

## Comments by Lisa Robinson, Independent Consultant

### Comments on Recommendation 4, Regulatory Impact Assessment

- a) Training: Academic programs and professional training need to be carefully designed to address both the cross-disciplinary nature of regulatory impact assessments and the *process* for conducting them. Such analyses require understanding of economics, finance, risk assessment, communication, and other fields. In addition, they are often prepared under severe time, budget, and political pressures. As a result, learning how to conduct useful screening analyses is important to provide preliminary insights, carefully focus future efforts, and meet the goal of proportionate analysis. The involvement of multiple stakeholders and decision-makers can lead to changing policy options and priorities, requiring that analysts develop flexible approaches and contingency plans for dealing with issues that may arise. Analysts also must be trained to clearly explain complex technical analyses to nontechnical audiences and to effectively communicate related uncertainties, including the implications of non-quantifiable impacts. Developing programs that effectively teach these skills can be difficult and is likely to require both investment and innovation.
- b) Valuation research: Valuation of nonmarket outcomes such as improved health and longevity and environmental quality is challenging even in countries where many related studies have been completed. It is likely to be even more challenging for the diverse OECD membership. For example, mortality risk reductions are an important outcome of many environmental, health, and safety regulations. While these values are relatively well-studied in the United States and other high income countries, more work is needed to better understand how they vary depending on the characteristics of the affected population, of the illness or injury, and of the cause of the risk. In middle and low income countries, very few studies of these values have been completed. Given that these values are likely to differ across countries due to cultural and other factors, more research will be needed to support estimation of related benefits.
- c) Equity assessment: While the distribution of impacts is frequently an important consideration for policy-making, regulatory impact assessments often provide only very general descriptive information. Several scholars have proposed approaches for more in-depth assessment, but these approaches have not yet been tested for feasibility and usefulness. Such approaches include, for example, those discussed in a series of articles in the June 2011 issue of *Risk Analysis* as well as those proposed by Matthew Adler, John Graham, and others. Testing alternative approaches using case studies may be helpful in determining how to best improve the rigor of these analyses and the information they provide.

### Comment on Recommendation 5, Reviews of Regulatory Stock

- a) Ex post analysis: Conducting *ex post* analysis of regulatory impacts is important but can be challenging, given the need to estimate what would have occurred in the absence of the regulation and to separate the effects of the regulation from the effects of other factors that may change over time. Relatively few such analyses have been conducted, and more work is needed to improve related methods and provide examples of well-conducted studies. In some cases, it may be desirable to include requirements for tracking data on costs and outcomes in the regulations themselves, that can be used to support *ex post* assessment.