OECD Regulatory Policy Outlook 2015

Country profile

ITALY

Access links

- OECD Regulatory Policy Outlook 2015: www.oecd.org/publications/oecd-regulatory-policy-outlook-2015-9789264238770-en.htm

- Indicators of Regulatory Policy and Governance and the underlying data: www.oecd.org/gov/regulatory-policy/measuring-regulatory-performance.htm

- Regulatory policy in Italy: www.oecd.org/regreform/regulatory-policy/regulatory-policy-italy.htm

- Regulatory Policy Outlook country profiles: www.oecd.org/regreform/regulatory-policy/outlook-country-profiles.htm

- OECD regulatory policy website: www.oecd.org/governance/regulatory-policy/

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BETTER POLICIES FOR BETTER LIVES

Overview

A number of reforms have been introduced since 2008 to improve regulation. For example, RIA is required for all legislation initiated by the executive, with the legislative department of the Prime Minister's Office (DAGL) providing oversight and guidance. *Ex ante* and *ex post* assessment are linked through a requirement to identify *ex ante* progress indicators to be assessed two years after the entry into force. An extensive measurement of administrative burdens and the repeal of redundant laws were undertaken between 2008 and 2012 by the public administration department of the Prime Minister's Office (DFP), and in 2014 a new burden reduction programme was adopted. Consultation is required for all primary and subordinate legislation initiated by the executive, and some consultations have taken place through the use of new media. A reform of the existing legislation on regulatory policy tools, including RIAs, *ex post* evaluation and stakeholder consultation, is planned for 2015.

The challenge is to deepen these reforms to ensure better policy making and address the sources of administrative burden. Transparency would need particular attention. For example, making RIA public and the basis for consultation could strengthen the quality of the proposed legislation. Making *ex post* evaluations publicly available could equally contribute to meaningful contributions from stakeholders (and make evaluations a stronger basis for preparing new legislation). While some open consultations have been conducted on major reforms such as education, justice and public administration/simplification since 2014, informal consultations are the most common ways to engage with stakeholders, which are usually selected by individual ministries. A single list of laws under preparation or to be amended could inform stakeholders in advance and facilitate feedback from a wider audience. Moreover, the upcoming reform of regulatory policy tools could introduce a threshold test with some selection criteria, to help focus analytical capacity on legislative proposals with significant impacts on the economy and/or society. A stronger *ex ante* assessment would also improve the effectiveness of the important effort that is being made to assess legislation *ex post*.
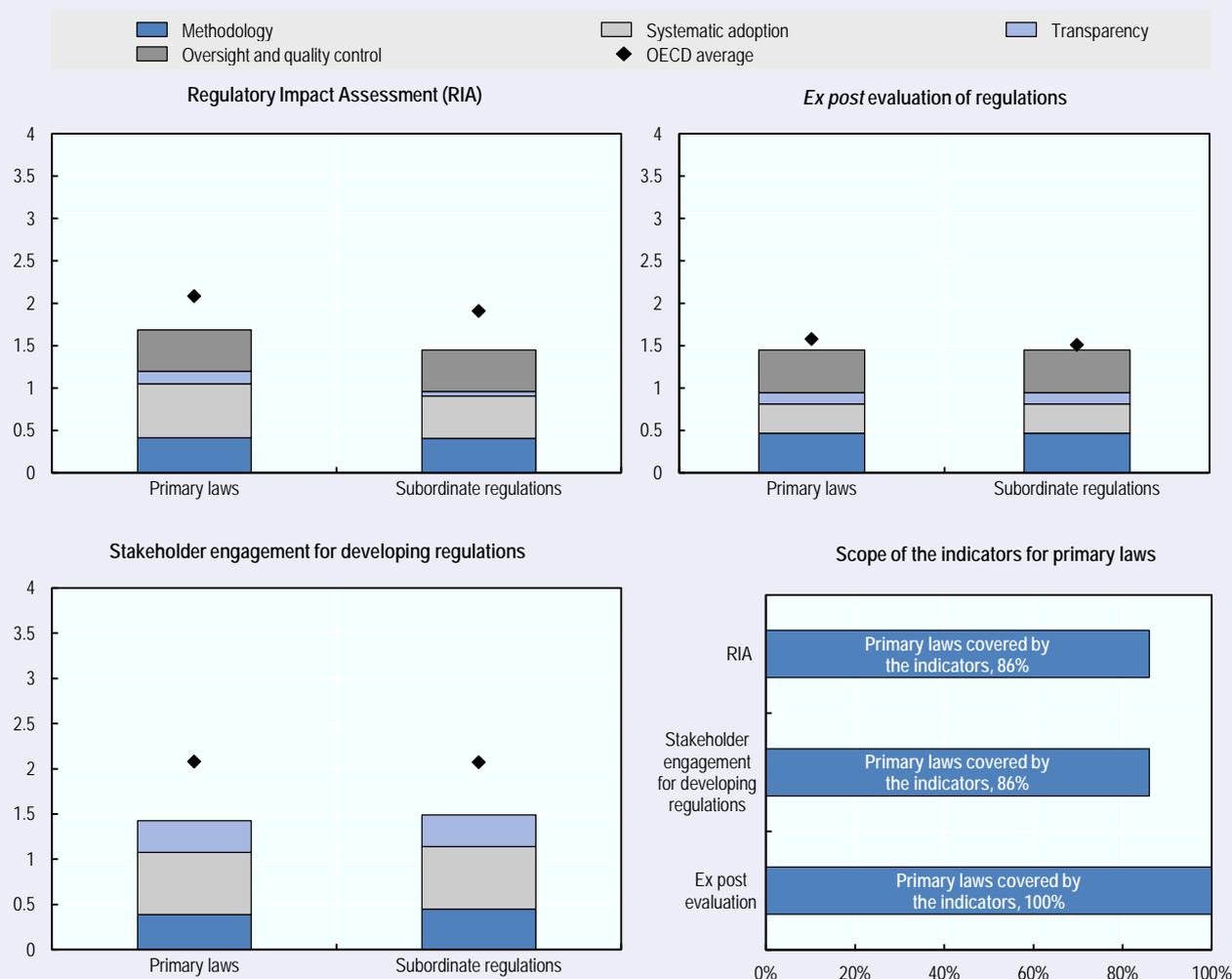
Spotlight: Multi-level regulatory coherence

