



EUROPEAN  
COMMISSION



ORGANISATION FOR ECONOMIC  
CO-OPERATION AND DEVELOPMENT

**BETTER REGULATION IN EUROPE: AN OECD ASSESSMENT OF REGULATORY  
CAPACITY IN THE 15 ORIGINAL MEMBER STATES OF THE EU**

**PROJECT OBJECTIVES, METHODOLOGY, PROCESS AND OUTPUT**

## BETTER REGULATION IN EUROPE: AN OECD ASSESSMENT OF REGULATORY CAPACITY IN THE 15 ORIGINAL MEMBER STATES OF THE EU

### PROJECT OBJECTIVES, METHODOLOGY AND OUTPUT

#### 1. Objectives

1. The OECD and EU Commission have set out the objective as:
2. “To assess progress in regulatory management capacities in each of the 15 countries, to describe trends in their development, and to identify gaps in relation to good practice in the context of the OECD Regulatory Policy guidelines and of key elements of the European Union’s Better Regulation and Competitiveness Policies.”
3. The project is a partnership between the EU and the OECD, and draws on the initiatives for Better Regulation promoted by both organizations over the last few years:
  - The OECD’s 2005 Guiding Principles for Regulatory Quality and Performance set out core principles of effective regulatory management which have been tested and debated in the OECD membership.
  - The OECD’s multidisciplinary reviews over the last few years of regulatory reform in 11 of the 15 countries to be reviewed in this project included a comprehensive analysis of regulatory management in those countries, and recommendations<sup>1</sup>.
  - The recently completed OECD/SIGMA regulatory management reviews in the 12 'new' EU member states.
  - The 2005 renewed Lisbon Strategy adopted by the European Council which emphasizes actions for growth and jobs, enhanced productivity and competitiveness, including measures to improve the regulatory environment for businesses. The Lisbon Agenda includes National Reform Programmes to be carried out by member states.
  - The EU Commission’s 2006 Better Regulation Strategy, and associated guidelines which puts special emphasis on businesses and especially SMEs, drawing attention to the need for a reduction in administrative burdens.
  - The EU Commission’s follow up Action Programme for reducing administrative burdens, endorsed by the European Council in March 2007.

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1. Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom will be reviewed under this project. The OECD reviews did not cover Austria, Belgium, Luxembourg, and Portugal.

- The EU Commission's development of its own strategy and tools for Better Regulation, notably the establishment of an impact assessment process applied to the development of its own regulations.
- The OECD's recent studies of specific aspects of regulatory management, notably on cutting red tape and e-government, including country reviews on these issues.

4. The 15 country reviews will add substance to these initiatives, and are an opportunity to update previous work and analyse progress. The project will, specifically, provide further information on how the challenge of reducing administrative burdens is being met by member states. It will help to identify how far, and in what way, impact assessment and stakeholder consultation processes are now being deployed by member states, to complement and reinforce EU level initiatives. It is also an opportunity to discuss the follow-up to the OECD's multidisciplinary reviews, for those countries which were part of this process, and to find out what has happened in respect of the recommendations made at the time. Overall, the reviews are an opportunity to deepen and update understanding of the regulatory management landscape in each of the reviewed countries- both how it looks today and how it is evolving.

## **2. *Methodology***

5. The OECD project team responsible for taking the country reviews forward is led by Caroline Varley, [caroline.varley@oecd.org](mailto:caroline.varley@oecd.org). The 15 countries will be reviewed in batches over the coming two years

6. The methodology will draw on existing reports and initiatives, and aims to avoid duplication. Related OECD and Commission projects will be taken into account so that the country is not asked the same questions twice. The OECD project team will also, as far as possible, provide pro-active support for completing the questionnaire. That said, the countries already reviewed by the OECD have usually appreciated the process of review itself, which can provide new perspectives on familiar issues and help to overcome blockages, before the report is finalized.

