



EU AI Act

Predicting national implementation

March 2024

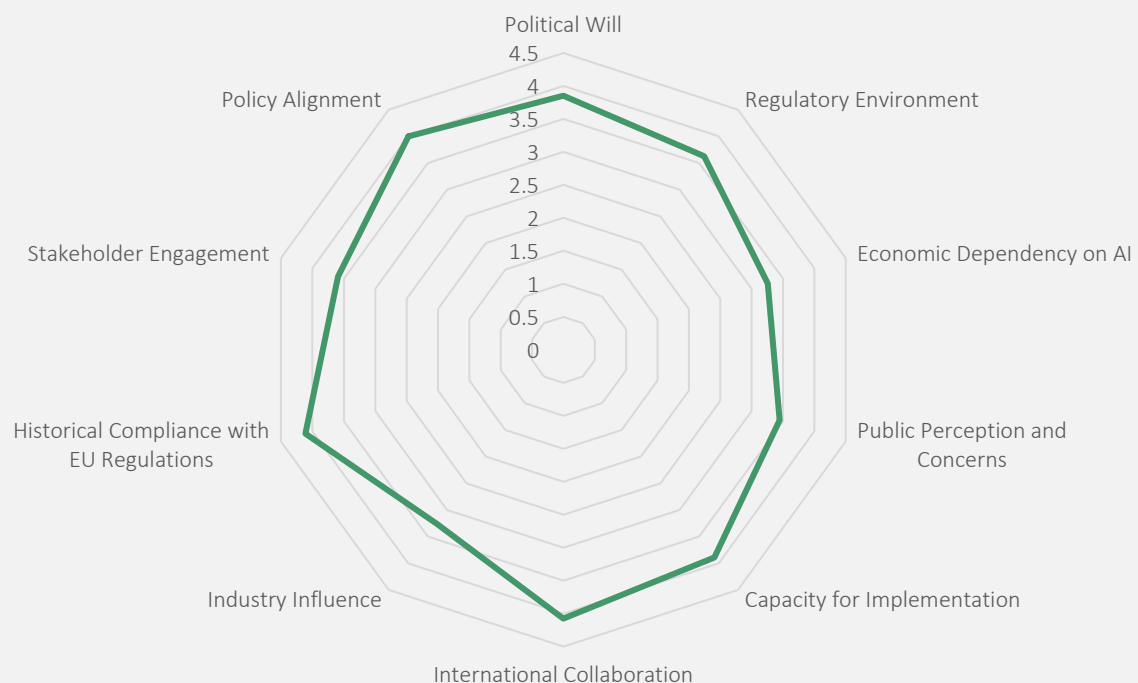


Ensuring Consistent and Effective Implementation:

As the EU AI Act aims to create a *harmonized* regulatory framework for artificial intelligence across member states, predictions on the rigor of implementation become crucial for ensuring consistency and effectiveness. A uniform and well-enforced approach to AI governance is essential to prevent fragmentation and discrepancies in how countries interpret and apply the regulations. Predictions, made based on historical data of previous regulatory implementations, help anticipate potential challenges and disparities, enabling proactive measures to address them and fostering a cohesive AI landscape within the European Union.

Without *accurate* predictions, variations in the implementation rigor among EU countries could lead to a lack of trust in cross-border AI applications and hinder the free flow of AI technologies. Predicting the alignment of each country with the EU AI Act allows for targeted interventions, such as capacity building or regulatory support, where needed, ensuring a robust and coherent AI ecosystem throughout the European Union.

All predictions are based using data from the OECD coupled with **Country profiles from the OECD Regulatory Policy Outlook 2021, 2018 and 2015 (if available)**. The scoring range starts from 1 (very low alignment) to 5 (very high alignment).



- **Highest Alignment with EU Regulations:** The aspects of "Historical Compliance with EU Regulations" and "Policy Alignment" show the highest average scores across EU countries, with scores of 4.111 and 4, respectively. This indicates that, on average, EU member states have a strong track record of complying with EU regulations, and their existing AI policies are well-aligned with the principles outlined in the EU AI Act.
- **Strong Political Will and Capacity:** "Political Will" and "Capacity for Implementation" also receive relatively high average scores of 3.85 and 3.89, respectively. This suggests that EU countries, on average, demonstrate a commitment to AI regulation, and they possess the administrative and technological capabilities needed for effective implementation.
- **Variable Economic Dependency on AI:** "Economic Dependency on AI" shows a slightly lower average score of 3.26. This suggests that, on average, EU countries may not be overly dependent on AI technologies for their economies. However, individual country scores within this aspect may vary significantly.
- **Public Perception and Industry Influence:** "Public Perception and Concerns" and "Industry Influence" receive average scores of 3.44 and 3.26, respectively. This implies that, on average, there is moderate public support for ethical AI practices, and the influence of AI-related industries on the regulatory landscape is not extremely high.
- **Positive International Collaboration:** The aspect of "International Collaboration" receives a relatively high average score of 4.07. This suggests that EU member states, on average, actively participate in joint efforts to address AI challenges, indicating a collaborative approach to AI regulation at the international level.



Key Indicators of Regulatory Policy and Governance 2021

Mandatory Regulatory Impact Assessment (RIA)

Since 2013, Austria mandates RIA for all primary laws and subordinate regulations, using a comprehensive threshold test to determine the extent of the assessment required.

Simplified and Full RIA Methodology

Approximately two-thirds of regulations undergo a simplified RIA, while the full RIA methodology involves assessing impacts on the environment, social aspects, and gender equality.

