew on the findings of the second focus study on WFA conducted by the Hertie School of Government (Hammerschmid and Hopfgartner, 2019<sup>[2]</sup>).

# Key actions for promoting regulatory impact assessment (RIA) and regulatory oversight

## Regulatory impact assessment

RIA is a regulatory management tool used to examine and measure the likely benefits, costs and effects of new or existing regulation. If used systematically and as a government-wide approach, it serves as a critical tool to ensure greater quality of government intervention and provides crucial information to decision makers on whether and how to regulate to achieve public policy goals. Good practices for RIA are laid out in principle 4 of the 2012 OECD's *Recommendation on Regulatory Policy and Governance*.

### Box 1. The 2012 OECD Recommendation on Regulatory Policy and Governance – Principle 4

*Integrate regulatory impact assessment (RIA) into the early stages of the policy process for the formulation of new regulatory proposals. Clearly identify policy goals, and evaluate if regulation is necessary and how it can be most effective and efficient in achieving those goals. Consider means other than regulation and identify the trade-offs of the different approaches analysed to identify the best approach.*

- 4.1 Adopt *ex ante* impact assessment practices that are **proportional** to the significance of the regulation, and include **benefit cost analyses** that consider the welfare impacts of regulation taking into account economic, social and environmental impacts including the distributional effects over time, identifying who is likely to benefit and who is likely to bear costs.

- 4.2 *Ex ante* assessment policies should require the **identification of a specific policy need**, and the objective of the regulation such as the correction of a market failure, or the need to protect citizen's rights that justifies the use of regulation.
- 4.3 *Ex ante* assessment policies should include a consideration of alternative ways of addressing the public policy objectives, including **regulatory and non-regulatory alternatives** to identify and select the most appropriate instrument, or mix of instruments to achieve policy goals. The **no action option** or baseline scenario should always be considered. *Ex ante* assessment should in most cases identify approaches likely to deliver the greatest net benefit to society, including complementary approaches such as through a combination of regulation, education and voluntary standards.
- 4.4 When regulatory proposals would have significant impacts, *ex ante* assessment of costs, benefits and risks should be **quantitative** whenever possible. Regulatory costs include direct costs (administrative, financial and capital costs) as well as indirect costs (opportunity costs) whether borne by businesses, citizens or government. *Ex ante* assessments should, where relevant, provide qualitative descriptions of those impacts that are difficult or impossible to quantify, such as equity, fairness, and distributional effects.
- 4.5 Regulatory Impact Analysis should as far as possible be made **publicly available** along with regulatory proposals. The analysis should be prepared in a suitable form and within adequate time to gain input from stakeholders and assist political decision making. Good practice would involve using the Regulatory Impact Analysis as part of the consultation process.
- 4.6 *Ex ante* assessment policies should indicate that regulation should seek to enhance, not deter, **competition and consumer welfare**, and that to the extent that regulations dictated by public interest benefits may affect the competitive process, authorities should explore ways to limit adverse effects and carefully evaluate them against the claimed benefits of the regulation. This includes exploring whether the objectives of the regulation cannot be achieved by other less restrictive means.
- 4.7 When carrying out an assessment, officials should:
- Assess **economic, social and environmental impacts** (where possible in quantitative and monetised terms), taking into account possible long term and spatial effects;

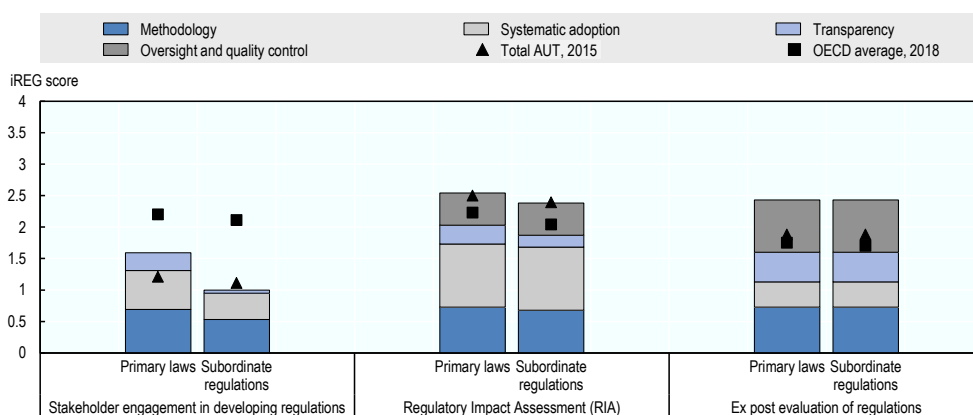
- Evaluate if the adoption of common international instruments will efficiently address the identified policy issues and foster coherence at a global level with minimal disruption to national and international markets;
- Evaluate the impact on small to medium sized enterprises and demonstrate how administrative and compliance costs are minimised.

4.8 RIA should be supported with **clear policies, training programmes, guidance** and **quality control mechanisms** for data collection and use. It should be integrated early in the processes for the development of policy and supported within agencies and at the centre of government.

Source: (OECD, 2012<sup>[1]</sup>).

The Indicators for Regulatory Policy and Governance show Austria performs strongly compared to other OECD countries when it comes to RIA (see Figure 1, centre bars). RIA has been mandatory in Austria since 2013 and all draft primary laws are published on the Parliament's website together with a short description of the legislative project in accessible language, the RIA and other accompanying documents since 2017. For a detailed description of the RIA process in Austria, see page 47 of the second focus study (Hammerschmid and Hopfgartner, 2019<sup>[2]</sup>).

**Figure 1. Indicators of Regulatory Policy and Governance (iREG): Austria, 2018**



Notes: The more regulatory practices as advocated in the [OECD Recommendation on Regulatory Policy and Governance](#) a country has implemented, the higher its iREG score. The indicators on stakeholder engagement and RIA for primary laws only cover those initiated by the executive (78% of all primary laws in Austria).

Source: (OECD, 2017<sup>[3]</sup>).

A number of positive features can be highlighted from the Austrian approach to RIA. Namely, an elaborate threshold test introduced in 2015 determines whether a simplified or full RIA has to be conducted for draft regulations. A simplified RIA is now conducted for about two thirds of all regulations. The Austrian RIA methodology stipulates the assessment of a variety of impacts, including environmental, social and gender impacts.

When implementing RIA in practice, the Regulatory Policy Outlook 2018 noted that there was room for improvement amongst OECD countries (including Austria). Results show that RIA is often conducted as a procedural tick-the-box exercise rather than focussed on actual quality and consequences (intended or unintended) of proposed legislation. The report noted that assessments tend to focus on narrowly defined economic impacts, such as regulatory burden for business, ignoring other significant effects and benefits of regulation.

## Regulatory oversight

Regulatory oversight is a critical aspect of regulatory policy. Without proper oversight, undue political influence or a lack of evidence-based reasoning can undermine the ultimate objectives of policy. Careful, thoughtful analysis of policy and an external check of policy development are required to ensure that governments meet their objectives and provide the greatest benefits at the lowest costs to citizens. Allocating roles and responsibilities and defining tasks throughout the regulatory process, especially ensuring that regulatory management tools are used effectively, are key success factors in any regulatory policy system.

Accordingly, the OECD have stated that bodies tasked with regulatory oversight should be tasked with five functions (see Box 2 below for more detail). Of these, three are directly related to RIA: **quality control, coordination, and guidance, and advice and support**. The function of quality control focuses on scrutiny of RIA and placing incentives on civil servants to conduct RIAs consistently and in a meaningful fashion. It concerns the respect of set procedures and methodological standards, consideration of relevant impacts as well as appropriate linkages with the rest of the policy cycle (including other regulatory policy tools, such as stakeholder consultation and *ex post* evaluation). Coordination, in turn, is essential to promote a whole of government, co-ordinated approach to regulatory quality as well as to ensure consistency in RIA implementation. The guidance, advice and support notably consists of providing appropriate guidance and helping to build RIA-related capacity.

## Box 2. Main features of regulatory oversight bodies to promote regulatory quality

Principle 3 of the 2012 *OECD Recommendation of the Council on Regulatory Policy and Governance* calls for countries to “establish mechanisms and institutions to actively provide oversight of regulatory policy procedures and goals, support and implement regulatory policy and thereby foster regulatory quality”. The Recommendation highlights the importance of “a standing body charged with regulatory oversight (...) established close to the centre of government, to ensure that regulation serves whole-of-government policy” and outlines a wide range of institutional oversight functions and tasks to promote high quality evidence-based decision making and enhance the impact of regulatory policy.

In line with the *Recommendation*, a working definition of “regulatory oversight” has been employed in the 2018 *Regulatory Policy Outlook*, which adopts a mix between a functional and an institutional approach. “Regulatory oversight” is defined as the variety of functions and tasks carried out by bodies/entities in the executive or at arm's length from the government in order to promote high-quality evidence-based regulatory decision making. These functions can be categorised in five areas, which however do not need to be carried out by a single institution/body:

Areas of regulatory oversight	Key tasks
Quality control (scrutiny of process)	<ul style="list-style-type: none"> <li>• Monitor adequate compliance with guidelines / set processes</li> <li>• Review legal quality</li> <li>• Scrutinise impact assessments</li> <li>• Scrutinise the use of regulatory management tools and challenge if deemed unsatisfactory</li> </ul>
Identifying areas of policy where regulation can be made more effective (scrutiny of substance)	<ul style="list-style-type: none"> <li>• Gather opinions from stakeholders on areas in which regulatory costs are excessive and / or regulations fail to achieve its objectives.</li> <li>• Reviews of regulations and regulatory stock.</li> <li>• Advocate for particular areas of reform</li> </ul>
Systematic improvement of regulatory policy (scrutiny of the system)	<ul style="list-style-type: none"> <li>• Propose changes to improve the regulatory governance framework</li> </ul>



	<ul style="list-style-type: none"> <li>• Institutional relations, e.g. co-operation with international fora NKR</li> <li>• Co-ordination with other oversight bodies</li> <li>• Monitoring and reporting, including report progress to parliament / government to help track success of implementation of regulatory policy</li> </ul>
Co-ordination (coherence of the approach in the administration)	<ul style="list-style-type: none"> <li>• Promote a whole of government, co-ordinated approach to regulatory quality</li> <li>• Encourage the smooth adoption of the different aspects of regulatory policy at every stage of the policy cycle</li> <li>• Facilitate and ensure internal co-ordination across ministries / departments in the application of regulatory management tools</li> </ul>
Guidance, advice and support (capacity building in the administration)	<ul style="list-style-type: none"> <li>• Issue guidelines and guidance</li> <li>• Provide assistance and training to regulators/administrations for managing regulatory policy tools (i.e. impacts assessments and stakeholder engagement)</li> </ul>
<p>Source: OECD (2018), OECD Regulatory Policy Outlook 2018, OECD Publishing, Paris, <a href="http://dx.doi.org/10.1787/g2g90cb3-en">http://dx.doi.org/10.1787/g2g90cb3-en</a>; OECD (2012), Recommendation of the Council on Regulatory Policy and Governance, OECD Publishing, Paris, <a href="http://dx.doi.org/10.1787/9789264209022-en">http://dx.doi.org/10.1787/9789264209022-en</a>.</p>	

In Austria, the Federal Performance Management Office (FPMO) at the Federal Ministry for Arts, Culture, Public Service and Sport (BMKOES) reviews the quality of all full RIAs and *ex post* evaluations, controls the application of threshold tests for RIA light and provides advice during their development. The FPMO publishes its opinions on RIAs for primary laws and can advise administrators to revise RIAs if their quality is deemed insufficient. The FPMO is responsible mainly for formal quality control of the RIA and can consult relevant ministries to help review the content of the impact assessments. The FPMO also issues guidelines and provides training on RIA and *ex post* evaluation and co-ordinates the use of these tools across government. It also reports annually to Parliament to provide an overview of the RIA and *ex post* evaluation results.

The Ministry of Finance (BMF) supports the FPMO's work by reviewing assessments of financial impacts and costs in RIAs and *ex post* evaluations. It is also involved in issuing the guidelines for these tools. The Constitutional Service located in the Federal

Chancellery is responsible for promoting Better Regulation. It also scrutinises the legal quality of regulation under development and issues formal opinions on legal quality that are published on the website of Parliament.

