

Regulatory Impact Assessment in Austria

The new system for Regulatory Impact Assessment (RIA) in Austria has entered into force on January 1 2013 aimed at achieving better regulations and a more efficient and effective public service. The so called outcome orientated impact assessment is a key element in implementing the principle of outcome orientation that has been laid down as a budgeting principle in the Austrian Constitution. For every new draft law, regulation of major project, objectives, outputs and indicators have to be defined and impacts in various policy areas (so called “impact dimensions”) have to be analyzed, if they are substantial. An internal evaluation has to take place within five years.

Legislative Frame

The outcome orientated impact assessment is regulated in §§ 17 and 18 of the Federal Budget Law 2013 and in several regulations by the Federal Chancellor and the Minister for Finance. The regulatory impact assessment is linked to the outcome and output statements in the annual budget. Laws and new regulations may contribute to a desired outcome or even represent an output in the budget. Whenever such a connection exists, it is made transparent in the impact assessment in order to increase policy coherence.

Key Steps

The impact assessment has to start as soon as possible in the law making or project planning process and has to be part of the consultation material and the legal material provided for Parliament. Key steps of the outcome orientated impact assessment are:

- **Problem analysis:** carried out to explain why government action is required and why the proposed solution was chosen.
- **Outcome statement:** formulates the outcome to be achieved by means of the respective regulatory or other project. For each outcome 1 to 5 indicators are set to facilitate the subsequent evaluation of outcomes in the course of internal evaluation.
- **Output statement:** comprises the measures and activities through which the defined objectives are to be achieved. For these outputs, just as for the desired outcomes, indicators for the evaluation have to be defined.
- **Impact assessment:** The impacts of the proposals in certain policy areas (impact dimensions) are analysed and – if substantial – described in the impact assessment.

Impact Dimensions

The impact assessment in Austria encompasses 9 impact dimensions, including:

- Financial impacts
- Impacts on the overall economy
- Impacts on enterprises
- Environmental impacts
- Impacts in the field of consumer protection policy
- Impacts on administrative costs for citizens and enterprises
- Social impacts
- Impacts on children and young people
- Impacts regarding equality of women and men

These impact dimensions entail various subdimensions. The “social impacts” dimension for example includes 5 subdimensions, ranging from impacts on the labour market to impacts on disabled persons.

The impact assessment focuses on substantial impacts only. Therefore criteria for significance are defined for every impact dimension and subdimension so as to assess whether an impact is substantial (e.g. a certain number of people affected by the regulation).

Responsibilities

The responsibility for conducting the impact assessment lies with the line ministries and several other state organs that are drafting regulations or/and policy projects. Officials conducting the impact assessments are guided through a questionnaire by means of an IT tool, receiving guidance and support by way of explanatory texts and contact persons in the responsible ministry.

The Federal Performance Management Office at the Federal Chancellery is providing training, consultations, checklists and working tools to support the ministries and other state organs responsible for the assessment. It conducts the quality assurance in terms of giving recommendations regarding formulations and complying with certain quality criteria like relevancy, consistency, comprehensibility and verifiability. The Ministry of Finance is responsible for quality assurance regarding financial impacts.

The line ministries either have to comply with the Chancellery's recommendations or explain why not. Annually they report the results of the internal evaluations conducted in the previous year to the Federal Performance Management Office, which draws up the report on internal evaluation and submits it to Parliament every year in spring.

First Implementation Report

In May 2013 the Federal Performance Management Office sent its first [RIA Implementation Report](#) to the Parliament, describing the experience in the first months after introducing the outcome orientated impact assessment.

According to this report 59 impact assessments were submitted to the Federal Performance Management Office in the first quarter of 2013, a number that indicates, that the instrument of impact assessment is applied by all state organs. At the same time the first months also showed that the new outcome oriented impact assessment is a learning process in which recommendations by the Federal Performance Management Office can contribute to improve the quality of impact assessments.

Often recommendations concerned comprehensibility, suggesting that the impact assessment should be formulated more clearly to ensure that it is easy to understand, especially for the interested public. Another quality criteria that regularly has been addressed, was verifiability, concerning the question of choosing the right quantitative or qualitative performance indicators that are the basis for a sound evaluation. It also turned out, that the impact dimension that is most often affected are financial impacts.

For information see: <http://www.wfa.gv.at>