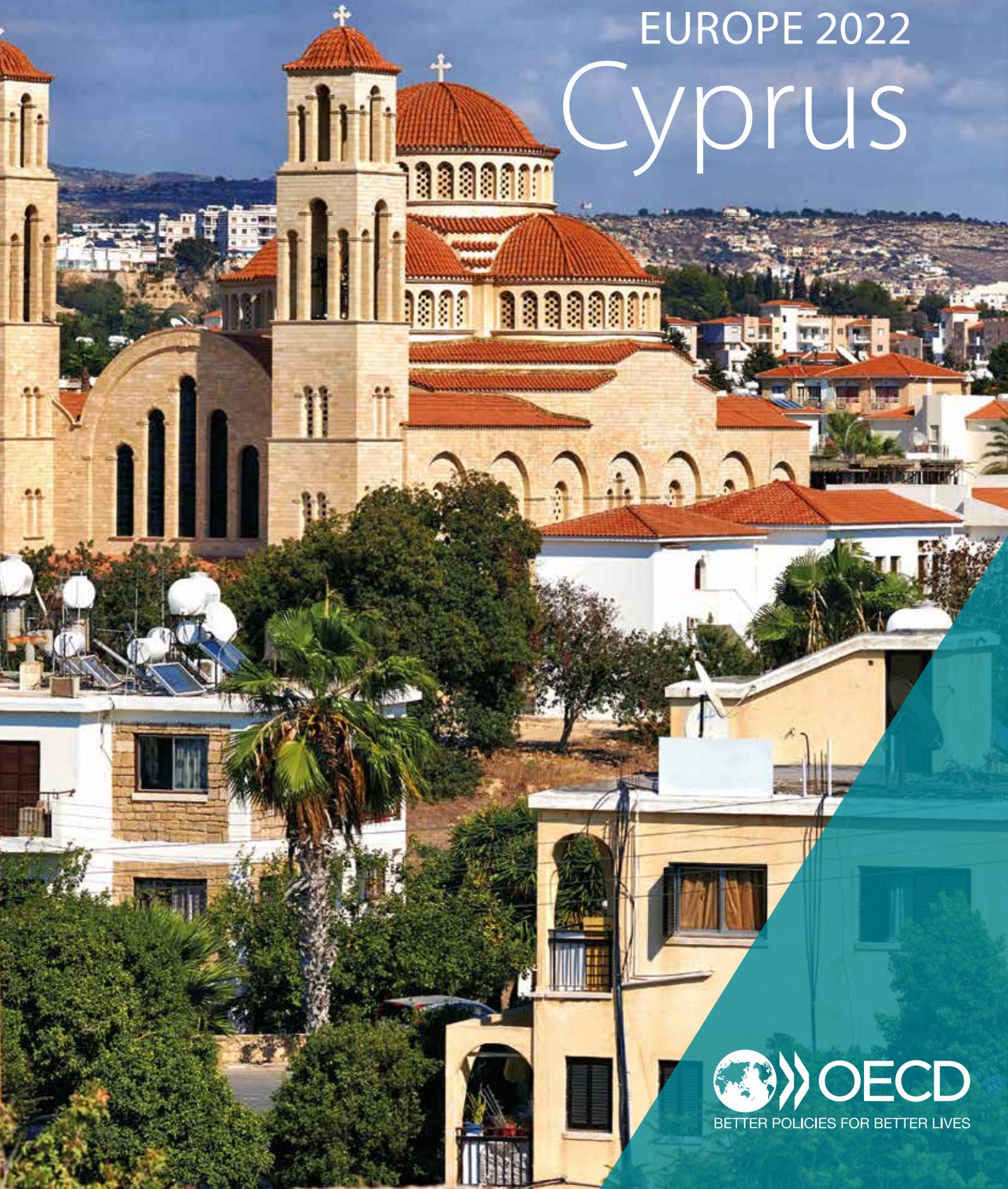


Indicators of Regulatory
Policy and Governance

EUROPE 2022

Cyprus





Cyprus

Overview and recent developments

Cyprus' regulatory policy system has remained stable over the last years with only a few changes mainly related to consultation practices. While public consultations on draft primary laws continues to be mandatory, policy makers now also engage with specific groups such as trade unions, employers' organisations, Cyprus Chamber of Commerce and Industry, NGOs and the business sector on regulatory proposals. Consultations are still not mandatory for subordinate regulations. Further, early stage consultations before a decision to regulate is made are still not yet conducted when developing primary laws nor subordinate regulations, even though it is recommended in the 2015 Action Plan for improving the regulatory framework in Cyprus.

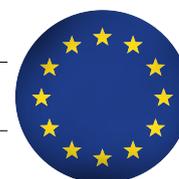