### Location of regulatory oversight functions: Austria

Regulatory oversight functions		Centre of government	Ministry of Finance, Economy or Treasury	Ministry of Justice	Other ministries	Non-departmental body	Parliament	Office of the Attorney	Supreme audit institution	Part of the judiciary
Quality control of...	RIA		●		●					
	Stakeholder engagement									
	Ex post evaluation		●		●					
	Identifying policy areas where regulation can be made more effective		●							
	Systematic improvement of regulatory policy		●		●					
	Co-ordination of regulatory policy				●					
	Guidance, advice and support		●		●					
	Scrutiny of legal quality	●								

● indicates that a given regulatory oversight function is covered by at least one body in a particular location.

Source: 2017 OECD survey on regulatory oversight bodies, [www.oecd.org/gov/regulatory-policy/indicators-regulatory-policy-and-governance.htm](http://www.oecd.org/gov/regulatory-policy/indicators-regulatory-policy-and-governance.htm). Table was adjusted following changes to the institutional set-up for regulatory oversight in Austria.

This report outlines the main challenges Austria is facing with regard to its RIA and oversight system and explores actions for the government to enhance its approach, focusing on the following key priorities.

## Priority 1: Embedding RIA in a broader better regulation strategy to renew political support for a whole-of-government approach to RIA

### ***Issue analysis***

The OECD *Best Practice Principles for RIA* (OECD, 2020<sup>[4]</sup>) emphasize political commitment as an important factor for RIA to be integrated into regulatory policy. There are many ways in which governments can show their commitment towards RIA in the long run. To make sure this commitment and buy-in are sustainable, governments should, among other measures, introduce RIA as part of a comprehensive long-term plan to boost the quality of regulation. RIA alone can never be successful and needs to be linked to other regulatory reform tools and embedded in a broader strategy. The OECD 2012 *Recommendation* advises governments to “commit at the **highest political level to an explicit whole-of-government policy** for regulatory quality. The policy should have clear objectives and frameworks for implementation to ensure that, if regulation is used, the economic, social and environmental benefits justify the costs, the distributional effects are considered and the net benefits are maximised.”

In Austria, a well-functioning legislative framework for regulatory policy has been introduced, including a law on RIA and *ex post* evaluation, but a whole-of-government approach adopted at the highest political level is still missing. As a result, ministries prepare RIAs in isolation and the quality and effectiveness of RIA varies among ministries. OECD research showed that when preparing impact assessments, ministries do not systematically consult each other for help and guidance with the assessment of impacts in their respective areas of competence. The horizontal RIA network, originally established to facilitate exchange between departments, is not used systematically. In addition, there is a lack of political commitment to RIA in Austria. The results of RIA are not systematically used by ministers as a decision-making tool to ensure evidence based policy making and the benefits of RIA are not communicated sufficiently within the administration and to external stakeholders. These issues are further discussed in Priorities 5 and 7.

***Key action: Demonstrate willingness to making better regulation a priority by putting in place a whole-of-government strategy for regulatory quality***

The above issues reveal the need to embed the RIA system within a broader reform framework that tackles several mutually reinforcing avenues for improvement and reorganisation. Introducing a formal and uniform regulatory policy at the centre of government can help foster a **horizontal approach to RIA**. This is an important issue in the Austrian context, as ministries and other administrative bodies operate in a culture of strong autonomy. Experience from OECD countries shows that governments RIA tends to be most effective if the design and the implementation of the RIA system is thoroughly integrated with other government processes and tools.

Embedding RIA in a whole-of-government policy for regulatory quality would also serve to express **political support for RIA**. Continuity and bipartisan commitment to RIA are essential to success, regardless of changes at the political level. Such a high-level political statement on the benefits of RIA and other regulatory management tools might give the RIA system the support it needs to become an essential part of legislative processes in Austria.

Implementing such a whole-of-government approach is not an easy task and there is no one-size-fits-all solution that can be applied to all different country contexts. Generally, an effective regulatory policy is built on three basic components that are mutually reinforcing: it is adopted at the highest political level, contains explicit and measurable regulatory quality standards, and provides for continued regulatory management capacity (OECD, 2002<sup>[5]</sup>).

Important lessons can be drawn from other countries' experiences with introducing a single policy for regulatory quality at the highest political level (see Box 3).

**Box 3. Building “whole-of-government” programmes for regulatory quality**

Countries considering the introduction of a policy for regulatory quality across the whole of government face the issue of where and how to start the process of embedding regulatory policy as a core element of good governance. An incremental approach has worked in some settings, such as the Netherlands or Denmark, while other countries like the United Kingdom, Australia or Mexico have used a more comprehensive approach.

In Canada, the whole-of-government *Cabinet Directive on Regulation* sets out the government's expectations and requirements in the development, management, and review of federal regulations. It outlines four guiding principles for departments and agencies:

1. *Regulations protect and advance the public interest and support good government:* Regulations are justified by a clear rationale in terms of protecting the health, safety, security, social and economic well-being of Canadians, and the environment.
2. *The regulatory process is modern, open, and transparent:* Regulations, and their related activities, are accessible and understandable, and are created, maintained, and reviewed in an open, transparent, and inclusive way that meaningfully engages the public and stakeholders, including Indigenous peoples, early on.
3. *Regulatory decision-making is evidence-based:* Proposals and decisions are based on evidence, robust analysis of costs and benefits, and the assessment of risk, while being open to public scrutiny.
4. *Regulations support a fair and competitive economy:* Regulations should aim to support and promote inclusive economic growth, entrepreneurship, and innovation for the benefit of Canadians and businesses. Opportunities for regulatory co-operation and the development of aligned regulations should be considered and implemented wherever possible.

Source: (Treasury Board of Canada Secretariat, 2018<sup>[6]</sup>).

In October 2018, the former BMVRDJ appointed an experts' group (including relevant ministries, judicial bodies, and academia) to identify key elements of an Austrian Better Regulation Strategy. The Strategy aimed to develop a holistic approach to address current challenges. The new Austrian Federal Government, which took office in January 2020, should demonstrate willingness to continue this work to make better regulation a priority by taking forward the commitment from the Government Programme<sup>1</sup> to put in place a whole-of-government strategy for regulatory quality.

The strategy could take the form of a law or government resolution that would bring together the provisions on better regulation that are currently spelled out in different laws and resolutions. It should have frameworks for implementation to ensure that, if regulation is used, the economic, social and environmental benefits justify the costs, the distributional effects are considered and the net benefits are maximised. This framework could be realised as a high-level strategic plan outlining the specific

responsibilities for different actors in the regulatory process and ensure co-ordination between key institutions tasked with better regulation functions, namely the FPMO, the BMF, the Ministry of Justice and the Federal Chancellery. The strategy should also include a renewed political commitment from the centre of government and have a clear communication strategy to help engage the public in the scrutiny of the regulatory process.

*Responsible department:* With the new government having taken office in 2020, the Federal Chancellery's constitutional service is now responsible for Better Regulation. The service should promote the development of the whole-of-government better regulation policy and take forward the commitment in the Government Programme. The realisation of this policy should be supported through a high-level institutional body like the FPMO to oversee the implementation and co-ordination of regulatory policy in Austria. The new better regulation policy should be agreed and endorsed by the government.

*Timeline:* This measure could be realised in the relative short-term, building on work already conducted by the BMVRDJ's expert group.

## Note

<sup>1</sup> The Government Programme ([Aus Verantwortung für Österreich. Regierungsprogramm 2020-2024](#)), contains a commitment for "Citizen-friendly legislation in the sense of the 'Better Regulation' strategy oriented towards international approaches such as in Germany and the Netherlands".

## Priority 2: Strengthening the current institutional setup for regulatory oversight

### *Issue analysis*

The design of the institutional setup for regulatory policy and oversight is a critical factor for establishing high quality evidence based decision making and enhancing the impact of RIA frameworks. Mobilising all actors involved in regulatory policy to build an administrative culture of regulatory quality throughout the administration is a major challenge.

The **location of the oversight bodies** is an important consideration. The *OECD 2012 Recommendation* advises countries that “*a standing body charged with regulatory oversight should be established close to the centre of government, to ensure that regulation serves whole-of-government policy*”. Where the responsibility for regulatory oversight is placed, i.e. within government or located in a body operating at arm’s length, **clearly depends on the oversight function carried out**. Functions supporting a whole-of-government approach to regulatory policy through co-ordination, the provision of guidance and training or the overall systematic improvement and advocacy for regulatory policy are usually located within government. For the quality control of regulatory management tools however it could be considered to place them in independent bodies external to government.

As is the case in many OECD countries, Austria has a **fragmented institutional landscape** for regulatory policy and responsibilities for one oversight function are split between several authorities. Responsibility for impact assessments is divided between the FPMP and the BMF, while the general framework for law- and policymaking (including the government-internal legislative guidelines for law-makers in all federal ministries) resides with the Federal Chancellery’s constitutional service.

This means that the current institutional set-up bears a risk of **overlapping and unclear functions**. This sharing of responsibility and capacities for Better Regulation across the administration makes it difficult to establish accountability for promoting a whole of government, co-ordinated approach to regulatory quality. The FPMP’s role in the RIA system is well respected. However, Austria has a tradition of strong ministerial autonomy. This could make it significantly harder for a line ministry to drive a cross-government horizontal objective such as regulatory quality, which is a problem faced by a number of OECD members.

In addition, institutions outside the executive are hardly involved in regulatory oversight functions. The Court of Audit is only involved in reviewing financial impacts of legislative proposals, and lacks the resourcing to move beyond this role. A broader

involvement of the Court of Audit would be welcomed by many parts of the administration, in particular with regards to reviewing the quality of non-financial impacts and playing a role in the *ex post* evaluation of regulations. The Constitutional Service is responsible for developing and updating legal guidelines, but it is no longer responsible for developing the RIA system. Furthermore, the parliament hardly uses RIA as a decision-making tool in the legislative process. RIA plays an insignificant role in the parliamentary process, it is sometimes cited in parliamentary committees but its main function is to inform processes in the executive.

***Key action: Consider options for reforming and strengthening the institutional structure of regulatory oversight***

The issues identified above point to the need to strengthen **regulatory oversight and supervision of RIA in Austria**, ensuring that key roles and responsibilities are clearly understood by the different actors involved. The existing fragmented structure leads to an overlapping of functions and makes robust regulatory oversight more difficult to achieve, in particular promoting promote a whole of government, co-ordinated approach to regulatory quality. The Government should consider whether the current institutional setup is conducive to effective oversight and could be reformed by placing the oversight functions in a different part of, *or even external to*, Government.

The Austrian Government has a **number of options for where strengthened regulatory oversight functions could be placed**. Importantly, it should be emphasised that the regulatory oversight functions ***do not need to be carried out by a single institution / body***, although effective coordination between these functions is crucial. These options could include:

1. **Locating the FPMO in a more central part of the administration** in order to enhance its authority across ministries. Potential locations could include the **Federal Chancellery**, which would represent strong political symbol of the government's commitment to RIA, although it would require sufficient capacity to run and enforce an oversight function. The **BMF**, in turn, possesses the strongest institutional levers to drive change across the Austrian Government through its control of the budget process and it possesses analytical experience, although this has been more narrowly focused on financial or budgetary impacts.
2. **Establishing a new regulatory oversight body, which operates with a certain degree of autonomy from central government**, to provide oversight of regulatory quality, with its focus including scrutiny of government analysis as well as stakeholder engagement. Such a body could provide reassurance to external stakeholders in the quality of government's RIA analysis. These



autonomous bodies can face challenges in ensuring that their opinions are fed into the legislative process and can influence decision making. **However, Austria does have a history of independent bodies providing advice to the government, including the Fiskalrat.**<sup>1</sup>

An international example of such oversight bodies includes the National Regulatory Control Council (*Nationaler Normenkontrollrat* – NKR) in Germany, which is responsible for quality control of regulatory impact assessments with regard to compliance costs for businesses, citizens and public administration. To guarantee independence, the NKR was established by law, ensuring that any change to the NKR’s mandate requires a public debate in Parliament. The NKR provides initial advice at the pre-consultation stage during the inter-service consultation with all ministries. The final opinion is released after the post-consultation (final) stage, when the proposal is ready to be tabled at and adopted by Cabinet (Council of Ministers). See the graphic below for more detail.