Ex Post Evaluations and Threshold Test

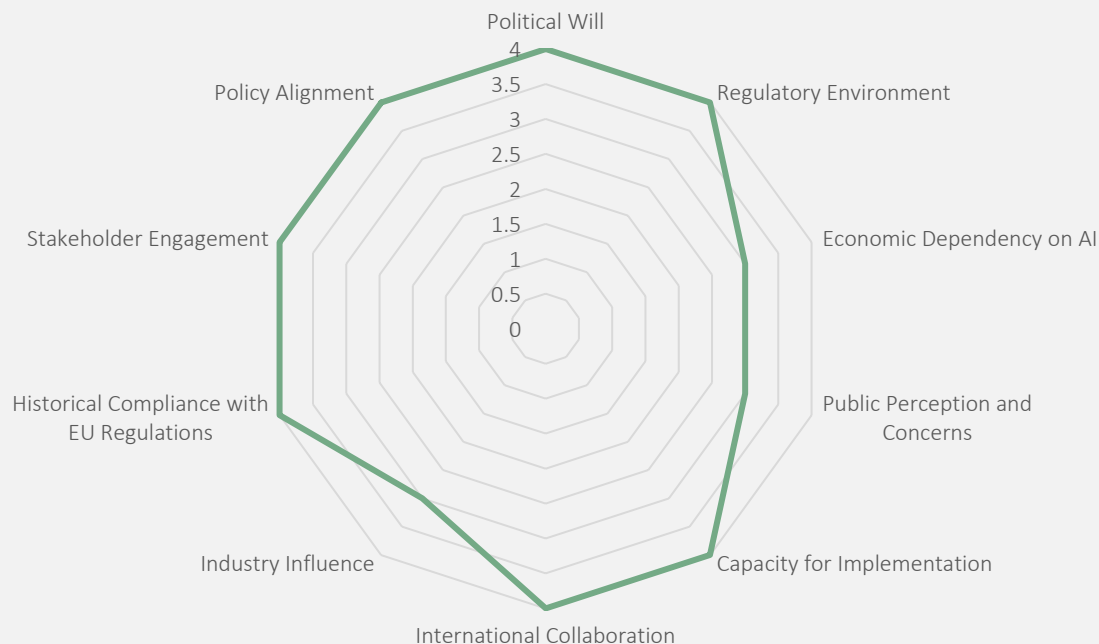
Ex post evaluations, introduced in 2013, are limited to regulations passing the threshold. The evaluations include assessing policy goal achievement, comparing actual and predicted impacts, and identifying costs, benefits, and unintended consequences.

Federal Performance Management Office (FPMO)

The FPMO at the Federal Ministry for Arts, Culture, Civil Service, and Sport reviews the quality of full RIAs and ex post evaluations. It issues guidelines, provides training, and coordinates RIA and ex post evaluation tools across the government.

Public Consultation Expansion

Triggered by a parliamentary resolution, Austria expanded public consultations on draft primary laws since September 2017. Draft laws, RIAs, and accompanying documents are available online, allowing the public to submit comments. The scope was further extended in August 2021 to cover all legislative initiatives, fostering public engagement and transparency.





Key Indicators of Regulatory Policy and Governance 2021

Stagnation in Regulatory Framework Improvement

Belgium has not made significant improvements in its institutional and policy framework for regulatory quality at the federal level in recent years.

Mandatory RIA for Primary Legislation

RIA is mandatory for all primary legislation submitted to the Cabinet of Ministers, and it is typically shared with social partners for consultation. However, RIAs for subordinate regulations are no longer published.

Limited Requirement for Alternatives Assessment

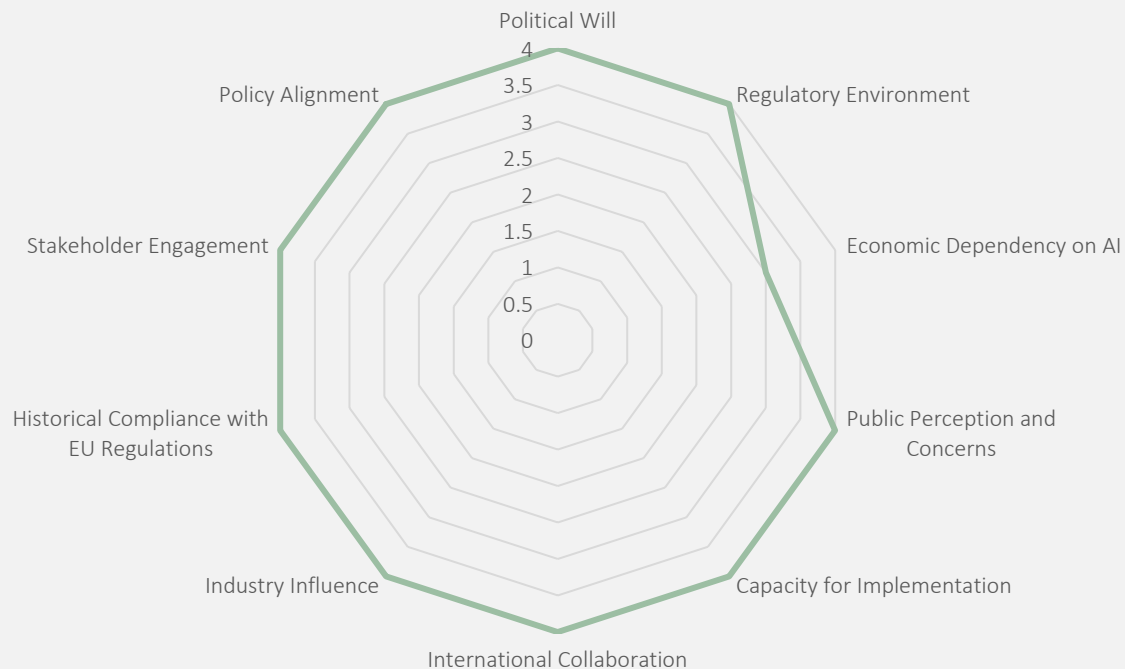
Belgium currently lacks a systematic requirement for the identification and assessment of alternatives to the preferred policy option in the RIA process.