When consulting, regulators are required to take stakeholders feedback into account; they are not however required to respond to participants' comments, which makes it difficult for participants to see how their input has helped shaped regulatory proposals. Participants' views are made public on summaries published once consultations are over. Cyprus is currently developing an eConsultation platform where it plans to undertake all public consultations. This would allow for easier access to ongoing consultations, improving Cyprus' regulatory making process. Cyprus would also benefit from consulting with stakeholders earlier in the process to identify policy options including alternatives to regulation.

Regulatory impact assessment (RIA) is required for all regulatory proposals relating to primary laws. Although Cyprus introduced a new RIA framework in September 2017, a number of gaps remain. The impact assessment system could be improved by considering a broader range of costs and benefits, and establishing an oversight body for RIA quality control.

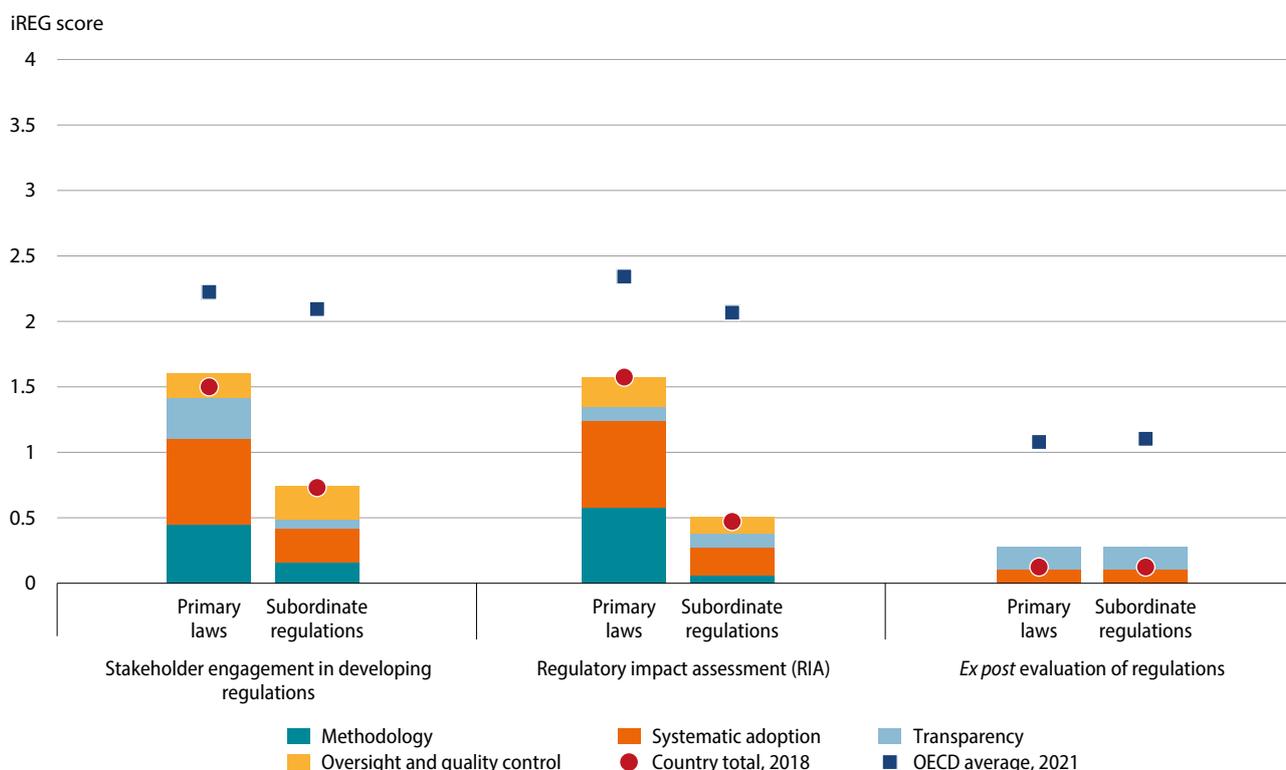
Cyprus would also benefit from a systematic evaluation of the efficiency and effectiveness of its regulatory management system.