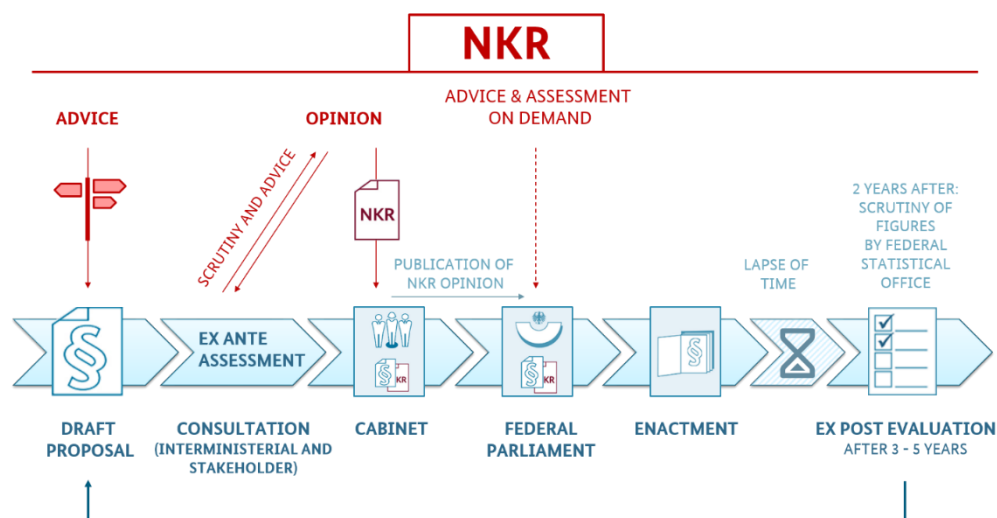
3. Alternatively, a **cross-government committee of senior officials from key ministries**, supported by a secretariat of officials from these ministries and supported by a clear ministerial mandate, could be established to coordinate and oversee a new RIA policy, as well as overseeing the performance of RIA and any reform efforts. Such a committee would help ensure that RIA is viewed as a whole-of-government initiative rather than being owned by any particular ministry. It could also carry out the key oversight function of quality control i.e. carrying out scrutiny of RIAs and placing incentives on civil servants to conduct RIAs consistently and in a meaningful fashion. The government has utilised cross-government initiatives in the past to drive progress in other policy areas and should therefore reflect on what has worked effectively e.g. in 2006, an inter-ministerial working group with representatives from all ministries was set up for the purpose of steering the “Reducing Administrative Burdens for Businesses programme” (OECD, 2010<sub>[77]</sub>). On the other hand, such a committee would be reliant on the cooperation of ministries, which tend to act with a high degree of autonomy, and may be less likely to be viewed as impartial in the eyes of stakeholders.

It is imperative, particularly in the longer run, that Austria seeks to strengthen regulatory oversight and scrutiny and ensures these functions are implemented effectively. It will be particularly important to ensure that the key roles and responsibilities are clearly understood, tasks are well defined and regulatory management tools are used effectively.

*Responsible department:* Due the cross-government nature of these reforms, such a decision may need to be taken by the Government.

*Timeline:* Variable depending on the option chosen. Moving the FPMO to a more central part of the administration and establishing a cross-government committee could likely be carried out in the short-term. Establishing an autonomous oversight body would require significantly greater resourcing, including the creation of a new organisation and could likely be carried out in the medium to long-term.

### Infographic 1. The NKR's function in the legislative process



Source: (OECD, 2018<sup>[8]</sup>).

### Note

<sup>1</sup> The Fiskalrat (Fiscal Advisory Council) was established in 2013 with the tasks of monitoring government compliance with fiscal rules in Austria, submitting recommendations on fiscal policy, carrying out fiscal policy studies and shaping public opinion on public finance matters.

## Priority 3: Improving the regulatory oversight system's methods and performance.

### *Issue analysis*

Regulatory oversight bodies provide important impulses for the implementation of better regulation efforts to bridge the gap between the establishment of formal requirements for the use of regulatory management tools and their implementation and use in practice. Oversight mechanisms incentivise civil servants to use tools like RIA, stakeholder engagement and *ex post* evaluation and follow due process to produce high-quality regulations that achieve their objectives and are aligned with long-term policy goals.

In Austria, formal quality control of RIA and *ex post* evaluation is conducted by the FPMO for all major laws<sup>1</sup> and regulations as well as government projects with a financial impact of more than EUR 20 million. For RIA, this review includes a quality check of the problem statement, goals, measures and performance indicators as laid out in the RIA statement. The quality of the analysis should be reviewed by the ministry responsible for the area of the impact, but in practice this does not seem to happen systematically. The FPMO reviews the plausibility of the analysis for the impact dimensions. RIAs for all laws and regulations with any impact on the state budget are reviewed by the BMF, which checks the financial impacts. In addition, the FPMO collects all review reports from ministries and analyses them.

The oversight bodies' **quality review of RIA does not seem to have the intended effects**. The quality of different types of impacts is questionable: assessments have been described as "superficial" and a tendency to underestimate impacts has been reported. The bodies within BMKOES and BMF responsible for quality control of impact assessments are often unfamiliar with the area of legislation and are therefore not in a position to effectively review the quality of individual impacts and may also lack the necessary resourcing to carry out more in-depth analysis. The horizontal RIA network of contact points in ministries (*Netzwerk der Wirkungsdimensionen-Ressorts*) are rarely consulted to provide expertise for the quality review of individual impacts. The exception to this trend is the analysis of financial impacts, which is robustly overseen by the BMF.

The FPMO operates on a "comply or explain" principle, meaning the body's comments have to be implemented or else the ministry should explain why it was decided not to – it is unclear what happens when departments do not comply with this rule. There does not appear to be any published data on how many drafts pieces of secondary legislation are submitted to Parliament with a recommendation to improve their quality

by the FPMO and how often a RIA statement is amended after a recommendation has been issued. The quality review process between FPMO and ministries lacks transparency and the oversight body's opinions are not made public for secondary legislation and non-legislative proposals (e.g. funding programmes).

For *ex post* evaluation of regulations, the FPMO collects evaluation reports from responsible ministries and reviews the content for plausibility, comprehensibility and completeness. Evaluations are mostly done internally by the ministry responsible for preparing the *ex ante* impact assessment, and external experts are not involved systematically. While the FPMO is responsible for co-ordinating the process, similarly to its role in *ex ante* impact assessments, and sending evaluations with financial impacts to the BMF, it does not conduct a review of the evaluation's quality. In addition, the FPMO does not operate a "comply or explain" principle for *ex post* evaluation of regulations.

The **co-operation with oversight bodies** during the quality review process has been reported as **lengthy and burdensome**. These processes seem to be particularly burdensome when preparing RIA for new legislation. Civil servants report "endless feedback loops" in particular with the BMF because of minor issues. To avoid these confrontations, RIAs are sometimes prepared in a way that ensures the oversight body's approval, even if this means the analysis does not correctly portray the expected impacts. This is especially the case for financial impacts, which tend to be under-reported to ensure the BMF's approval. This practice could distort the budget reality in ministries after implementation.

The FPMO reports annually to Parliament on the implementation of RIA and the *ex post* evaluation system. It is not clear that these reports are being utilised for learning and improving the processes and methodology for RIA and *ex post* systems. The reports are a rich source of detailed information on the performance of the administration's policies against their stated objectives. However, they are also exceptionally long and complex, meaning that they may not serve their purpose of reporting to parliament and the general public. Members of Parliament have particular difficulties understanding the report results. However, it should be noted that there have been first attempts to summarize the complex and detailed information and to put it in a broader societal and economic context (*narrative Gesamtbeurteilung*).

The FPMO has also developed an Impact Monitoring website<sup>2</sup> in order to graphically display the evaluation results from the annual reports for individual departments and subdivision at a glance. This interactive tool on the website provides an overview of the linkages between all budgetary bodies and their corresponding chapters, outcome objectives, outputs and specific projects. A 2018 OECD report, which examined performance budgeting in Austria, stated that this website is a good example of the

innovative presentation of performance data; but recommended that ensure future developments of the website should focus upon further improvements to the user-friendliness and easy accessibility<sup>3</sup>.

Accordingly, a number of actions to strengthen the oversight functions in the Austrian Government are set out below.

### ***Key action 1: Strengthen the ‘gatekeeper’ function of the oversight body with regard to quality standards***

A strong gatekeeper function is essential to ensure that regulatory management tools, such as RIA and *ex post* evaluation, are carried out to minimum quality standards. The oversight function of **quality control** focuses on scrutiny of RIA and placing incentives on civil servants to conduct RIAs consistently and in a meaningful fashion. Austria currently has a soft approach to oversight of RIA and *ex post* evaluation that may have reached its limit in its ability to improve regulatory quality. With very autonomous ministries, it seems reasonable that Austria would choose this approach initially to guide ministries with RIA rather than immediately having a challenge function like similar centre-of-government bodies in Canada or the United States.

However, Austria should look to move to an institutional system for evaluation that has some ‘harder’ powers, while taking into account the unique political setup. The FPMO (and any future potential oversight body) will also **require sufficient resources and attributions** to carry out an active enforcement of quality control, as they are currently lacking the expertise to robustly challenge the impact assessments of ministries. These changes could include:

- **Establishing a stronger mandate** for the FPMO to return poor quality RIAs to ministries for further analysis. This mandate could be established by a change in law or form part of the new Better Regulation Strategy (see Priority 1: Embedding RIA in a broader better regulation strategy to renew political support for a whole-of-government approach to RIA, explicitly stating that no RIA will be sent to the Council of Ministers, unless it is deemed to be adequate by the oversight body. In addition, in exceptional cases ministries could be permitted to submit draft RIAs which have a negative opinion from the oversight body to the Council of Ministers – it would be the responsibility of Ministers to decide to proceed with any legislative measure. In order to phase in this new approach, the stringency with which the FPMO applies the quality criteria and standards might increase over time, so as to not antagonise relations with the ministries and regulators.

- Establishing a **panel of external RIA experts** that the FPMO could consult to gain invaluable insight into the quality of ministries RIAs. This will strengthen the oversight body's capacity and authority to challenge ministries over the quality of their impact assessments and discuss potential improvements.
- Making FPMO **responsible for quality control of evaluations**. Oversight of the quality of evaluations could be strengthened by utilising external experts (including the expert panel mentioned above) to advise on methodological approaches and provide data.
- Making FPMO's **opinions on the quality of RIAs publicly available** in order to share signals on the quality of tools with a broader audience outside of government and provide an additional level of pressure to ensure quality.

*Responsible department:* FPMO would be responsible for publishing its opinions and establishing a panel of external RIA experts. Any decision to strengthen the BMKOES mandate would require a legislative amendment to be agreed by the Government.

*Timeline:* Establishing a stronger mandate could be introduced over the short-medium term, to ensure that it is rolled out successfully and gains the confidence of ministries. Extending the remit of FPMO to quality control of evaluations could be taken in medium term. The panel of external RIA reports could be established in the medium-term. Making FPMO's RIA opinions publicly available could be done in the short-term.

### ***Key action 2: Evaluate and monitor the performance of the oversight process***

The OECD has reported in its RIA *Best Practice Principles* that **evaluations of regulatory oversight bodies performance** could contribute to the understanding of emerging problems and to the continuous learning of how to improve the practice of regulatory oversight.

In light of the reported high administrative burden on ministries from the oversight process, it would be beneficial for the FPMO to carry out **systematic evaluations of the effectiveness and efficiency of the oversight process**. In order to improve transparency and highlight any problems in the oversight process, the FPMO could produce and collect data on key performance indicators (e.g. the time taken for FPMO to review RIA drafts, the BMF to review financial impacts or for any other ministry to produce an impact analysis for its policy area).

Another area of performance that the FPMO could consider is **the impact of oversight upon the quality of RIAs**, i.e. how many RIAs have been changed in response to a FPMO opinion and have subsequently improved in quality.

This performance reporting could form part of the annual FPMO report to Parliament on the implementation of RIA and the *ex post* evaluation system. Ideally, much of the necessary data for use in the evaluation will be made available from the new IT tool.

*Responsible department:* FPMO. Also the BMF would be responsible for providing data on the processes for reviewing financial impacts.

*Timeline:* It will take time for the FPMO and BMF to collect the data for this function, so it should be realisable in the medium-term.