### 3. *Output*

7. The project will result in

- A separate report on each of the 15 countries. The core elements of regulatory management will be covered, and key issues identified for each country.
- A synthesis of findings at the end of the process.
- Publication of the reports, but only if there is a consensus for this.
- A final conference, organized by the OECD and the EU Commission.

### Process for each Country Review

For each batch of countries over the period of their review, the following stages in the process are envisaged:

Kick off OECD/Commission meeting with the country to discuss the project, refine the approach, and discuss any specific requirements. This is the opportunity, at the start of the review, for the country to discuss whether a special topic can be reviewed in greater detail, or whether one of the core issues can be reviewed more fully. The specific cultural, administrative and legal context of the country will also be addressed at the outset, so that the review can take account of this.
OECD/Commission meeting with peers (up to three for each country) to plan the work
Send questionnaire, start desk research using the baseline
OECD mission to the country with peers (for five consecutive working days). The mission is expected to involve meetings with officials from relevant ministries, parliament and other relevant stakeholders such as business and consumer representatives as well as academics or others who have studied the situation.
Post mission wrap up meeting with peers to define key points for the report
OECD drafts the report
Circulate first draft for comment around OECD/ peers/Commission
Adjust report in light of comments
Send report to the country for fact check
Final substantive adjustments to report
Edit if necessary
Meeting/conference with OECD/country/peers/Commission to present and discuss the report

Publication (if there is a consensus)
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### **The review team**

It will consist of

- One or two members of the OECD Secretariat, who will lead the team and draft the report.
- Two or three peer reviewers from other European countries, who will contribute to the report, and help to determine the key messages and recommendations.

The members of the team will be communicated to the country at the launch.

Caroline Varley, [caroline.varley@oecd.org](mailto:caroline.varley@oecd.org), is OECD project leader and the main OECD contact point, assisted by Sophie Bismut, [sophie.bismut@oecd.org](mailto:sophie.bismut@oecd.org), and with administrative support from Elsa Cruz de Cisneros, [elsa.cruzdecisneros@oecd.org](mailto:elsa.cruzdecisneros@oecd.org).

### **The launch**

Formal letters from the OECD Secretariat and the EU Commission will be sent to heads of delegation in Brussels and Paris, and to the country's administration, inviting the country to appoint a coordinator for the review. The coordinator plays a key role. S/he will be the main contact point for the OECD, confirming meeting dates, organizing replies to the questionnaire, preparing the mission, and circulating documents and drafts.

Countries will be reviewed in batches over the next two years, and the launch letters will be sent to them when the batch as a whole is ready to be started. The launch letters for the first batch of countries were sent out in February 2008. The letters for the second batch will go out in the second half of 2008, and for the third batch, in 2009.

Once a coordinator has been confirmed, the OECD Secretariat will be in touch with them to circulate further papers including the questionnaire, and to confirm dates for the kick off meeting and for the mission. The mission is expected to take place at least four weeks after the kick off meeting, to allow time for effective preparation.

### **The kick off meeting**

This is a one day (maximum) meeting in the country's capital, to provide an opportunity for the country to discuss the details of the review, refine the approach, discuss the questionnaire and identify any special requirements, such as the review of a topic in greater detail. It also gives the OECD/peer team an opportunity to understand more fully the country's administrative, legal and cultural context, in order to prepare the review more effectively. It prepares the ground for the mission to follow.

(For peers- it should provide an opportunity to get together as a team, the evening before the meeting, or possibly during the day, before or after the meeting)

## The questionnaire

The questionnaire attached to the launch papers must be returned one week before the mission, sooner if possible. The OECD will send a reminder. **This deadline is essential** as it allows the OECD/peer team one week to absorb the replies.

The country will also be asked to provide a reading/website list, plus institutional organigrams, to help the team's preparation, as soon as possible after the launch.

## The study mission

The mission is expected to cover up to five consecutive working days (Monday-Friday). It will take place in the country's capital, although a regional visit is also a possibility to cover multilevel governance issues.