Cyprus' SME Envoy is responsible for the quality control of the SME test, which assesses the potential impact of regulations on small and medium-sized enterprises. The SME Envoy is also in charge of ensuring an adequate consultation with the business community. It can issue an opinion on the quality of the SME test and resulting mitigation measures. There is however no institution responsible for regulatory oversight as a whole in Cyprus.

The Law Commissioner, appointed by the President of the Republic, has recently had its functions expanded. It now carries out simplification, consolidation, codification and revision of the national legislation on ad-hoc basis. The Law Commissioner advises the President and the Ministers on any issue concerning the law, its modernization, consolidation, amendment and reform. However, *ex post* evaluation of laws and regulations is not yet systematically undertaken in Cyprus. Having in place a framework for consistent and continuous evaluations could help to ensure that existing regulations remain fit for purpose.



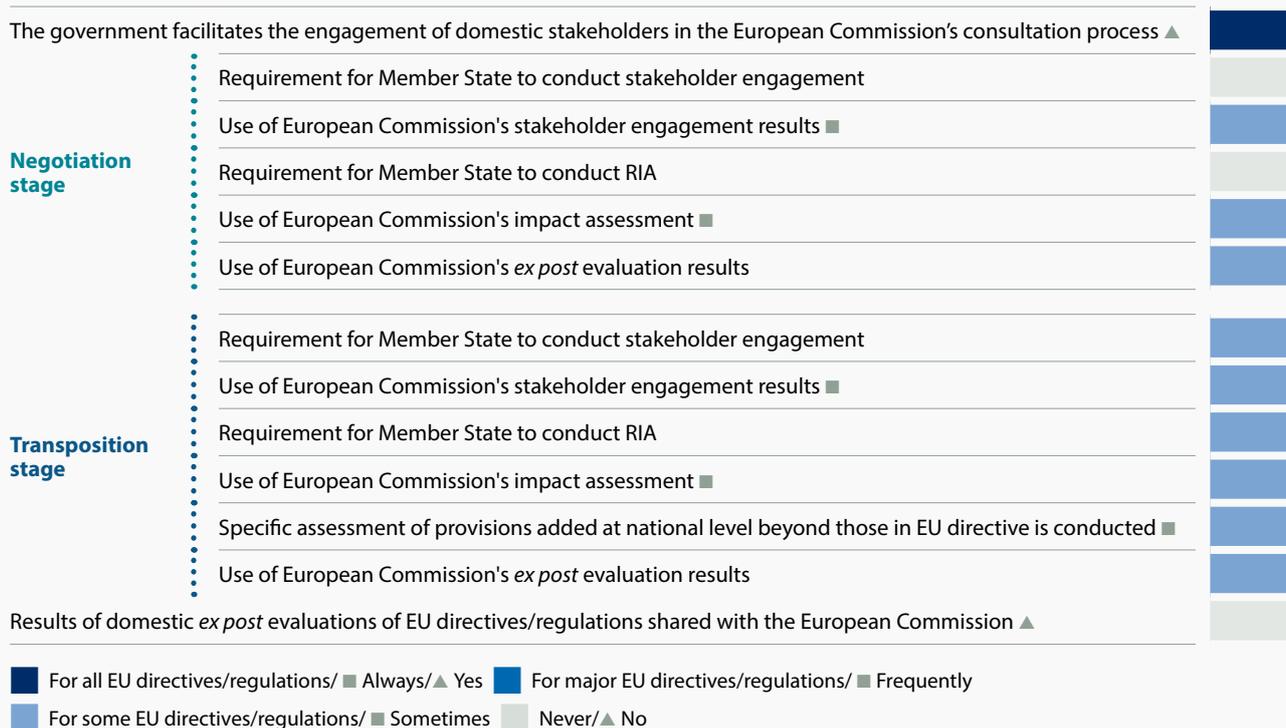
INDICATORS OF REGULATORY POLICY AND GOVERNANCE (iREG): CYPRUS, 2021



Note: 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 (64% of all primary laws in Cyprus).

Source: Indicators of Regulatory Policy and Governance Surveys 2017 and 2021, <http://oe.cd/ireg>.

REQUIREMENTS TO USE REGULATORY MANAGEMENT TOOLS FOR EU-MADE LAWS: CYPRUS



Source: Indicators of Regulatory Policy and Governance (iREG) Survey 2021, <http://oe.cd/ireg>.

THE OECD REGULATORY INDICATORS SURVEY AND THE COMPOSITE INDICATORS

The data presented in the *Better Regulation Practices across the European Union 2022* report are the results of the 2014, 2017, and 2021 indicators of Regulatory Policy and Governance (iREG) surveys. The results from these surveys for OECD member countries as well as the European Union have also been presented in the 2015, 2018, and 2021 OECD Regulatory Policy Outlooks. Composite indicators and country profiles for the five EU countries that are not members of the OECD were published for the first time and are based on the data from the 2017 and 2021 iREG surveys.