### ***Key action 3: Improve the accessibility of the yearly FPMO report to Parliament***

The yearly FPMO report to Parliament would benefit from further work to **present the complex information in a more accessible and summarised form**, thereby making it more effective document for stakeholders, including parliamentarians. This should continue to build upon the Government's efforts since 2016 to summarize the complex and detailed information to put it in a broader societal and economic context (*narrative Gesamtbeurteilung*).

One step for the FPMO to consider could include **drafting a short executive summary** (preferably around 1-4 pages), to be placed upfront in the annual report, for the purposes of conveying the key messages to stakeholders. This could utilise the most important graphics and tabular data currently placed throughout the document to highlight key trends in the government's regulatory activity (e.g. what percentage of government RIAs have met the required quality standards in a given year?)

The FPMO could **consider how the Impact Monitoring website could be further refined** to display the most salient information in an easily accessible fashion. For example, the Swedish oversight body *Regelrådet* publishes annual reports on the implementation of RIA on its website<sup>4</sup> in accessible language, using graphs and tables and including an easy to read summary up front to display results in a user-friendly manner.

*Responsible department:* FPMO.

*Timeline:* This action could be realised in the short-term.

## Notes

<sup>1</sup> Laws for which a full RIA was conducted.

<sup>2</sup> [www.wirkungsmonitoring.gv.at](http://www.wirkungsmonitoring.gv.at).

<sup>3</sup> (Downes, von Trapp and Jansen, 2018<sup>[23]</sup>).

<sup>4</sup> Reports are available in English and Swedish here: <https://www.regelradet.se/om-regelradet-granskning/arsrapporter-och-ovriga-rapporter/>.



## Priority 4: Strengthening analytical capacities for RIA to promote RIA quality

### *Issue analysis*

Continuous training and capacity building within government, supported by adequate financial resources, contributes to the effective application of RIA. Beyond the technical need for training in RIA, training and capacity building communicate the message to administrators that this is an important issue, recognised as such by the administrative and political hierarchy. It can be seen as a measure of the political commitment to RIA principles. It also establishes a sense of ownership for reform initiatives and enhances co-ordination and regulatory coherence.

In Austria, the Federal Academy of Public Administration, the FPMO and the BMF offer targeted *RIA trainings*. Part of the mandatory basic training offered to new civil servants includes a session on introduction to RIA. FPMO staff reported that many training sessions are offered, on a voluntary basis, and not all civil servants tasked with preparing RIAs take up this opportunity. Several guidance documents for RIA including the *RIA manual (Handbuch Wirkungsorientierte Folgenabschätzung Arbeitsunterlage)* are available, which contains detailed guidelines for the analysis of financial impacts, but civil servants report that clear standards for calculating complex non-financial impacts (social, environmental etc.) are missing from this guidance.

A **lack of analytical capacities** within ministries appears to be a key issue in the RIA system. Civil servants reported that there are an insufficient number of officials in line ministries trained to produce RIAs. Most officials within ministries have a legal background, little knowledge about policy areas outside their ministries, and little analytical training, which makes it difficult for them to assess a wide range of regulatory impacts. Those that are tasked with preparing RIAs often do not know how to do so to a sufficient standard. Non-financial impacts are often assessed superficially or not at all and analytical methods vary among ministries. In many cases, it appears unclear to staff as to when a RIA has to be conducted and the necessary level of detail required, whether the legislative proposal should undergo a full RIA or simplified RIA (WFA light) and whether or not the RIA will have to be reviewed by the FPMO.

Performance Management Units (PMUs) have the role of supporting the RIA process within their line ministries. The units differ in capacities and not all ministries have one. In practice, in some ministries these units are responsible for ensuring the quality of RIA in co-operation with the civil servants responsible for drafting the law, whilst in others they are not involved in the RIA process at all. The support the units are providing appears to be focused strongly on quality control rather than providing

advice throughout the RIA process or analytical training. Stakeholder interviews have indicated that RIAs tend to be of significantly better quality where the PMUs are involved throughout the process.

***Key action 1: Involve PMUs more closely in the RIA process and staff them with experts in cost-benefit analysis or economics***

Overall, the main challenge for Austria is to turn theory into practice, building and maintaining analytical capacities for RIA in the government. Given the lack of expertise in RIA and cost-benefit analysis in most ministries that cannot be resolved with the ongoing training efforts, involving PMUs more closely in the RIA process could be a viable solution. OECD research showed that RIAs tend to be of better quality in ministries where teams within ministries, such as PMUs, support the RIA process.

Targeting training efforts to PMUs could help “**anchoring**” **RIA knowledge within ministries** and the PMUs could act as analytical centres of expertise that ministry staff could turn to for RIA guidance. The unit staff would receive special training on RIA and could share experiences in overcoming challenges with other PMU’s through regular meetings (further discussed in Priority 5: Improving inter-ministerial co-ordination for RIA).

Currently, PMUs in most ministries perform a quality control function for RIA, ensuring the quality of the analysis before the RIA statement is sent to the FPMO. However, to ensure good quality RIA statements, policy teams preparing the RIA need **continuous advice and support**. The PMUs should therefore take on a more active role in the preparation phase of the analysis.

The UK Government provides a strong example of an OECD member that has embedded RIA capacity throughout the administration. Government departments with a responsibility for producing regulations in their respective policy areas and certain regulators have a Better Regulation Unit (BRU). These BRUs provide support, training on methodologies and help embed the better regulation agenda in line ministries. Please see Box 4 for more information.

*Responsible department:* The FPMO as the central oversight body should support PMUs with guidance and capacity building to assist them in taking a stronger role in RIA processes. Individual ministries are responsible for communicating the need for a stronger role of PMUs to ministry staff.

*Timeline:* Involving PMUs more closely in their ministry’s RIA process could be realised in the medium-term.

#### Box 4. UK Better Regulation Units

UK Government departments with a responsibility for producing regulations in their respective policy areas and certain regulators have a **Better Regulation Unit (BRU)**. A BRU consists of a team of civil servants which oversees the department's processes for better regulation and advises on how to comply with these requirements. It is at the discretion of each department to determine the scope of the BRU's role, its resourcing (i.e. staff numbers, composition of policy officials and analysts, and allocation of time on this agenda versus others) and position within the departmental structure. However, BRUs generally perform the following functions:

- Promoting the use and application of better regulation principles in policy making e.g. use of alternatives to regulation.
- Advising policy teams on how to follow the Better Regulation Framework Guidance processes when developing new regulations.
- Advising policy teams on how to develop a RIA (or Post-Implementation Review) including queries on methodology and analysis.
- Advising policy teams on the appropriate time to submit a RIA to the Regulatory Policy Committee for scrutiny.
- Providing advice to departmental policy teams and regulators on how to meet their SBEE Act obligations regarding reporting against the Business Impact Target (e.g. how to produce assessments of the impacts of new regulatory measures).

BRUs are also responsible for keeping a record of their department's new regulatory provisions, which are then listed in the Government's Better Regulation Annual Report, published by the BRE.

The Better Regulation Executive provides advice and support to BRUs, including running regular "drop-in" sessions where it provides BRU representatives with policy updates and shares best practices.

Source: (OECD, 2020<sup>[9]</sup>).

## **Key action 2: Continue to bolster training efforts, guidance and hiring to conduct evaluation**

Considering the current lack of analytical capacities in line ministries, it will be very challenging for them to support more in-depth impact analysis. It is therefore crucial for the FPMO and the BMF to continue to bolster training efforts by offering continuous **targeted trainings** to civil servants on RIA and cost-benefit analysis. The FPMO should complement this effort by addressing the need for more detailed guidance material with clear standards on calculating non-financial (environmental, social, economic etc.) impacts. This additional guidance material could potentially be placed into annexes or supplementary documents to the main RIA manual. For example, the UK Government have produced Green Book guidance for ministries on how to appraise policies, programmes and projects, as well as on the design and use of monitoring and evaluation. There is a range of supplementary Green Book guidance giving more information on particular issues - for example, valuing environmental effects and assessing competition effects.<sup>1</sup>

In addition, **hiring processes should be diversified to** ensure that staff in particular with an economic background are available. To this end, the need for staff trained in economics and, ideally, cost-benefit analysis should be communicated to HR departments and recruitment policies should be revised accordingly. This measure would be implemented in the longer term as it would require a cultural change in the Austrian administration, overcoming a longstanding tradition of hiring primarily staff with a legal background.

An alternative or complementary strategy to support analytical capacities could involve **hiring experts in cost-benefit analysis or economics**. It is crucial that these external consultants work hand in hand with the ministry and that their analysis informs the processes, not vice versa. This action could be implemented in the short-term but would require additional financial resources.

*Responsible department:* FPMO and BMF will be responsible for continuously promoting and potentially expanding training efforts. The FPMO as the oversight body will be responsible for issuing guidance material. Diversifying hiring processes is a cross-government action that will require a decision from the government to implement.

*Timeline:* Training efforts and guidance material can be further strengthened in the short- to medium-term. Diversifying hiring processes would be implemented in the longer term as it would require a cultural change in the Austrian administration. As a short-term measure, external experts can be hired.

## Note

<sup>1</sup> <https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-government>.

## Priority 5: Improving inter-ministerial co-ordination for RIA

### *Issue analysis*

Inter-ministerial consultation throughout the RIA process facilitates the sharing of expertise and good practices between ministries. In Austria, there is **no formal requirement for ministries to consult each other in the development of new regulations** and the approach towards inter-ministerial coordination differs per ministry. The BMF is generally brought in the loop at an early stage, notably when distributive and redistributive policies are at stake. The lead ministry also shares the draft with a “partner” ministry through an informal process called “Spiegelung”. Beyond these practices, cross-ministerial co-operation is rather weak and occasional, an issue that has been picked up in a previous 2010 OECD report into the Austrian better regulation system (OECD, 2010<sup>[7]</sup>).

Ministries generally do not share legislative drafts more broadly at an earlier stage of the legislative process. When drafts are shared with other ministries at the Council of Ministers, the drafts are close to being final and amendments are hardly possible.

In addition, the Government also does not share its plan of future legislative activities with ministries. This means ministries find it more difficult to plan ahead and have to allocate resources to prepare legislative drafts and RIA statements on an ad hoc basis.

However, ministry staff reported in OECD interviews that in some areas, like science and technology and gender-mainstreaming, inter-ministerial working groups work very effectively. The working group on gender-mainstreaming reportedly meets twice a year to support gender equality activities. One gender expert per ministry is part of this working group. These working groups are good practice examples of inter-ministerial co-ordination, but seem to be the exception rather than the rule.

There is also a horizontal RIA network (*Netzwerk der Wirkungsdimensionen-Ressorts*) with contact points in line ministries in place, but it is **not consulted systematically for advice or input** on RIA issues: 80% of respondents to the Focus Study II survey assessed the support provided by the network throughout the RIA process as “not helpful”.<sup>1</sup> The main reason behind this is a lack of co-ordination and even mistrust between ministries, who are each responsible for assessing the impacts in their area of responsibility but do not consult other ministries for their expertise.

### *The RIA IT-tool*

The current IT-tool for WFA planning and evaluation is de-centralised and is not working as effectively as it could be. Its interface could be more user-friendly and it does not facilitate co-ordination between relevant actors during the RIA process. As of now, it is not possible to assign different roles or tasks to actors involved in the RIA process, even though this would be helpful to ensure the quality of the impacts assessed. In addition, there is currently no documentation function available, meaning that older versions of the RIA document cannot be accessed. The RIA document can only be edited by one person at a time and updated versions are sent around between staff members, which can lead to confusion.

There is currently a **new IT-tool** being developed by the FPMO and the BMF that aims at addressing the aforementioned issues and implementing recommendations made by Prof. Hammerschmid's Focus Study II and the OECD's issues paper on challenges for RIA and oversight in Austria, submitted to Austrian counterparts in October 2019. Notably, the new tool focuses on addressing three key challenges:<sup>2</sup>

1. *Facilitate (inter-ministerial) co-ordination processes for RIA.* With the new IT-tool, the oversight body will be able to provide feedback on RIA quality continuously throughout the RIA development process. Ministries will be able to involve other ministries in the RIA process through the IT-tool, a feature that might lead to improved inter-ministerial co-ordination for RIA. The new system will also for documentation of all processes and results for all parties to access.
2. *Develop a user-friendly RIA planning tool.* The new tool's user interface will be designed in a user-friendly way, intuitive to use and with new features. The digitalisation of processes will better enable ministry-internal PMUs to review the RIA quality before sending the draft to the FPMO.
3. *Ensure consistent conceptualization, calculation and measurement of goals and indicators.* The new IT-tool will enable ministry staff to store and access impact assessment statements conducted in the past. This feature might improve the consistency of future calculations of goals and indicators among ministries.