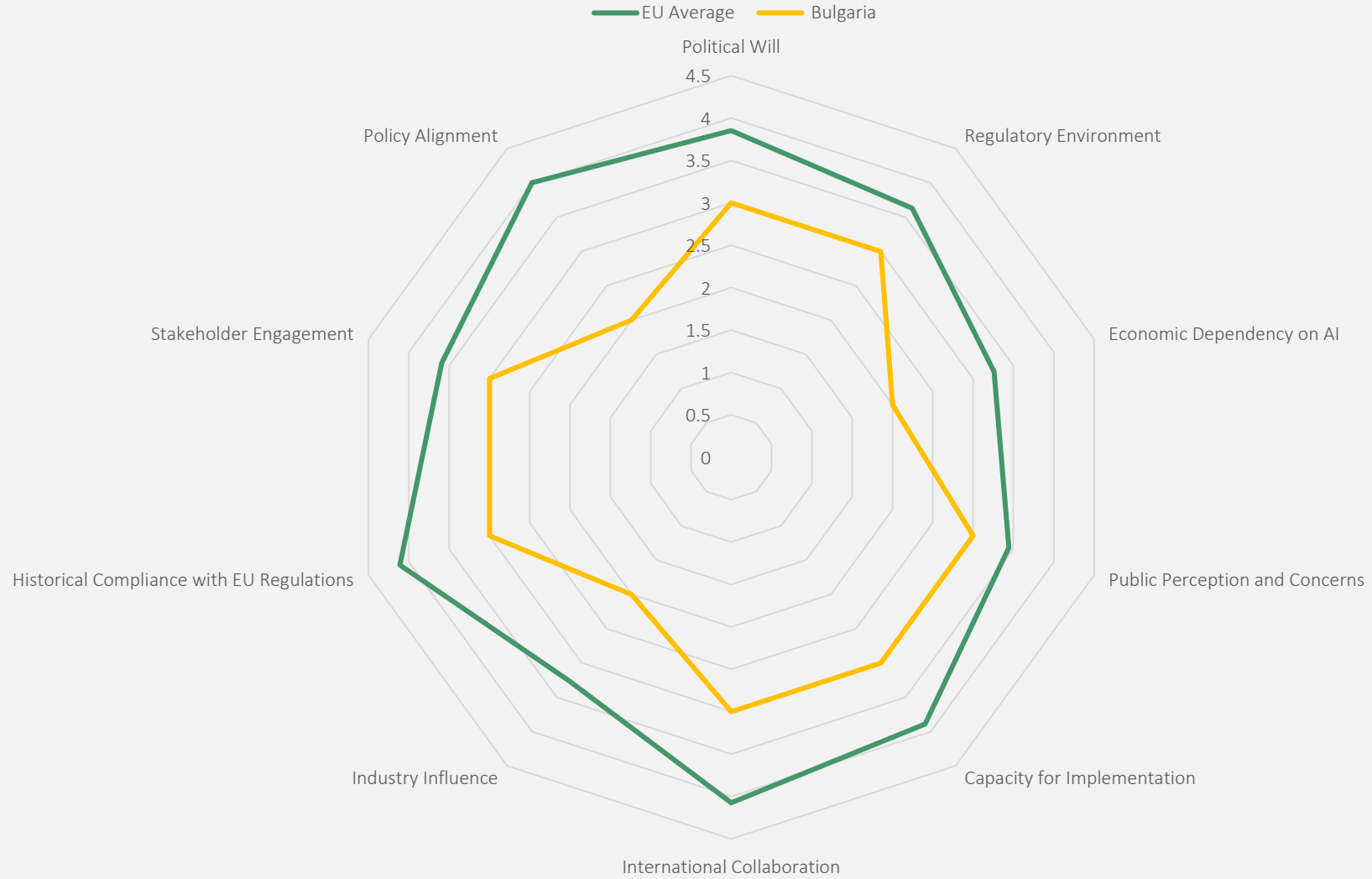
Role of the Agency for Administrative Simplification (ASA)

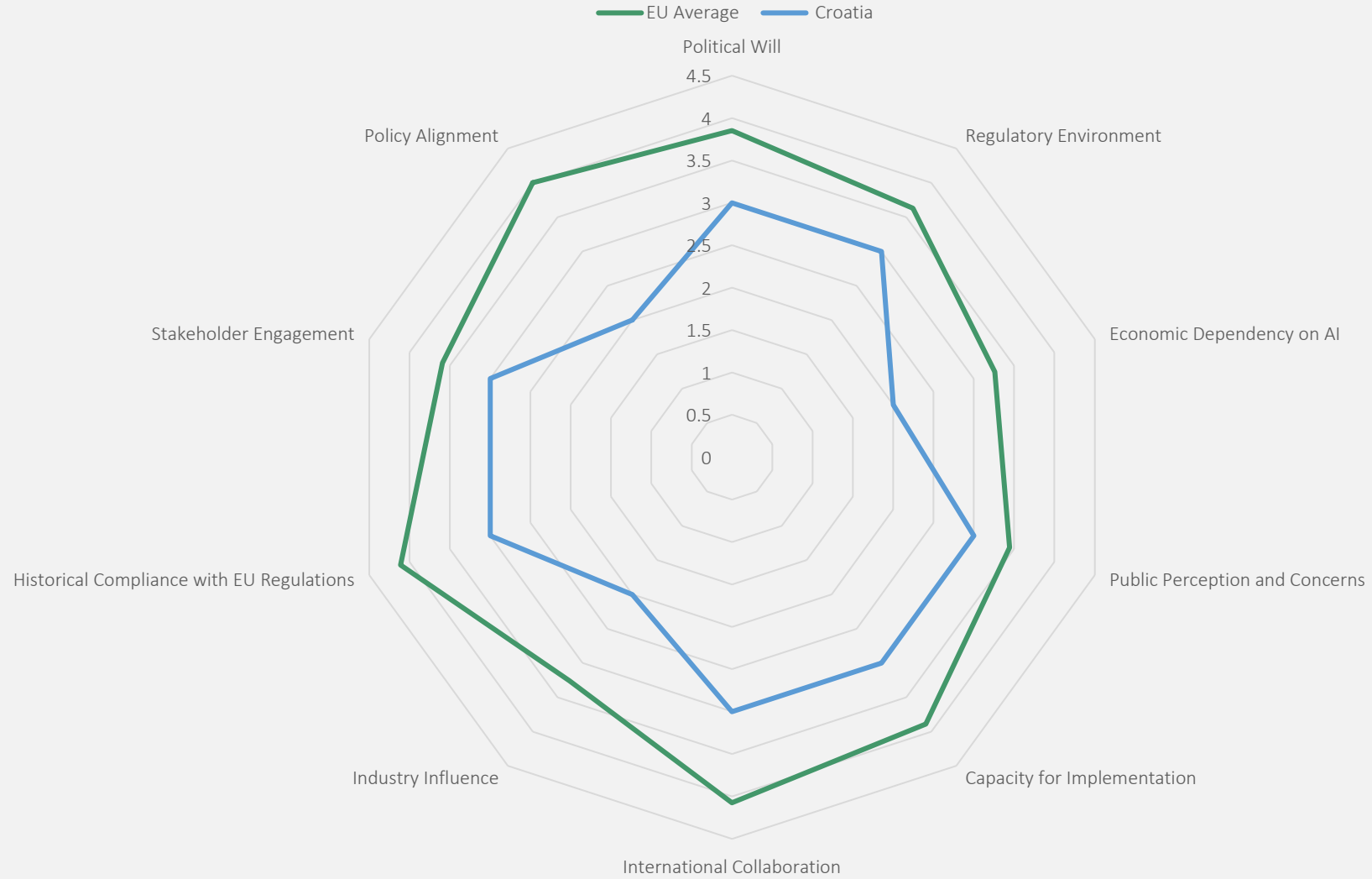
The ASA, located within the Prime Minister's Office, coordinates RIA and oversees Better Regulation implementation across the federal government. The Impact Assessment Committee (IAC) supports ASA by providing advice on RIAs and reporting annually on their quality and the RIA process.