The Regulatory Indicators Survey investigates in detail three principles of the *2012 OECD Recommendation of the Council on Regulatory Policy and Governance*: stakeholder engagement, regulatory impact assessment (RIA) and *ex post* evaluation. Three composite indicators were developed based on information collected through the surveys for these areas. Each composite indicator is composed of four equally weighted categories:

- **Systematic adoption** which records formal requirements and how often these requirements are conducted in practice;
- **Methodology** which gathers information on the methods used in each area, e.g. the type of impacts assessed or how frequently different forms of consultation are used;
- **Oversight and quality control** records the role of oversight bodies and publicly available evaluations; and
- **Transparency** which records information from the questions that relate to the principles of open government e.g. whether government decisions are made publicly available.

The data underlying the composite indicators reflect practices and requirements in place at the national level of government, as of 1 January 2021. The indicators for stakeholder engagement and RIA relate to regulations initiated by the executive, while the indicator on *ex post* evaluation relates to all regulations. Whilst the indicators provide an overview of a country's regulatory policy system, they cannot fully capture the complex realities of its quality, use and impact. In-depth country reviews are therefore required to complement the indicators and to provide specific recommendations for reform. A full score on the composite indicators does not imply full implementation of the *Recommendation*. To ensure full transparency, the methodology for constructing the composite indicators and underlying data as well as the results of sensitivity analysis are available publicly on the OECD website (<http://oe.cd/ireg>).

Related links:

- Full report: [Better Regulation Practices across the European Union 2022](#)
- [Better Regulation Practices across the European Union 2019](#)
- [Indicators and underlying data and methodology](#)
- [Regulatory Policy Outlook 2021](#)
- [Recommendations and Guidelines on Regulatory Policy](#)
- [OECD Measuring Regulatory Performance Programme](#)
- [OECD work on regulatory policy](#)

For more information:

 mrp@oecd.org

 <http://oe.cd/ireg>