Several ministries reported in OECD interviews that they have not been involved in the development of the new IT-tool and are not aware of latest developments. At the same time, **expectations regarding the functions of the tool are high**. In particular BMF and FPMO staff, but also civil servants from other ministries pointed to the IT-tool as the solution for a number of key challenges the Austrian system is facing, such as the lack of horizontal co-operation, the quality of the analysis of non-financial

impacts and the lack of transparency of the RIA process among others. It is unclear if the IT-tool will be able to provide a solution for all these issues.

***Key action 1: Introduce a requirement to share legislative drafts and the government’s legislative plan with ministries in the new IT-tool***

The lack of inter-ministerial co-ordination in Austria is one of the biggest obstacles to developing high quality RIAs. The development of the new IT-tool for RIA presents a good opportunity to change this tradition by introducing a **requirement to share legislative drafts** with other ministries before the draft is shared in the Council of Ministers. This requirement should be spelled out in the government rules of procedure. The IT-tool can be used as a “safe space” as the draft would just be shared with other ministries, without the risk of making politically sensitive information publicly available.

The new IT-tool could also be used to **share the government’s forward plans** of future regulations among ministries, enabling them to organize their workload and allocate resources ahead of time.

In the Czech Republic, the Legislative Rules of the Government (a government resolution) describe the regulation-making process including inter-ministerial consultations. RIA is part of the dossier sent around to all ministries and central agencies for consultations, including the RIA Unit of the Government Office. The dossier is circulated digitally via an automatized process. Generally anyone can comment on the quality of RIA and this happens systematically in practice. The inter-ministerial consultation process is enforced by the Legal Department of the Government Office.

*Responsible department:* The cross-ministry nature of such a requirement means that the Government would have to make this decision.

*Timeline:* This measure can be conducted in the relative short-term, once the new IT-tool is in place.

***Key action 2: Set up regular PMU meetings to discuss general RIA practice and upcoming legislative drafts***

The OECD has stated that one of the key functions of regulatory oversight is facilitating and ensuring internal co-ordination across ministries in the application of regulatory management tools. The FPMO as the oversight body provides a co-ordinating platform (the “*Wirkungscontrollingplattform*”) for PMUs in line ministries to meet four times a year and exchange best practices and information. The FPMO also



co-ordinates a platform to discuss issues related to gender equality, where contacts from different line ministries meet regularly to discuss and improve the quality of the impact assessment. It however does not facilitate inter-ministerial co-ordination in the legislative process, including during the development of the RIA, and does not promote the use of the horizontal RIA contact points, which currently hardly work together.

During the fact-finding mission, the OECD was informed that very little use has been made of the co-ordinating platform or the network of horizontal RIA contact points. The FPMO could use its position as regulatory oversight body to convene more regular meetings of the PMUs and RIA contact points. These cross-government networks could provide an ideal opportunity to **create an informal community of best practice**, by regularly meeting to share information on RIA challenges and the different approaches taken to developing RIA within ministries. Furthermore these meetings could also provide an opportunity for ministries to **alert each other to upcoming legislative drafts** supplementing the new IT tool, providing the opportunity for ministries to input their impact calculations into the RIA process.

*Responsible department:* FPMO

*Timeline:* This action could be realised in the short-term.

### **Key action 3: Closely develop the new IT-tool with the end user to address shortcomings of the old system**

Ministry staff had reported that they have not been involved in the development of the new IT-tool and are not aware of latest developments. In order to create an intuitive, easy-to-navigate user interface, **close involvement of the end user however is essential**. As the start of the pilot-testing phase is planned for early this year, the BMF and FPMO should now focus on getting as much feedback from ministry staff as possible to ensure a user-friendly interface.

Existing models, like the tools used in the Netherlands and the Slovak Republic, could provide a source of inspiration for the development of the new tool in Austria (see Box 5).

*Responsible department:* BMF and FPMO

*Timeline:* This measure should be conducted in the short-term.

### Box 5. Online portals for inter-ministerial co-ordination in the Netherlands and Slovakia

<p><b>Netherlands</b></p>	<p>Ministries can make use of a <b>digital tool (<i>toetsloket</i>)</b> to present a draft legislative proposal including the accompanying RIA statement to the several scrutiny authorities throughout central government (e.g. Ministry of Justice and Security provides scrutiny of legislative quality, the Ministry of Economic Affairs and Climate provides assessments of regulatory burdens on business). The scrutiny authority returns their comments on the draft through the portal and the ministry responds to the comments. The discussion is ended with an approval to the (changed or not) legal draft in the digital portal (or no approval is given).</p>
<p><b>Slovak Republic</b></p>	<p>All legislative drafts and their accompanying impact assessments are published on the <b>government portal <a href="http://www.slov-lex.sk">www.slov-lex.sk</a></b> at the same time as they enter the inter-ministerial comment procedure. The portal provides a single access point to comment on legislative proposals and non-legislative drafts (e.g. concept notes, green or white papers). It seeks to ensure easier orientation and search in legislative materials to facilitate the inter-ministerial consultation process. Both public authorities as well as members of the general public can provide comments on the legislative drafts and the accompanying material. Accompanying impact assessments to the legislative proposal are updated on the basis of comments received. Any feedback provided is part of the dossier submitted to the government for discussion.</p>

Source: (OECD, 2020<sub>[10]</sub>); (OECD, 2016<sub>[11]</sub>).

## Notes

<sup>1</sup> (Hammerschmid and Hopfgartner, 2019<sub>[2]</sub>), p. 104.

<sup>2</sup> Information received from the Austrian government.

## Priority 6: Broadening the scope of impact assessments beyond financial impacts to increase RIA's informative value

### *Issue analysis*

OECD best practice suggests that RIA methodologies should consider a wide range of regulatory impacts on sectors or groups in order to give a complete picture of regulatory impact. These impacts can include competition, environment, the public sector (national, regional, local), small business, the budget, innovation, sustainable development, social goals, gender equality, specific social groups, market openness, trade, income inequality, poverty, specific regional areas, and foreign jurisdictions. For example, the European Commission requires RIAs to assess a broad range of economic, environmental, and social impacts.

Such **comprehensive ex ante assessments are not systematically carried out** in Austria. Whilst the Austrian RIA framework covers a range of regulatory impacts, in practice it is strongly focused on budgetary impacts. Accordingly, this results in a partial assessment of the potential impacts of a new proposal on the economy, environment and society among others and diminishes the informative value of the RIA.

The strong role of the BMF in reviewing budgetary impacts of draft legislation serves as a possible explanation for this **one-sided analytical focus**. With the 2013 budget reform, ministries were given more flexibility with regards to spending. It was suggested that since then, the BMF uses its gatekeeper role in the RIA process to regain control over ministries' spending policies. Spending programmes with a significant financial impact<sup>1</sup> require a RIA in Austria, which is an unusual practice compared to other OECD countries. The current RIA form also puts a focus on budgetary impacts, as a larger section of the document is devoted to budgetary questions. Austria is not alone in facing this issue of incomprehensible RIA statements. The evidence internationally shows the challenges and shortcomings of RIA implementation. As pointed out in the OECD's 2018 Regulatory Policy Outlook, in many instances *"[...] where assessments are undertaken, they often focus on narrowly defined economic impacts, such as regulatory burdens for business, ignoring other significant effects."* (OECD, 2018<sub>(12)</sub>)

In addition to the RIA system's focus on budgetary impacts, the current system may also not incentivise ministries to consider the assessment of impacts outside of their policy portfolio. The main reason behind this appears to be a lack of co-ordination and exchange of information between ministries during the process of developing legislation (further discussed in Priority 5: Improving inter-ministerial co-ordination for

RIA). There is little follow up by the FPMP if ministries report that their legislative proposal is estimated to have no impact on e.g. gender equality. It has also been reported that concerns by line ministries or other bodies about potential impacts of a policy are often not considered or responded to by the ministry sponsoring the legislation e.g. this was the case where the Chamber of Labour pointed to gender impacts of a new legislative proposal to reform the tax system in Austria.

**Data quality**, an essential element of proper analysis, is one of the most challenging aspects of RIA because it can be time- and resource-consuming and requires a systematic and functional approach. OECD research showed that data availability for the assessment of social and other impacts is not an issue in Austria. The Chambers of Labour and Economics for example have the willingness and sufficient resources to provide qualitative and quantitative data to ministries and have their member's resources and information at their disposal. However, the Chambers have reported that there are no formal communication channels with ministries, who rarely contact them with requests for information, which again highlights the re-occurring issue of a lack of horizontal co-operation within the Austrian administration.

Civil servants also report a **lack of a “big-picture approach”** to RIA. When RIAs are conducted for individual pieces of legislation, the overall national and international context is not always factored into the analysis. RIAs do not reflect the interaction of a new piece of legislation with other legal measures or the relation with national or international reform efforts. There is however the possibility of a “bundle”, i.e. conducting an RIA for a bundle of measures that relate to a common goal (see further discussed in Priority 8: Further targeting the approach to RIA to focus capacities on the most burdensome legislation).

The issue of **gold-plating**,<sup>2</sup> in regards to the transposition of EU legislation, can be a significant source of burdens to businesses. Whilst gold-plating is recognized as an issue in Austria and should be avoided (§ 1 Abs. 4 *Deregulierungsgrundsätze*gesetz), there is no assessment of its impact as part of RIA when transposing EU legislation into domestic law and the oversight body does not review if ministries add provisions causing additional burdens when transposing EU directives into domestic law.

### ***Key action 1: Create demand for high-quality analysis by strengthening regulatory oversight***

The insufficient quality of non-financial impact assessments demonstrates the need for a change of RIA in Austria. Currently, the RIA system primarily serves as a means for the BMF to exercise control over ministries' spending policies. To shift the focus of the Austrian RIA system towards impacts of legislative proposals on society, environment and the economy as a whole, the RIA process needs more thorough

supervision. A stronger oversight body **demanding high-quality analysis** of non-financial (social, environmental etc.) impacts and the assessment of gold-plating could create the necessary pressure on ministries to more thoroughly assess these impacts.

The FPMO could also take on the role of **reporting ministries' compliance rates** with RIA requirements, naming and praising ministries that generally comply with the RIA methodology in the annual report to Parliament. In addition, the FPMO could also publish its opinions on the quality of individual RIAs online to ensure that stakeholders, including Parliament, are aware of this information. How the role of the oversight body could be strengthened is further discussed in Priority 3: Improving the regulatory oversight system's methods and performance.

In addition, FPMO and BMF should **create a working group** to discuss how the change of the RIA system could be further materialized.

*Responsible department:* FPMO, BMF. Any decision to strengthen the FPMO's mandate would need to be taken by the Government. The BMF would need to be involved in any decision to link RIA quality to financial resources.

*Timeline:* Adding additional information to the annual report to Parliament and making FPMO's RIA opinions publicly available could be taken in the short-term. Linking RIA to financial resources would need to be rolled out over the medium-term to ensure that the process has the confidence of ministries.

## **Key action 2: Improve the availability of data for RIA**

Improving the availability of data is essential for each stage of Austria's RIA process, i.e. for a meaningful problem definition, for a careful analysis of the alternative solutions available, and for an estimation of the regulatory impacts associated with each of the alternative policy options.

The Government should develop a **comprehensive data strategy**<sup>3</sup> as part of the new better regulation policy (see Priority 1: Embedding RIA in a broader better regulation strategy to renew political support for a whole-of-government approach to RIA, to make sure that sufficient relevant data are available for RIA. This should also involve considering how to integrate the data from within ministries and other public sector bodies e.g. Statistik Austria, as well as from key external stakeholders e.g. the Chambers of Labour and Economics. Building and maintaining communication channels for this purpose will be of utmost importance.

The data strategy should reference the public sources of data and information that could be used to carry out the corresponding assessment. Complementary data

sources must likewise be defined, e.g. surveys or meetings with stakeholder groups. Particular attention should be paid to fully using the potential of **stakeholder consultation as a source for data** as well as a means to verify its quality. It should be emphasised that in the early consultation stages, there are plenty of possibilities for gathering information, which, ultimately, will allow to conduct a correct assessment of public policy proposals.