The team expects to arrive on Sunday night, ready for meetings to start on Monday morning. Friday will be reserved for a wrap up meeting with the country, and the team's own wrap up meeting.

To optimize the time available, the country is requested to arrange meetings in the same location. Most of the meetings are likely to need an hour (possibly an hour and a half), depending on the type of meeting. A short gap between meetings will be needed, as well as one hour's lunchbreak. There is no need to make any special arrangements for lunch (or dinner). If time is an issue (as it may well be), round table discussions involving different participants are a possibility, and the team could split into two in order to cover more than one meeting at the same time. These issues can be settled between the OECD and the country when the mission is being developed.

(For peers- we will need to decide how we structure the meetings between us, for example taking turns to cover different topics, and linking to the topic you are going to cover in your contribution)

The mission is expected to involve meetings with officials from relevant ministries, parliament and other relevant stakeholders such as business and consumer representatives. More specifically (the exact list will depend on the country):

### Government

- Office of the Prime Minister/Central regulatory oversight body if it exists
- Core ministries relevant to regulatory policy (finance, enterprise, economics, justice ministries and/or legal counsellors), including those with responsibility or strategic oversight of EU regulation and its transposition (foreign affairs).
- One or more important "client" ministries of the regulatory process (ministries with important rule making responsibilities eg trade, health and safety, communications, transport, environment, employment)
- One or more economic or other regulatory agencies/inspectionates or representatives
- National audit office
  
- Parliament (for example a relevant committee- this might cover business affairs, or European affairs, or a better regulation committee if it exists)
  
- Local government representatives

## Outside government

- Think tanks/academics
- Consumer interests
- Representative of the voluntary sector
- Business interests
- Trade union representatives

## **Drafting and finalizing the report**

The OECD Secretariat is responsible for drafting the report, drawing on comments and contributions from the peers.

(For peers- each peer will be asked to provide a short note on some aspect of the review, as a contribution to the report)

A first draft will be circulated for comment internally and to the peers.

The revised draft will be sent to the country for fact checking.

It will then be finalized.

## **The final meeting/conference**

A meeting/conference will be arranged when the report has been completed, in the country's capital, to present and discuss the report. The meeting will bring together the OECD/peer team, the EU Commission, and representatives of the reviewed country. The exact nature of this meeting can be fine-tuned at a later stage in the process, depending on what the country would find most helpful.

## **Follow up**

The country report will be circulated to the OECD Working Party on Regulatory Management and Reform. Country reports will be sent to the Working Party in batches (there will not be a specific peer review of each report in this forum), but rather, a general discussion.

The country report will be published if there is a consensus for this in the Working Party. In other words, it is not mandatory, and the reviewed country can choose for its report not to be published. The OECD hopes, however, that the country will agree to publication, as this is part of the project's added value.

A synthesis report will be prepared by the OECD Secretariat, in which the results of the reviews will be put into a broader international perspective drawing on additional information from the rest of the OECD membership. This report, subject to fact checking by member countries, will be published.

A final conference is planned, based on the synthesis report.

### Indicative timeline for the process<sup>2</sup>

<b>Week</b>	<b>Activity</b>
Week one	Kick off meeting; formal request for questionnaire to be completed.
Week two	
Week three	
Week four	
Week five	Return of questionnaire
Week six	Study mission
Week seven	
Week eight	Peer reviewer contributions returned to the OECD for incorporation in the report
Week nine	
Week ten	
Week eleven	
Week twelve	First draft for circulation internally and to peers
Week thirteen	
Week fourteen	
Week fifteen	Second draft to country for fact checking
Week sixteen	
Week seventeen	
Week eighteen	Final report available

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<sup>2</sup> Timings for the report drafting are indicative at this stage and do not necessarily reflect the time actually taken to complete a report. The timings will need to be adjusted to take account of team availability for reviewing the drafts, holiday periods, and the parallel work on several country reviews at the same time. The final reports for the first batch of countries should be available at some time in autumn 2008.