Consultation and Engagement Enhancement

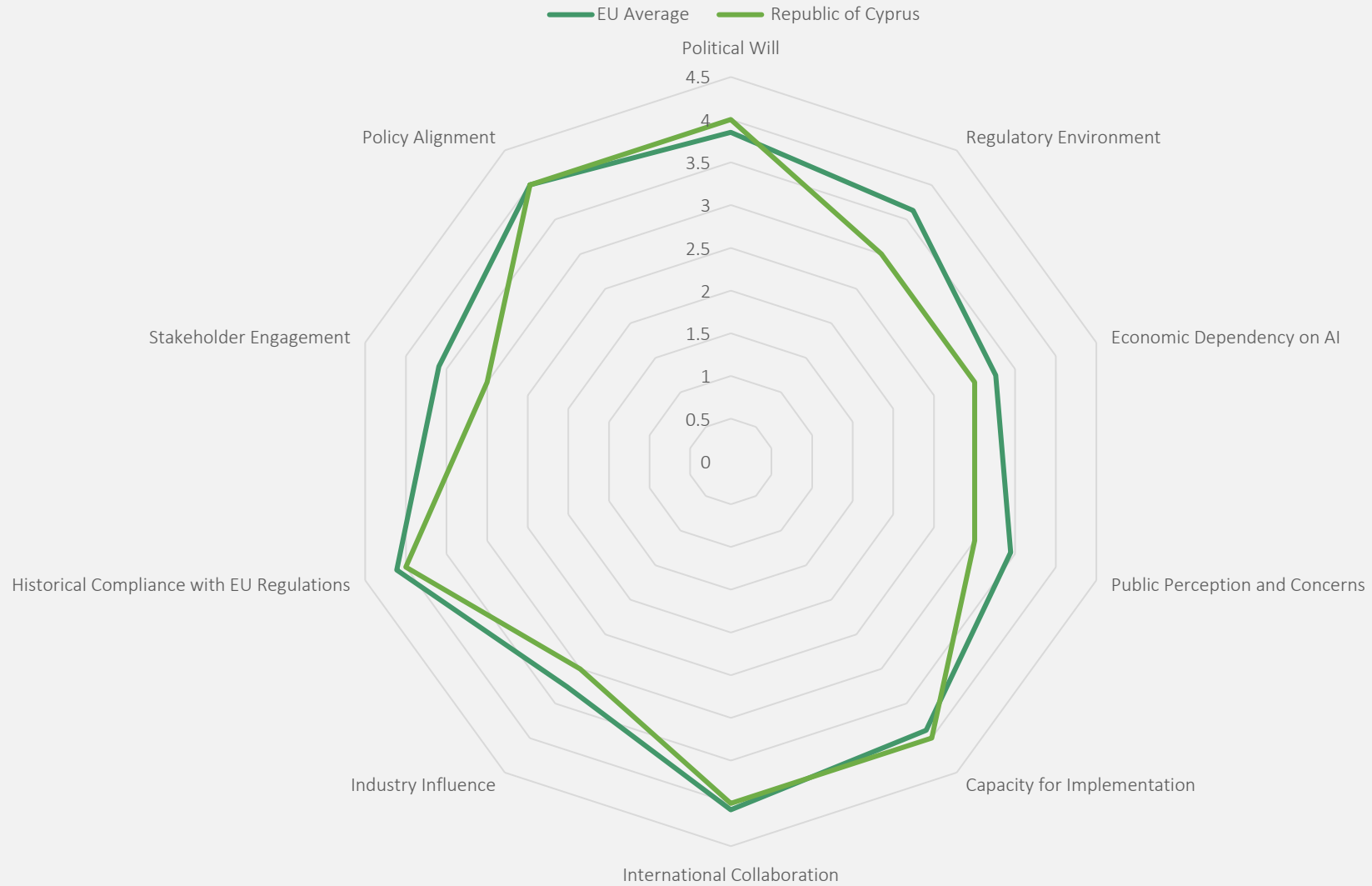
Consultation and engagement could be strengthened by systematizing their use for both primary and subordinate regulations across all ministries. Establishing a central platform for publishing all ongoing consultations and releasing RIAs for public consultation, not just for social partners, would enhance transparency and accountability in Belgium's regulatory system.







Republic of Cyprus





Key Indicators of Regulatory Policy and Governance 2021

Advanced RIA Process in Czech Republic

The Czech Republic has a well-developed regulatory impact assessment (RIA) process that includes quality control mechanisms through the RIA Board, operating independently from the government.

RIA Quality Improvement Opportunities

While the RIA process is robust, there is room for improvement, especially in terms of quantifying impacts. Enhancing the quality of impact quantification could further strengthen the effectiveness of the RIA process.