*Responsible department:* Federal Chancellery, FPMO. The Federal Chancellery's constitutional service should integrate the new data strategy as part of the new whole-of-government better regulation policy. The realisation of this policy should be supported through the FPMO.

*Timeline:* This development of a comprehensive data strategy and building of relevant networks could be realised in the short- to medium-term.

## Notes

<sup>1</sup> According to the WFA Grundsatz Verordnung (BGBl. II Nr. 489/2012), spending programmes with a significant financial impact as defined in § 58 Abs. 2 BHG 2013 are subject to a RIA. The financial thresholds can be found in the RIA guidance document. The RIA for programmes with a financial impact above 20 Mio. € is reviewed by the FPMO, below 20 Mio. € by the BMF.

<sup>2</sup> Gold-plating means the over-implementation of an EC Directive through the imposition of national requirements going beyond the actual requirements of the directive.

<sup>3</sup> Further information and best practices for such a strategy can be found in the OECD Digital Government Studies issue *The Path to Becoming a Data-Driven Public Sector*, Chapter 2 (OECD, 2019<sup>[22]</sup>), the OECD Digital Government Toolkit, Principle 3 *Creation of a Data-Driven Culture in the Public Sector* (OECD, 2018<sup>[21]</sup>) and the Best Practice Principles for RIA (OECD, 2020<sup>[4]</sup>).

## Priority 7: Making systematic use of RIA as a decision-making tool to ensure policies are based on evidence

### *Issue analysis*

RIA might be understood as a document or analytical report, but more broadly it is a system or process to question policy proposals. It should therefore list the practical alternatives, including any non-regulatory approaches considered as potential solution of the identified problem, and results of the analysis should be used by policy makers for making a decision. Wide-spread experience across OECD countries has shown that in most cases the most significant added value that a RIA system brings lies with the very process of conducting a RIA, rather than with the sheer calculation of regulatory impacts. RIA therefore needs to be undertaken at the inception stage of policy development, when there is a genuine interest in identifying the best available solution.

Strictly speaking, **important parts of this RIA process are still neglected** or skipped in certain ministries, most notably the identification and evaluation of alternative (non-regulatory) policy options. The Austrian RIA methodology (*Handbuch Wirkungsorientierte Folgenabschätzung*) calls for the consideration of different regulatory and non-regulatory options including a “do-nothing” scenario in the problem analysis phase. In practice, this has proven difficult in Austria. A number of ministries and external stakeholders have pointed to the fact that RIA tends to be prepared rather late in the process, after the political decision has already been made, and alternatives to the preferred solution are therefore not typically considered.

The **results of the analysis are only partially used** by policy makers in Austria. Discussions on legislative impacts in the Council of Ministers and Parliament usually focus on financial impacts. RIA also plays an insignificant role in the parliamentary process, it is sometimes cited in the work of parliamentary committees but its main function is to inform legislative processes in the executive. In Austria, parliament initiates about 22% of legislation (OECD, 2018<sub>[12]</sub>). Most legislation is initiated by the Government and undergoes an impact assessment procedure. Like in most OECD countries, Parliament does not regularly use IA during its assessment of proposals. Parliament may also make substantial amendments to legislation proposed by the executive without updating the initial IA. This means the laws initiated or substantially amended in Parliament are not always based on evidence. The work of the budget committee in parliament is supported by the Parliament’s Budget Office (PBO). The PBO’s primary task is to support the budget committee by assessing RIAs of laws with

a major financial impact. The Office analyses the impact assessment conducted by the BMF and sometimes prepares written analysis for parliamentarians.

There is a need for technical support for members of Parliament on issues of non-financial nature. Importantly, the **nature of the government programmes** can make it difficult to integrate RIA into policy considerations, by specifying certain regulatory instruments to address a policy issue. This issue was raised by a number of ministries during the OECD fact-finding mission, as a crucial issue limiting the ability of the RIA to influence decision-making.

Overall, purpose and benefits of RIA are not fully understood across the administration. Interviews have shown that ministry staff generally view RIA as an additional burden in an already cumbersome legislative process. Efforts are undertaken to circumvent *ex ante* evaluation, sometimes legislative proposals have been introduced through Parliament. Political leadership so far has not undertaken significant efforts to communicate the benefits of RIA across the administration and a political statement underscoring the importance of conducting impact assessments in the early stages of the legislative process is missing.

### ***Key action 1: Incentivise policy teams to start developing RIA at the beginning of the policy process***

In addition to the formal channel of submitting the oversight body's official opinion, oversight bodies should advise, help and guide throughout the entire RIA process, including the early stages. This approach helps ensure the quality of the RIA from the beginning of the drafting phase. Regulatory oversight in the sense of issuing a negative opinion on the final RIA should always be considered the last resort option.

Currently, the FPMO issues its opinion on the quality of the RIA during the public consultation phase. To provide both parliament and stakeholders with good quality impact assessments that can serve as a basis for decision making, it is essential for the oversight body to review the quality of the RIA and support legislators with advice before the consultation phase starts. **Extending the FPMO's advice and support function** throughout the RIA process could help to ensure the quality of the RIA in Austria, in particular considering that most civil servants assessed the FPMO's support when preparing the RIA as helpful. Ideally, the new IT tool should alert the FPMO to the development of a new regulatory draft and enable it to easily engage with the respective policy team early in the process.

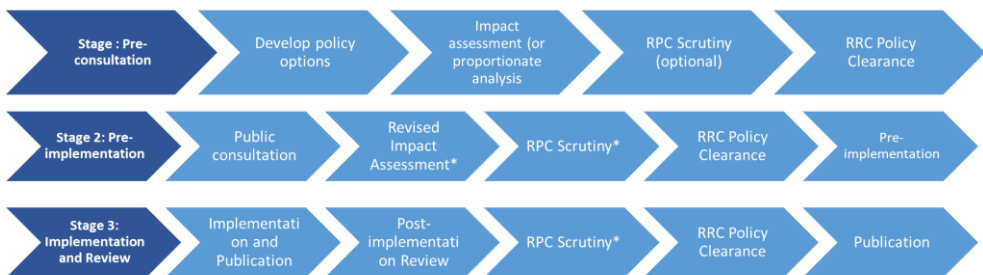
Some oversight bodies **use more informal communication channels** to provide law drafters with guidance and advice early in the RIA process. This is for example the case in the German system where the *Normenkontrollrat* provides law makers with



scrutiny and advice throughout the drafting phase. The Office of Best Practice Regulation (OBPR) at the Department of the Prime Minister and Cabinet in Australia reviews the quality of all RIA and provides advice and guidance during their development. For this purpose, the office sends staff members on secondments to ministries to provide support and guidance.

In the UK, the impacts of new regulatory measures are assessed for a range of policy options before and after public consultation and the RIA is revised accordingly. The UK Government's RIA manual, the Better Regulation Framework Guidance,<sup>1</sup> states that policy options should include alternatives to statutory regulation, such as industry-led approaches, as a means of delivering the policy outcome. The Better Regulation Units in line ministries provide advice and guidance.

Figure 2. RIA process in the UK



\* RPC scrutiny is optional for all measures at pre-consultation and is not required for measures below the +/-£5 million EANDCB threshold or for those under the building safety exclusion.

Source: (Department for Business, 2018<sup>(13)</sup>).

In the longer term, the Government could explore options for **how to integrate the RIA within the process of developing government programmes**. For example, the Government could commit, in the new RIA policy announcement (see Priority 1: Embedding RIA in a broader better regulation strategy to renew political support for a whole-of-government approach to RIA), to establishing *goals* or *objectives* within agreements where possible, instead of specific policy instruments and subsequently ministries could utilise the RIA process to help determine the most effective instrument for achieving these goals/objectives.

*Responsible department:* BMKOES to extend FPMO's advice and support function throughout the RIA process. The Government would need to be involved in any decision to integrate RIA within the process of developing government programmes.

*Timeline:* Extending the FPMO's advice and support function throughout the RIA process will likely be realised in the medium-term. Exploring how to integrate RIA within the government programmes would be a long-term action.

## **Key action 2: Promote evidence-based law-making in Parliament**

RIA is well established for regulations produced by the executive branch of government across the OECD and EU. However, only few OECD countries have any RIA process at all for laws introduced directly in parliament<sup>2</sup> and impact assessment statements are rarely updated when legislation is changed significantly in the parliaments. To ensure that those laws undergo the same procedures for evidence-based policy making as laws initiated by the executive, the Austrian Parliament should consider adopting the following set of measures.

First, **obligatory ex post impact assessments should be considered** for legislation initiated or significantly amended in parliament. These assessments would serve to evaluate to what extent and how a policy intervention initiated by parliament corrects the problem it was intended to address, in cases where an *ex ante* assessment was not conducted. In the long-term, it should be envisaged to introduce *ex ante* impact assessments as an integral part of legislative processes in parliament.

In addition, **capacities to provide analytical support to parliamentary committees** should be extended beyond the analysis on budget issues provided by the Parliamentary Budget Office. One option could be to establish an additional parliamentary office responsible for reviewing impact statements of laws with major non-financial impacts and providing parliamentary committees with (written) analysis. To be effective, this decision would require an agreement of political parties in the main chamber of parliament, the *Nationalrat* or National Council. Alternatively, the PBO could augment its current staff with analytical experts on a variety of topics to provide MPs with analysis on issues of a non-financial nature. The Parliamentary Research Service, which mainly provides legal advice in administrative and procedural questions to parliament rather than analytical functions, may also consider taking on this function.

Furthermore, trainings provided for government staff should include employees from the Budget Office/Parliamentary Research Service, who would likely support efforts to introduce IA in parliament.

*Responsible department:* The Austrian Parliament is responsible for its staffing arrangements. The FPMO should raise awareness and demand amongst parliamentarians for RIA and its purpose. The introduction of an office similar to the PBO would require an agreement from political parties in the main chamber of parliament.

*Timeline:* Introducing *ex post* impact assessments for legislation initiated or significantly amended in parliament and building capacities to provide analytical support to members of parliament could be realised in the medium-term. Firmly embedding a culture of evidence-based law making in parliament is the underlying long-term goal.

### **Key action 3: Communicate the benefits of RIA to both civil servants and external stakeholders**

The number one reform effort Austria should focus on in the longer term is the change of its administrative culture towards RIA. Helping policy makers and civil servants see the value of RIA as a decision-making tool will be of utmost importance in this regard.

Implementing a **whole-of-government policy for regulatory quality** as recommended in Priority 1: Embedding RIA in a broader better regulation strategy to renew political support for a whole-of-government approach to RIA would be an important step in this direction. The policy could help renew the political support for RIA in Austria. It should include a clear communication strategy to help engage the public in the scrutiny of the regulatory process. There is no one-size-fits-all approach and OECD countries have adopted different strategies to introducing a single policy for regulatory quality at the highest political level:

#### **Box 6. Building “whole-of-government” programmes for regulatory quality**

Countries considering the introduction of a policy for regulatory quality across the whole of government face the issue of where and how to start the process of embedding regulatory policy as a core element of good governance. An incremental approach has worked in some settings, such as the Netherlands or Denmark, while other countries like the United Kingdom, Australia or Mexico have used a more comprehensive approach.

In **Canada**, the first whole-of-government policy was introduced in 1999 with the *Government of Canada Regulatory Policy*, which was later replaced by the *Cabinet Directive on Streamlining Regulations* in 2007, *Cabinet Directive on*

*Regulatory Management* in 2012 and the *Cabinet Directive on Regulation* in 2018. The latest version of the directive sets out the government's expectations and requirements in the development, management, and review of federal regulations. It outlines four guiding principles for departments and agencies:

1. *Regulations protect and advance the public interest and support good government:* Regulations are justified by a clear rationale in terms of protecting the health, safety, security, social and economic well-being of Canadians, and the environment.
2. *The regulatory process is modern, open, and transparent:* Regulations, and their related activities, are accessible and understandable, and are created, maintained, and reviewed in an open, transparent, and inclusive way that meaningfully engages the public and stakeholders, including Indigenous peoples, early on.
3. *Regulatory decision-making is evidence-based:* Proposals and decisions are based on evidence, robust analysis of costs and benefits, and the assessment of risk, while being open to public scrutiny.
4. *Regulations support a fair and competitive economy:* Regulations should aim to support and promote inclusive economic growth, entrepreneurship, and innovation for the benefit of Canadians and businesses. Opportunities for regulatory co-operation and the development of aligned regulations should be considered and implemented wherever possible.