Italy has developed an articulated system to facilitate multi-level regulatory coherence. A State-Regions Commission issues opinions on national draft legislation affecting policy areas of concurrent legislative power before adoption by the central government. The Commission also provides non-binding advice on the government's regulatory proposals that could impact on regional regulation. A "working group" defines and enforces together with regions and municipalities burden reduction activities and simplification measures. Transparency of regulatory policy is being strengthened through a new web portal for central and regional authorities to help improve the whole regulatory cycle. At the regional level, a network of professionals working in the legislative offices of the regional administrations (OLI) promotes the use of best practices in regulatory policies.

www.statoregioni.it/; www.funzionepubblica.gov.it/si/semplifica-italia/la-cooperazione-interistituzionale.aspx; http://qualitanormazione.gov.it ; http://oli.consiglio.regione.toscana.it/

Indicators of Regulatory Policy and Governance 2015

Legend:
- Methodology
- Oversight and quality control
- Systematic adoption
- OECD average
- Transparency

Regulatory Impact Assessment (RIA)

Primary laws, Subordinate regulations

Ex post evaluation of regulations

Primary laws, Subordinate regulations

Stakeholder engagement for developing regulations

Primary laws, Subordinate regulations

Scope of the indicators for primary laws

RIA: Primary laws covered by the indicators, 86%

Stakeholder engagement for developing regulations: Primary laws covered by the indicators, 86%

Ex post evaluation: Primary laws covered by the indicators, 100%

0%   20%   40%   60%   80%   100%

1. The figures display the aggregated scores from all four categories giving the total composite score for each indicator. The maximum score for each category is one and the maximum score for each aggregated indicator is four.

2. The information presented in the indicators for primary laws on RIA and stakeholder engagement only covers processes of developing primary laws that are carried out by the executive branch of the national government. As in Italy approx. 86% of primary laws are initiated by the executive, the indicators on RIA and stakeholder engagement cover approx. 86% of primary laws. There is no formal requirement in Italy for consultation with the general public and for conducting RIAs to inform the development of primary laws initiated by parliament. The information presented in the indicators for primary laws on *ex post* evaluation covers processes in place for both primary laws initiated by parliament and by the executive. The percentage of primary laws initiated by parliament is an average between the years 2011 to 2013.

Source: 2014 Regulatory Indicators Survey results, www.oecd.org/gov/regulatory-policy/measuring-regulatory-performance.htm.

Statlink: http://dx.doi.org/10.1787/888933263219

Indicators of Regulatory Policy and Governance (iREG)

The three composite indicators provide an overview of a country's practices in the areas of stakeholder engagement, Regulatory Impact Assessment (RIA) and *ex post* evaluation. Each indicator comprises 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 publically available evaluations.

- Transparency records information from the questions that relate to the principles of open government, e.g. whether government decisions are made publically available.

The composite indicators are based on the results of the *OECD 2014 Regulatory Indicators Survey*, which gathers information from all 34 OECD countries and the European Commission as of 31 December 2014. The survey focuses on regulatory policy practices as described in the 2012 *OECD Recommendation on Regulatory Policy and Governance*. The more of these practices a country has adopted, the higher its indicator score. Further information on the methodology is available online at www.oecd.org/gov/regulatory-policy/measuring-regulatory-performance.htm.

Whilst the indicators provide an overview of a country's regulatory framework, 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.

OECD Regulatory Policy Outlook 2015

The *OECD Regulatory Policy Outlook* (www.oecd.org/publications/oecd-regulatory-policy-outlook-2015-9789264238770-en.htm) provides the first evidence-based, cross-country analysis of the progress made by OECD countries in improving the way they regulate. Findings are based on the results of the *OECD 2014 Regulatory Indicators Survey*.

Key findings:

- Laws and regulations are essential instruments, together with taxes and spending, in attaining policy objectives such as economic growth, social welfare and environmental protection. OECD countries have generally committed at the highest political level to an explicit whole-of-government policy for regulatory quality and have established a standing body charged with regulatory oversight.

- Implementation of regulatory policy varies greatly in scope and form across countries. While RIA has been widely adopted, few countries systematically assess whether their laws and regulations achieve their objectives. Stakeholder engagement on rule making is widespread in OECD countries, taking place mostly in the final phase of developing regulation.

- The national executive government has made important progress over the last decade to improve the quality of regulations. Parliaments, regulatory agencies and sub-national and international levels of government need to be more engaged to ensure that there are evidence-based and efficient laws and regulations for stimulating economic activity and promoting well-being.

- The impact of regulatory policy could be further improved by addressing shortcomings in the implementation and enforcement of regulations and by considering new approaches to regulatory design and delivery such as those based on behavioural economics.

Contact information:

Christiane Arndt, Head of Programme, Measuring Regulatory Performance, christiane.arndt@oecd.org and Céline Kauffmann, Deputy Head of Division, Regulatory Policy, celine.kauffmann@oecd.org