Role of Government Legislative Council and RIA Board

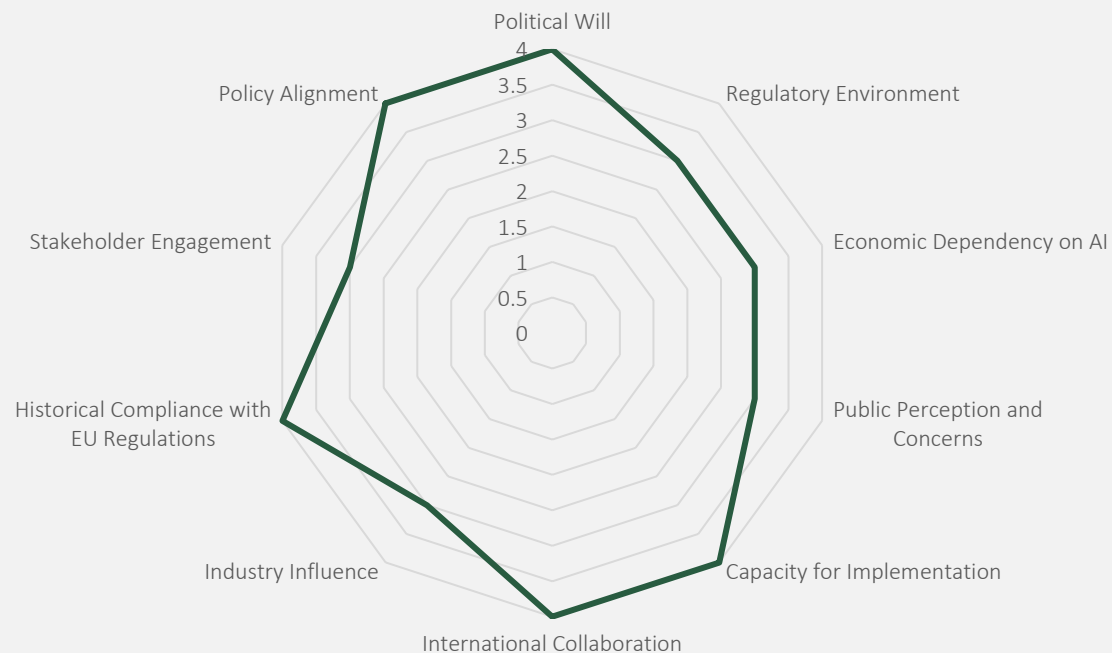
The Government Legislative Council, particularly its RIA Board, plays a crucial role in evaluating the quality of RIAs, ensuring adherence to procedures, providing assistance to drafting authorities, and issuing opinions on whether draft legislation requires a full RIA.

Public Consultation Standardization

Public consultations within the RIA process are obligatory, but there is a need for standardization. The Czech Republic should establish compulsory rules specifying the length and form of consultations, stimulate stakeholder engagement, including the general public, and be more proactive in involving stakeholders early in the process.

Focus on Administrative Burden Reduction

The Czech Republic has prioritized reducing administrative burdens, but the focus has not expanded to other regulatory costs. Evaluation of existing regulations for effectiveness and efficiency is mostly ad hoc and should be made more systematic in the future. The publication of guidelines on ex post evaluation for officials is a positive step but could be further institutionalized.





Key Indicators of Regulatory Policy and Governance 2021

Danish Regulatory Reform Focus

Regulatory reform has been a key focus in Denmark since the 1980s, and recent institutional reforms support agile (innovation-friendly) and digital-ready business legislation. However, attention to role clarity and effective coordination between distinct bodies is needed for optimal results.

Expanded Role of Better Regulation Unit

The Better Regulation Unit at the Danish Business Authority has an expanded mandate. Beyond quality control of RIAs, it oversees compliance with principles for agile business regulation and EU-regulation implementation. It plays a vital role in guiding and training in regulatory management tools.

Danish Business Regulation Forum (DBRF)

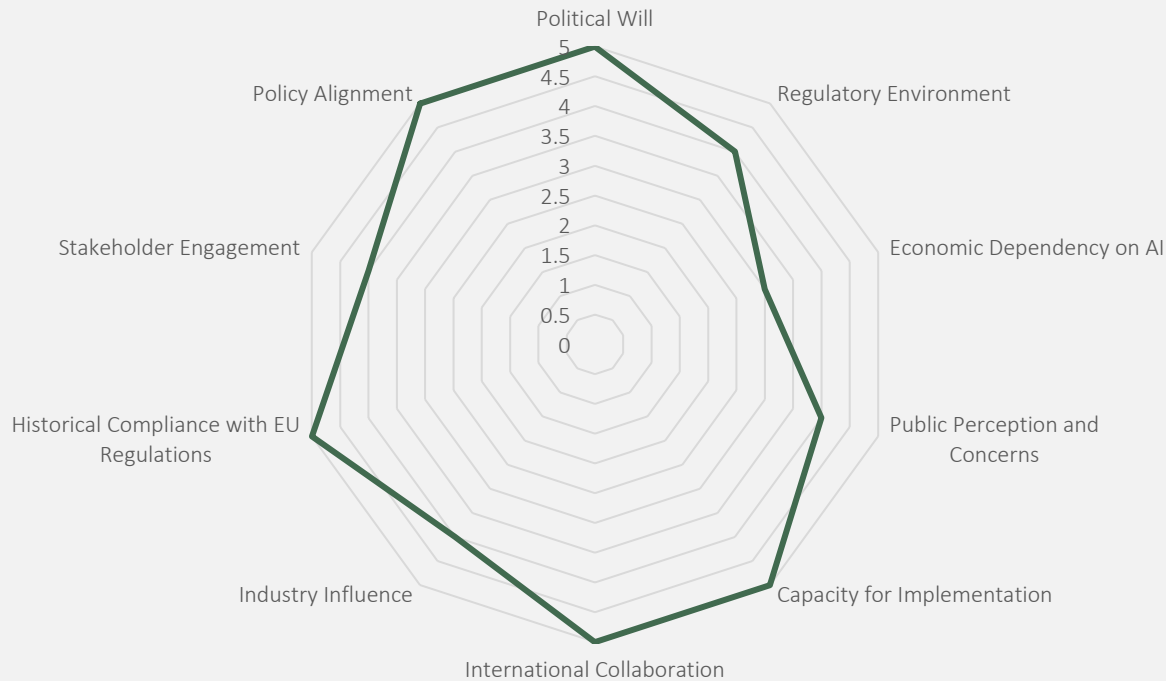
The DBRF, formed in 2019, advises the government on RIA methodology and agile business regulation. It conducts in-depth reviews of regulations, identifying simplification options in areas challenged by digitization. The DBRF also focuses on business-oriented digital solutions.

Secretariat for Digital-Ready Legislation

The Secretariat within the Ministry of Finance reviews draft legislative proposals for compliance with digital-ready legislation principles. Its recommendations are often incorporated by government ministries, enhancing the digital readiness of proposed bills.

Stakeholder Engagement and RIA in Denmark

Denmark systematically engages stakeholders in the later stages of the regulatory process. Full RIAs are required for both primary and subordinate regulations above certain thresholds. Periodic reviews of existing regulations with significant impacts involve the DBRF, ensuring ongoing assessment. However, transparency could be strengthened by informing the public in advance of public consultations or RIAs, and an oversight function for inadequate impact assessments could enhance RIA effectiveness.