Source: (OECD, 2010<sup>[14]</sup>), (Treasury Board of Canada Secretariat, 2018<sup>[6]</sup>).

To demonstrate high-level commitment, the **Government should make a public statement** underscoring the importance of conducting a RIA early in the legislative process to ensure evidence-based decision-making. The Government should publicly commit to using the information and data presented in RIA statements as a basis for discussion on legislative drafts.

*Responsible department:* The Government would be responsible for including a communication strategy in its whole-of-government policy for regulatory quality and for issuing a public statement.

*Timeline:* A political statement can be issued in the short-term as virtually no resources are needed, an elaborate communication strategy could be realized in the medium-term. A culture change within the administration is the underlying long-term goal, which requires repeated interventions on both the political- and working level to change civil servants' perception of RIA.

## Notes

<sup>1</sup> <https://www.gov.uk/government/publications/better-regulation-framework>.

<sup>2</sup> For example, the EU Parliament has frequently used IA over the past five years. The specialised Impact Assessment Unit produced 188 analyses between July 2014 and June 2019, a marked increase from the previous period (Hiller, 2019<sub>[18]</sub>). In Canada, laws adopted in parliament must be prepared with a memorandum to cabinet (MC) that must include a rationale for the proposal, an analysis of options and estimates of the cost to the government (Government of Canada, 2018<sub>[19]</sub>).

## Priority 8: Further targeting the approach to RIA to focus capacities on the most burdensome legislation

### *Issue analysis*

Many OECD countries, incl. Austria, have realised that not every new regulation or proposal needs the same level of scrutiny and have accordingly introduced **RIA threshold tests**. These threshold tests are important for a number of reasons. Firstly, they help to ensure that regulations with significant societal impacts are adequately assessed before being introduced. Secondly, they ensure that government resources are not unduly wasted in assessing regulatory proposals with only minor impacts, where the costs of conducting RIA would outweigh its benefits. Therefore, it is important the resources used to develop a policy scale with the size of the problem and its solution.

RIA in Austria has to be conducted for all laws and regulations initiated by the executive and for government projects with major financial impacts. While there are no exceptions granted, there is the possibility to conduct a simplified RIA (WFA light). A threshold test (*Wesentlichkeitsprüfung*) introduced in 2015 determines whether a simplified or full RIA has to be conducted for draft regulations. A simplified RIA is now conducted for about two thirds of all regulations. Laws and regulations with no impact on the state budget, no significant impacts in other WFA areas<sup>1</sup>, no financial impacts greater than EUR 20 million and no long-term financial impacts are eligible for WFA light.

The introduction of “WFA light” and the opportunity to prepare one RIA for a bundle of similar pieces of legislation have brought significant improvements to the burden experienced by ministries. The possibility to conduct one RIA for a bundle of similar legislations (*Vorhabenbündel*) has not been used to its full potential in the past, but a recent FPMO report suggests an upward trend.

However, almost half of the civil servants interviewed for the Focus Study II reported that the **burden associated with preparing RIA** remains too high and is not proportional to the outcome. Compared to other OECD members, the Austrian thresholds for a full RIA seem to be quite low and a more targeted approach could be considered. The test includes many detailed criteria and requires staff to already have a firm idea of the regulatory solution. In comparison, Canada and the US only have quantified impact levels in any area to determine whether a RIA is required (budget, environment, health, etc.) (USD 100 mln in the United States). In addition, some countries only target regulatory costs on business, e.g. Germany has a EUR 100 000

(informal) threshold on regulatory cost to business to determine whether a RIA is required.

Whilst the introduction of “WFA light” has helped to ease administrative burdens, the lack of quality review or independent scrutiny could be detrimental to the overall quality of RIAs. There is no requirement in place for quality review by the FPMO of the level of analysis and the regulation is subsequently exempt from *ex post* evaluation. The FPMO merely checks the plausibility of the decision to only conduct a simplified RIA for any significant inconsistencies or omissions, which are then communicated to the responsible department.

In addition, targeting RIA towards more burdensome legislation is made more difficult by the fact that there are **no standard legislative planning procedures** in the Government as to when to start legislating and every department has its own processes. It was also pointed out to the OECD that PMUs in ministries sometimes do not always see upcoming legislation at an early stage, and therefore can find it more difficult to influence proposals at an early stage. The new IT tool could help ameliorate this problem by alerting ministries about upcoming legislation earlier in the policy process, thereby giving them the opportunity to input any relevant analysis.

***Key action: Effectively targeting RIA towards the most burdensome legislation***

The current threshold test does not appear to be incentivising ministries to focus their RIAs on those areas of draft legislation where they could potentially deliver greatest added value. There are a number of options that the Austrian government could implement to address this issue:

- The Government could consider **developing an effective forward planning tool**, i.e. a legislative plan available to ministries, to ensure that it can have some idea as to where ministries can target their limited RIA resources more effectively. Ministries could be required to submit plans for upcoming primary and secondary legislation to the Chancellery as a first step towards a more targeted RIA programme. This could possibly be facilitated by **making it mandatory, through the new Better Regulation Strategy, for ministries to submit their legislative plans into the new IT system.**
- There are a number of possible alternatives that government could use for more effectively sorting out **which legislative proposals have to go through a more/less detailed level of analysis** including:
  - setting (higher) quantitative thresholds;

- introducing a (different) set of criteria (on issues such as the extent of the impact on competition, market openness, employment, productivity, innovation, investment as well the number of people affected by the proposed regulation);
- multi-criteria analysis.<sup>2</sup>
- The BMKOES could work collaboratively with some of the key ministries in order to **run pilot projects** in which RIAs could be developed for some particularly high impact areas of legislation, of particular relevance to the Government's policy programme. These RIA pilots could be considered a "game changer" because they have been carried out according to good practices and quality standards and can be used to "sell" the benefits of deploying the tool.

*Responsible department:* Federal Chancellery to develop a forward planning tool, FPMP to run pilot projects for best practice RIAs. The Government would need to take any decision to make the forward planning tool mandatory.

*Timeline:* Developing a forward planning tool and running pilot projects would likely be realised in the medium-term.

## Notes

<sup>1</sup> National economy, businesses, environment, consumers, administrative burdens to citizens and businesses, social, children, gender equality. Quantitative indicators are available for all of these policy areas.

<sup>2</sup> For example in Switzerland, a more complex RIA is required when three criteria from a list of 10 are met.



## Priority 9: Making RIA transparent and accessible for more inclusive law making

### *Issue analysis*

Governments have to ensure transparency of decision making to enable public control of the RIA process. Interested parties should be able to provide input at every single stage of the RIA process, from defining the problem that is to be solved to identifying various alternative solutions and assessing potential impacts.

Austria has **room for improvement with regards to the transparency** mechanisms for RIA. For example, Austria currently does not make all RIAs publicly available. A resolution by Parliament has recently triggered an extension of the scope of public consultations on draft primary laws. Since September 2017, all draft primary laws have to be made available on the website of Parliament together with a short description of the legislative project in accessible language, the RIA and other enclosed documents. While this is considered an important step towards transparent policy making, draft secondary legislation and accompanying RIAs are still distributed by mail or via other channels only. Secondary legislation is exempt from the requirement to conduct stakeholder engagement in Austria and is therefore not systematically consulted on.

Furthermore, the draft legislation including RIA and other accompanying documents is **published for consultation rather late** in the legislative process. Social partners criticized that only small changes, if even, are made to the legislation following the consultation process and that no explanation is provided when their input is not taken on board. Stakeholders from civil society reportedly do not systematically engage in the consultation process.

In addition, the FPMO does not report on ministries' compliance with RIA requirements in its annual report. This is a missed opportunity as this practice could help improve RIA transparency and overall quality. "Naming and praising" good RIA practice could provide an incentive for ministries to improve RIA quality.

Concerning accessibility of the RIA document, civil servants have reported a conflicting interest between the need to conduct thorough, often complex analysis and the demand to make RIA documents accessible to parliament and the wider public. Current RIA statements are considered **complex and difficult to understand** for a non-expert audience. There have been recent efforts to make RIA documents accessible to the broader public by using plain language.

### **Key action 1: Involve stakeholders more systematically early in the legislative process**

Demand for high-quality analysis should be increased by involving external stakeholders. **Securing stakeholder support** is essential not only as a way to create consensus on a given better regulation strategy and secure support by key constituencies over time. In most of the countries that have successfully introduced RIA, the centre of government has managed to convince bureaucrats of the need to draft high quality RIAs also by creating expectations among, and a constant dialogue with, external stakeholders (OECD, 2020<sup>[4]</sup>). Generating buy-in from stakeholders external to government can help increase the demand for quality regulatory impact assessments and secure political commitment.

In practical terms, this means for the Austrian government that efforts need to be undertaken to activate key stakeholders in private sector, civil society, media, and parliament. More emphasis should be given to systematically conducting public consultations prior to a preferred solution being identified – the early-stage consultations. To this end, **working groups** should be established to discuss the different regulatory and non-regulatory options presented in the impact assessment statement with affected stakeholders. It could be considered to introduce a requirement to establish working groups in the government rules of procedure. Guidance and training should be provided on how to establish these working groups, including their composition, rules of procedure and transparency of their work. Conclusions from the work of the working groups should be systematically published.

Slovakia, unlike many OECD countries, has a formalised process for the so-called early-stage consultations. According to the Act No. 400/2015 on the development of legal documents, every ministry is obliged to publish a notification (“preliminary information”) on the government consultation portal on all prepared legislative drafts. In the preliminary information, the responsible ministry/authority usually describes the main goals and ideas of the proposal. It should also assess the existing status of the regulated area and inform users on the likely start of the consultation process on the legislative draft. Ministries and other central-government bodies that draft regulations to create working groups when preparing legislation/regulations. Working groups usually contain experts from relevant ministries and/or relevant stakeholders, depending of the nature, scope and estimated impacts of regulation (OECD, 2020<sup>[10]</sup>).

*Responsible department:* Individual ministries to introduce working groups and involve stakeholders early in the legislative process, FPMO to provide guidance and training as Dept. III/C/9 is responsible for supporting ministries, providing guidance and training for stakeholder engagement and participatory law and decision making.

*Timeline:* Working groups to discuss different options can be established in the medium-term with a view to generating buy-in from external stakeholders in the long-term.

### **Key action 2: Ensure the publication of all RIA statements and include short, easy-to-read summaries**

An easy-to-implement solution to making the RIA process more transparent would be to **publish all impact assessments** (including RIAs for subordinate regulations) on a central government/the Parliament's website. This measure can be achieved in the short-term and no major resources are necessary. The Federal Performance Management Office should ensure this is being done systematically.

Furthermore, a **short, easy-to-understand summary** should be included in every RIA statement, e.g. in the form of a table, briefly introducing the assessed options, their costs and benefits and justifying why the preferred option has been selected. The summary would then be followed by the detailed analysis. Ministries could build on efforts that have recently been undertaken to introduce summaries written in plain language in the RIA statement.

Some countries, like the UK, have demonstrated that including short, easy to read summaries, followed by the evidence base, helps with making RIA more accessible. The RIA template for government policies used in the UK requires a short, up-front summary page, followed by the detailed analysis (see RIA template for government policies in the UK).

*Responsible department:* Individual ministries and regulators should ensure that RIAs for primary and secondary legislation are published online. The FPMO should control this process.

*Timeline:* Publishing all RIAs online can be achieved in the short-term with no resources necessary. Easy-to-understand summaries can also be introduced in the short-term, as first efforts to develop such summaries in simple language have already been undertaken.

### **Key action 3: Implement accountability- and performance oriented arrangements for RIA quality**

The OECD Best Practice Principles for RIA (OECD, 2020<sup>[41]</sup>) recommend to **implement accountability – and performance-oriented arrangements** for RIA. These could include, for example:

- Specifying the name of the responsible person for every regulatory proposal that is tabled by government and published online;
- Sign-off of RIA statements by the responsible ministers;
- Including the evaluation of RIA work as an element in the evaluation of the performance and the determination of productivity of the civil servant;
- Specifying that skills in RIA are an element to be considered for career promotion to specific high-responsibility positions in the administration.