Key Indicators of Regulatory Policy and Governance 2021

Stability in Estonian Regulatory Framework

Estonia has maintained a stable regulatory framework since 2014, with no major changes. While full regulatory impact assessments (RIAs) are still infrequent, simplified RIAs are consistently included in draft laws, and their analytical depth has increased over time.

Quality Oversight by Legislative Quality Division

The Legislative Quality Division within the Ministry of Justice ensures the quality of RIAs, with the authority to return them for revision if standards are not met. The division is also responsible for systematic improvement and evaluation of regulatory policy, issuing guidelines, and scrutinizing the legal quality of draft regulations.

Transparency and Accessibility through Online Tools

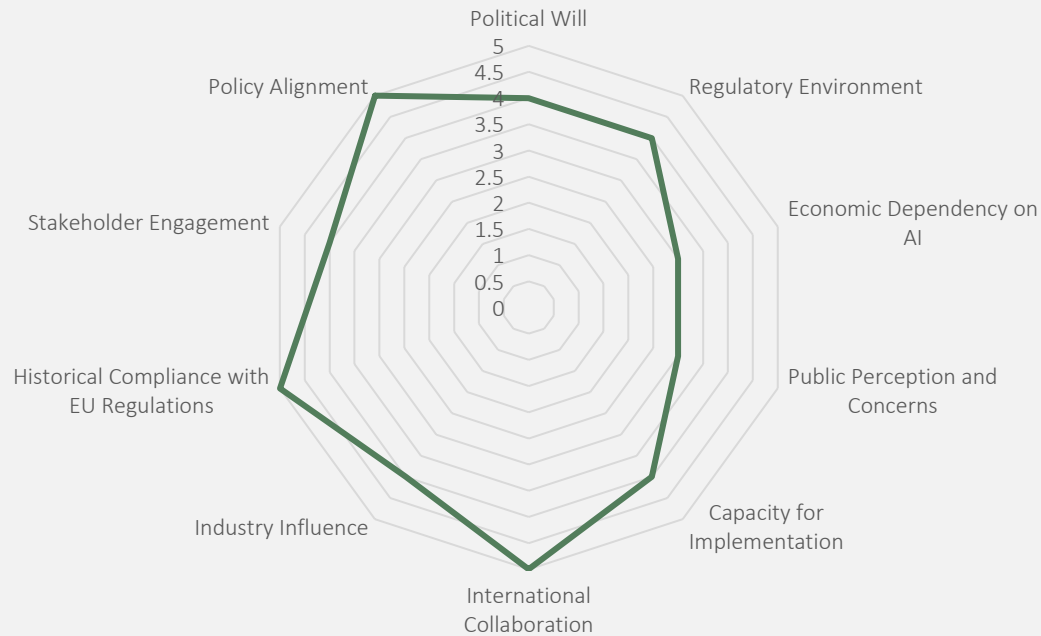
Estonia emphasizes accessibility and transparency in regulatory policy, leveraging online tools. The EIS information system tracks legislative developments, and RIAs are available on a central portal. Public consultations utilize various channels, including ministries' websites, social media, and general media, enhancing engagement.

Ex Post Evaluation Implementation

Mandatory ex post evaluations for some regulations have been in place since 2012, with initial evaluations conducted in 2018. Evaluations, covering areas like competition, administrative burden, and regulatory overlap, occur 3–5 years post-implementation. Estonia aims to increase the proportion of ex post evaluations, as outlined in the 2030 legislative policy strategy.

Coordinated Stakeholder Engagement and EU Law Scrutiny

The Government Office of Estonia coordinates stakeholder engagement across government, issuing guidelines, managing e-consultations, and promoting engagement coordinators. The EU Secretariat within the Government Office coordinates EU law and transposition, while the Legal Department scrutinizes legislation. The overall approach aligns with a focus on comprehensive stakeholder involvement and adherence to EU law.





Key Indicators of Regulatory Policy and Governance 2021

Strategic Commitment to Better Regulation

Finland's Government Programme since 2019 prioritizes strengthening regulatory oversight, introducing a government-level system for ex post assessments, and developing a comprehensive action plan for Better Regulation. Reforms in regulatory impact assessment (RIA) and ex post evaluations are underway.

Formal Requirements for RIA

RIA is formally required for all primary laws and some subordinate regulations in Finland. A renewal of RIA Guidelines initiated in 2020, with expected new guidance in 2021-22, reflects an ongoing commitment to enhancing the quality and effectiveness of impact assessments.

Role of Finnish Council of Regulatory Impact Analysis (FCRIA)

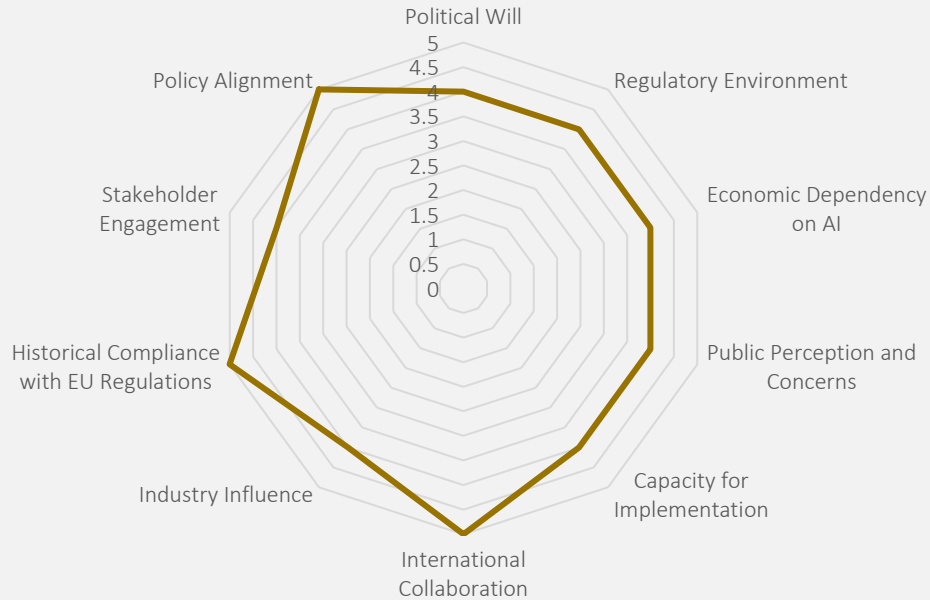
FCRIA, established in 2015, serves as Finland's regulatory oversight body. It reviews selected RIAs for significance and representativeness, offering advice and a formal opinion on RIA quality. FCRIA also has a mandate to review ex post assessments. While lacking sanctioning power, it plays a crucial role in ensuring the quality of regulatory processes.