Austria should consider introducing one or several of these arrangements to enhance accountability for RIA quality.

*Responsible department:* Individual ministries.

*Timeline:* The advantage of the measures outlined above is that they can be implemented in the very short-term, as quick-fix solutions with potentially high outcomes.

#### **Key action 4: Establish oversight of the stakeholder consultation process**

OECD guidelines (OECD, Forthcoming<sub>[15]</sub>) have suggested that governments should establish **robust oversight and quality control of stakeholder engagement activities** during the process of developing legislation, to check the quality and comprehensiveness of stakeholder consultations, as well as the quality of the engagement itself.

The Constitutional Service at the Federal Chancellery is responsible for matters related to stakeholder engagement and could therefore take on oversight tasks to review the quality of ministries' stakeholder engagement activities when developing new legislation. This could include:

- **Developing a guidance document** with minimum standards for stakeholder consultation, collecting partly already existing guidance on e.g. length of consultation, the type of groups who should be consulted with, the materials that ministries should publish and at what point of the legislative process consultation should take place.
- **Examining whether the minimum consultation standards are being correctly followed** e.g. which stakeholder groups have been consulted, how views received during the consultation process were taken into account, which materials that ministries published.

- **Sharing best practice across ministries** on different approaches to stakeholder engagement and participatory law-making (this could take place through the co-ordinating platform for sharing best practice and expertise on stakeholder engagement matters and participatory law-making that is currently being developed by the BMKOES/Dpt. III/C/9).
- **Reporting on the compliance** of the ministries with the stakeholder consultation requirements, in the FPMO's annual report to Parliament (see Priority 3: Improving the regulatory oversight system's methods and performance), including the highlighting of best practices.

*Responsible department:* Constitutional Service at the Federal Chancellery. BMKOES is responsible for promoting the sharing of best practices through the co-ordinating platform that is currently under development.

*Timeline:* The development of minimum standards, examination of and reporting on stakeholder engagement practices in ministries and the development of the co-ordinating platform will likely be medium-term goals.

## Priority 10: Improving the quality of policy goals and objectives to support ambitious policy making

### **Issue analysis**

Considerations of the future evaluation of a new regulation should systematically be integrated into RIA to facilitate the process of evaluating whether laws and regulations achieve their objectives in practice, impose unnecessary costs on business and civil service, and potentially put citizens at risk. The only way for governments to measure the impact of policy is through the development of indicators to track the effectiveness of policies and regulations.

Austria has an **excellent theoretical framework for goal setting** in place, providing detailed guidance how to develop CLEVER policy objectives (the Austrian equivalent to SMART goals – an internationally recognized goal setting technique). Laws and regulations that underwent a full RIA (~30%) have to be evaluated within 5 years after implementation. The RIA has to specify if, when and how the legislation will be evaluated. The goals of the law have to be specified together with a set of performance indicators (usually 1-5, if possible quantitative) to ensure the effectiveness of the legislation can be evaluated at a future point in time. This can be considered good practice compared to most OECD countries, where RIA is not sufficiently linked to the *ex post* review of regulation and the “lifecycle” of regulations remains largely incomplete. Internationally, only 8 countries place requirements upon regulators to develop indicators to measure progress in achieving goals of primary laws or subordinate regulation. Tying regulatory goals to long-term goals or agenda is even less common. Only four OECD members reported that regulators are required to have a process to measure if the proposed regulation is contributing towards a country’s long-term goals (OECD, 2018<sub>[12]</sub>).

However, **issues with the quality of the goals and associated performance indicators** for future evaluation have been reported in stakeholder interviews. Civil servants pointed out that objectives of regulations are purposefully set too low for political reasons. The latest report on *ex post* evaluation shows that 80% of legislation up for evaluation fully achieved the intended goals (Bundesministerium für Kunst, Kultur, Öffentlichen Dienst und Sport, 2018<sub>[16]</sub>). While setting un-ambitious objectives increases the chances of a positive evaluation, this practice can undermine staff motivation. The evaluation results serve primarily as an instrument to demonstrate the government’s success to parliament and the public and are not sufficiently used to inform the development of new legislation.

Ministry staff in OECD interviews reported they are facing huge challenges with setting goals and objectives for a certain policy. External stakeholders are typically not consulted in the process, instead some ministries rely on specialized departments to set the policies' goals. Outsourcing the responsibilities to formulate a regulation's goals and de-coupling it from the process of drafting the rest of the legislation and preparing the RIA however might not lead to the desired results. Law drafters should engage in a reflection process about what goals the policy is supposed to achieve before drafting the legislation.

***Key action: Ensure strong oversight of the process for developing policy goals and objectives***

Austria already has an excellent framework and guidance for the development of policy goals available, the challenge now is to put theory into practice. Setting up a **transparent, inclusive process** for developing goals and objectives of draft regulations is crucial to ensure that policy goals are up to standards.

There are a number of actions that the FPMO could undertake to create additional demand for good practice goal setting, which could incentivise ministries to set more ambitious goals, despite the risk of not being able to reach them at the *ex post* evaluation stage. Actions that the FPMO could undertake could include:

- **Working closely with ministries** at the early stage of the legislative process (see Priority 7, Key action 1) to assist them and provide external challenge in goal setting, to ensure that sufficiently challenging goals are set. For example, the Slovakian Government has established an *Implementation Unit* within the Government Office responsible for the review and evaluation of spending goals defined by the BMF, also for reviewing the implementation of the 2030 national environmental strategy at the Ministry of the Environment. It co-operates closely with the ministries in this regard, preparing the implementation plan for them and continuously reviewing implementation for three years a similar function within their administration.
- **Highlighting good examples** of goal setting in the annual FPMO report to Parliament (see Priority 6, Key action 1).
- Encouraging the **sharing of best practice examples** of goal setting between ministries (this could take place through the *Wirkungscontrollingplattform* – see Priority 5).

*Responsible department:* FPMO

*Timeline:* These measures could be realised in the short to medium-term.

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# Annex A. RIA template for government policies in the UK

<b>Title:</b> <b>IA No:</b> <b>RPC Reference No:</b> <b>Lead department or agency:</b> <b>Other departments or agencies:</b>	<b>Impact Assessment (IA)</b>		
	<b>Date:</b> 01/01/2018		
	<b>Stage:</b> Development/Options		
	<b>Source of intervention:</b> Domestic		
	<b>Type of measure:</b> Primary legislation		
	<b>Contact for enquiries:</b>		
<b>Summary: Intervention and</b>			<b>RPC Opinion:</b> RPC Opinion Status
<b>Cost of Preferred (or more likely) Option (in 2016 prices)</b>			
<b>Total Net Present Social Value</b>	<b>Business Net Present Value</b>	<b>Net cost to business per year</b>	<b>Business Impact Target Status</b>
£m	£m	£m	Qualifying provision
<b>What is the problem under consideration? Why is government intervention necessary?</b> Maximum of 7 lines			

<b>What are the policy objectives and the intended effects?</b> Maximum of 7 lines					
<b>What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)</b> Maximum of 10 lines					
<b>Will the policy be reviewed? It will/will not be reviewed.</b> <b>If applicable, set review date:</b> Month/Year					
Does implementation go beyond minimum EU requirements?			Yes / No / N/A		
Is this measure likely to impact on international trade and investment?			Yes / No		
Are any of these organisations in scope?		<b>Micro</b> Yes/No	<b>Small</b> Yes/No	<b>Medium</b> Yes/No	<b>Large</b> Yes/No
What is the CO <sub>2</sub> equivalent change in greenhouse gas emissions? (Million tonnes CO <sub>2</sub> equivalent)			<b>Traded</b> :	<b>Non-traded:</b>	

***I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.***

Signed by the responsible  
SELECT SIGNATORY:

\_\_\_\_\_ Date: .....

## Summary: Analysis & Evidence – Policy Option 1

### Description:

#### FULL ECONOMIC ASSESSMENT

Price Base Year	PV Base Year	Time Period Years	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate:
<b>COSTS (£m)</b>	<b>Total Transition (Constant Price) Years</b>		<b>Average Annual (excl. Transition) (Constant Price)</b>	<b>Total Cost (Present Value)</b>	
Low	Optional		• Optional	<b>Optional</b>	
High	Optional		Optional	<b>Optional</b>	
Best					
<b>Description and scale of key monetised costs by ‘main affected groups’</b> Maximum of 5 lines					
<b>Other key non-monetised costs by ‘main affected groups’</b> Maximum of 5 lines					
<b>BENEFIT S (£m)</b>	<b>Total Transition (Constant Price) Years</b>		<b>Average Annual (excl. Transition) (Constant Price)</b>	<b>Total Benefit (Present Value)</b>	
Low	• ○		Optional	<b>Optional</b>	
High	Optional		Optional	<b>Optional</b>	
Best					

<b>Description and scale of key monetised benefits by 'main affected groups'</b> Maximum of 5 lines	
<b>Other key non-monetised benefits by 'main affected groups'</b> Maximum of 5 lines	
<b>Key</b> Maximum of 5 lines	

**BUSINESS ASSESSMENT (Option 1)**

<b>Direct impact on business (Equivalent Annual) £m:</b>			<b>Score for Business Impact Target (qualifying provisions only) £m:</b>
<b>Costs:</b>	<b>Benefits:</b>	<b>Net:</b>	

## Evidence base (for summary sheets)

There is discretion for departments and regulators as to how to set out the evidence base. However, it is desirable that the following points are covered:

- Problem under consideration;
- Rationale for intervention;
- Policy objective;
- Description of options considered (including status-quo);
- Monetised and non-monetised costs and benefits of each option (including administrative burden);
- Rationale and evidence that justify the level of analysis used in the IA (proportionality approach);
- Risks and assumptions;
- Direct costs and benefits to business calculations (following BIT methodology);
- Wider impacts (consider the impacts of your proposals). Document any relevant impact here and by attaching any relevant specific impact analysis (e.g. impact on small and micro businesses, equalities, etc.) in the annexes to this template)
- A brief qualitative summary of the potential trade implications of measure. This should include an assessment of whether the measure is likely to impact on trade or investment. For further assistance and guidance please refer to DIT.
- Summary and preferred option with description of implementation plan.

### Inserting text for this section:

Replace the notes on this page with the text for the evidence base.

To maintain consistent formatting, apply Styles from the toolbar. The **Paste Without Format** toolbar button can be used to paste text from other documents in the current style here.

# Glossary

Budget subcommittee	<i>Budgetunterausschuss</i>
Deregulation principles law	<i>Deregulierungsgrundsätzegesetz</i>
<i>Ex post</i> evaluation	<i>Interne Evaluierung</i>
Federal Ministry of Justice	<i>Bundesministerium für Justiz (BMJ)</i>
Federal Ministry of Finance	<i>Bundesministerium für Finanzen (BMF)</i>
Federal Ministry of Arts, Culture, Public Service and Sport	<i>Bundesministerium für Kunst, Kultur, öffentlichen Dienst und Sport (BMKOE)</i>
Federal Performance Management Office (FPMO)	<i>Wirkungscontrollingstelle (WCS)</i>
Horizontal RIA network	<i>Netzwerk der Wirkungsdimensionen-Ressorts</i>
Impacts	<i>Wirkungsdimensionen</i>
Parliamentary Budget Office (PBO)	<i>Parlamentarischer Budgetdienst</i>
Performance Management Unit	<i>Ressortinterne Wirkungscontrollingstelle</i>
Regulatory impact assessment (RIA)	<i>Wirkungsorientierte Gesetzesfolgenabschätzung (WFA)</i> , which is often used as an umbrella term for both RIA and <i>ex post</i> evaluation as the two are closely linked in Austria.
Simplified RIA	<i>WFA light</i>
Spending programmes	<i>Vorhaben</i>
Threshold test	<i>Wesentlichkeitsprüfung</i>



OECD work on RIA: <http://oe.cd/ria>

OECD work on regulatory policy: <http://oe.cd/regpol>

For further information, please contact:

[Daniel.Trnka@oecd.org](mailto:Daniel.Trnka@oecd.org)      [Yola.Thuerer@oecd.org](mailto:Yola.Thuerer@oecd.org)

[Richard.Alcorn@oecd.org](mailto:Richard.Alcorn@oecd.org)