Stakeholder Engagement Platforms

Finland employs multiple stakeholder engagement platforms, including lausuntopalvelu.fi (2015) and the Governments Registry for Projects and Initiatives (revamped in 2017). These platforms inform the public about ongoing draft legislations and facilitate feedback. The COVID-19 pandemic has increased the importance of online consultations.

Potential for Strengthening Oversight

While FCRIA reviews RIAs, there's potential for strengthening oversight by introducing a function that allows for returning proposed rules with inadequate impact assessments. This step could further enhance the review and use of RIAs in Finland's regulatory processes.





Key Indicators of Regulatory Policy and Governance 2021

Strategic Improvements in Regulatory Policy

France, since 2018, has implemented strategic measures to enhance its regulatory policy system, including the introduction of five impact indicators for legislative proposals and an assessment of the "one-in, two-out" offsetting approach. Regular communication on priority reforms and a publicly available barometer of policy results contribute to transparency.

Comprehensive RIA Framework

Regulatory impact assessments (RIAs) are mandatory for all primary laws and significant subordinate regulations in France. The government has established a centralized online platform for public access to all RIAs, promoting transparency and accessibility.

Ad Hoc Ex Post Evaluations

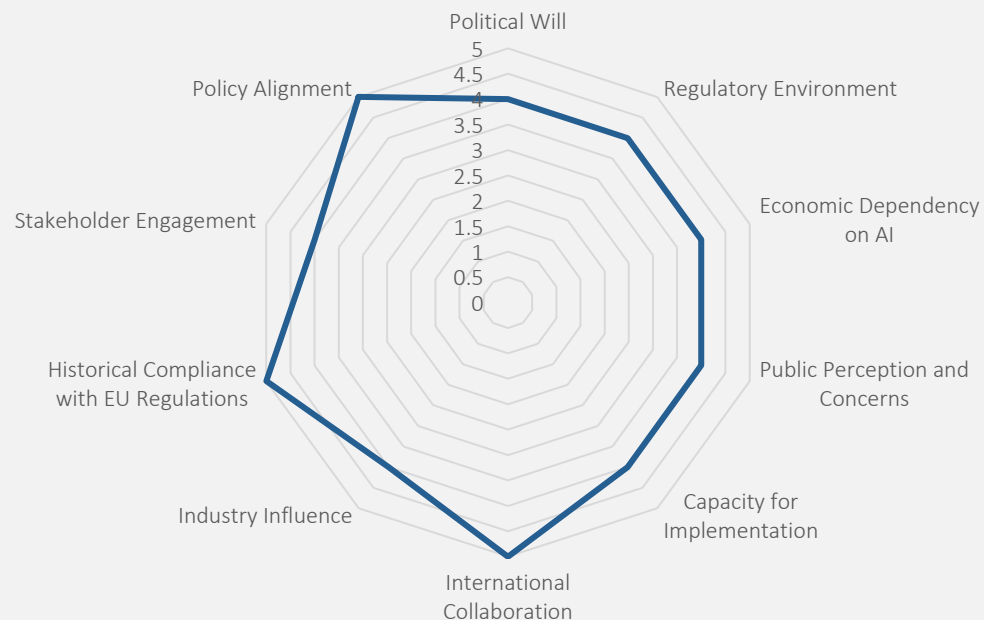
Ex post evaluations in France occur on an ad hoc basis, primarily for primary regulations. The process is currently fragmented across various institutions. The government's focus on measuring net savings from regulatory initiatives, as seen in the "one-in, two-out" approach, reflects a commitment to evaluating policy impacts.

Stakeholder Engagement Practices

While France does not have a formal requirement for public and stakeholder engagement in the development of new regulations, frequent informal consultations and engagement with selected groups are common. Notably, France conducted a broad public consultation, involving citizens directly, for the Climate and Resilience Bill in 2019-2020.

Institutional Oversight and Improvement Opportunities

The Secrétariat Général du Gouvernement (SGG) under the Prime Minister plays a crucial role in ensuring compliance with procedures, coordinating inter-ministerially, and liaising with the Conseil d'État and Parliament. Despite advancements, France could further improve its Better Regulation agenda by systematically opening consultations to the general public and enhancing the systemization of ex post evaluations.





Key Indicators of Regulatory Policy and Governance 2021

Enhancements in Regulatory Transparency

Germany has made significant strides in promoting transparency within its legislative process. Since 2018, ongoing public consultations are accessible through a central government website, emphasizing the commitment to transparency in regulatory policymaking.

Inclusive Regulatory Impact Assessments (RIAs)

Mandatory RIAs for all laws and regulations in Germany have been improved with a focus on citizen well-being. Since 2020, assessments now include considerations of the impacts on the equality of living conditions, reinforcing the commitment to promoting the well-being of citizens in policy development.

Strengthened Ex Post Evaluation Framework

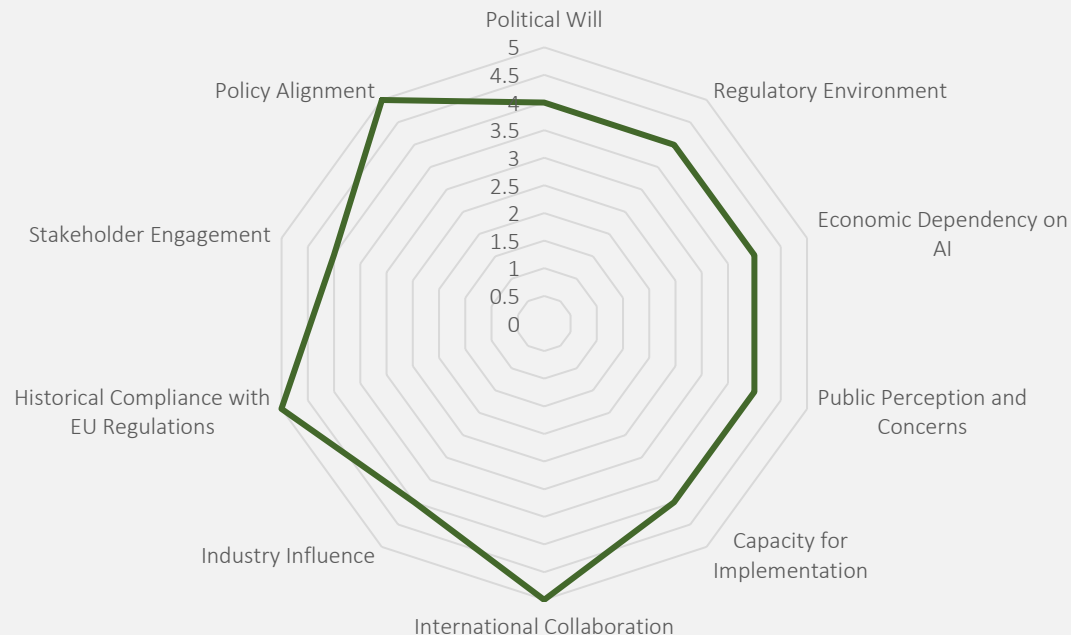
Recent efforts in Germany have been directed at enhancing the ex post evaluation of legislation. The Bureaucracy Reduction and Better Regulation work programme introduced in 2018 mandated the online publication of all evaluation reports. Additionally, an evaluation support unit was established to assist ministries in this regard.

Centralized Coordination and Monitoring

The Better Regulation Unit (BRU) in the Federal Chancellery serves as the central coordinating and monitoring body for the Federal Government's program on better regulation and bureaucracy reduction. The National Regulatory Control Council (NKR) operates independently, reviewing the quality of RIAs, providing advice, and overseeing administrative simplification and burden reduction.

Progress in Stakeholder Engagement and Consultations

Germany has taken steps to involve stakeholders earlier in the development of regulations. Since 2017, draft regulations are available on ministries' websites, and ongoing consultations are accessible through a centralized government website. While social partners and experts are regularly consulted, there is room for improvement in systematically engaging the public, releasing draft impact assessments for public consultation, and publishing consultation responses online.





Key Indicators of Regulatory Policy and Governance 2021

Advancements in Regulatory Management

Greece implemented Law 4622 in 2019, a significant step that integrates regulatory management tools into the rule-making process for primary laws. The law introduces measures such as the publication of a list of laws to be prepared or modified and updates to RIA guidelines, including stakeholder engagement procedures.

Enhanced Regulatory Impact Assessment (RIA)

RIA has become mandatory for all primary laws and certain subordinate regulations of major economic or social importance in Greece. Law 4622/2019 introduces improvements, requiring ministerial sign-off, proportionate analysis based on expected impacts, quantification of additional regulatory costs, and assessment against a broader range of factors, including gender equality and UN Sustainable Development Goals.

Institutional Changes and Responsibilities

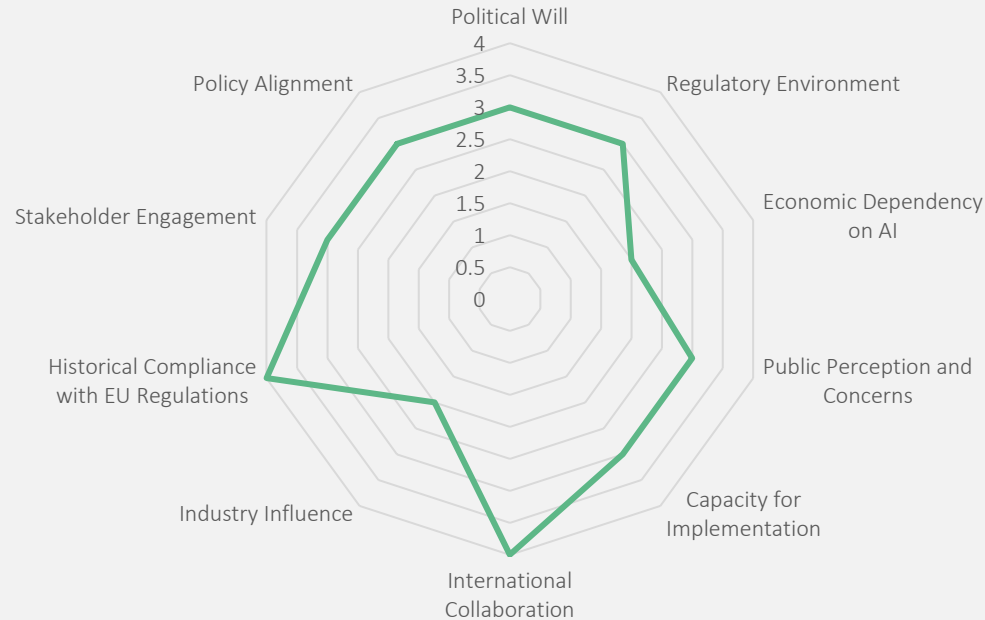
A presidential decree in December 2020 amended the competences of the Better Regulation Office (BRO), shifting responsibilities away from RIA scrutiny. The BRO is now focused on promoting better regulation principles, coordinating public consultation procedures, and preparing an annual report on Regulatory Production and Evaluation.

Public Consultation Practices

Public consultations are obligatory for all primary laws in Greece, and while draft laws are frequently posted on the consultation portal, www.opengov.gr, there is no equivalent requirement for subordinate regulations. Some subordinate regulations undergo public consultation, but it is not consistently applied.

Challenges and Recommendations

To improve regulatory quality, Greece is advised to better implement legal requirements, especially in impact assessment and stakeholder engagement. Further simplification of the regulatory framework is recommended, along with the extension of existing regulatory management tools to cover subordinate regulations, enhancing overall regulatory efficiency.





Key Indicators of Regulatory Policy and Governance 2021

Regulatory Impact Assessment (RIA) Requirements

Hungary mandates RIA for both primary and subordinate legislations. Recent legislative updates, including an act from 2010, place new obligations on lawmakers to consider impact assessments, promoting the development of laws necessary for regulatory objectives while minimizing complexity, costs, and administrative burdens.

Public Accessibility and Consultation Practices

Draft legislation and its purpose statement must be accessible to the public, with an option to provide comments via email. However, public consultation is not obligatory in the early stages of legislation design. The general public can submit recommendations or feedback on existing regulations via email. The lack of evidence suggests limited practical implementation of ex post evaluation requirements.

Government Office Responsibilities

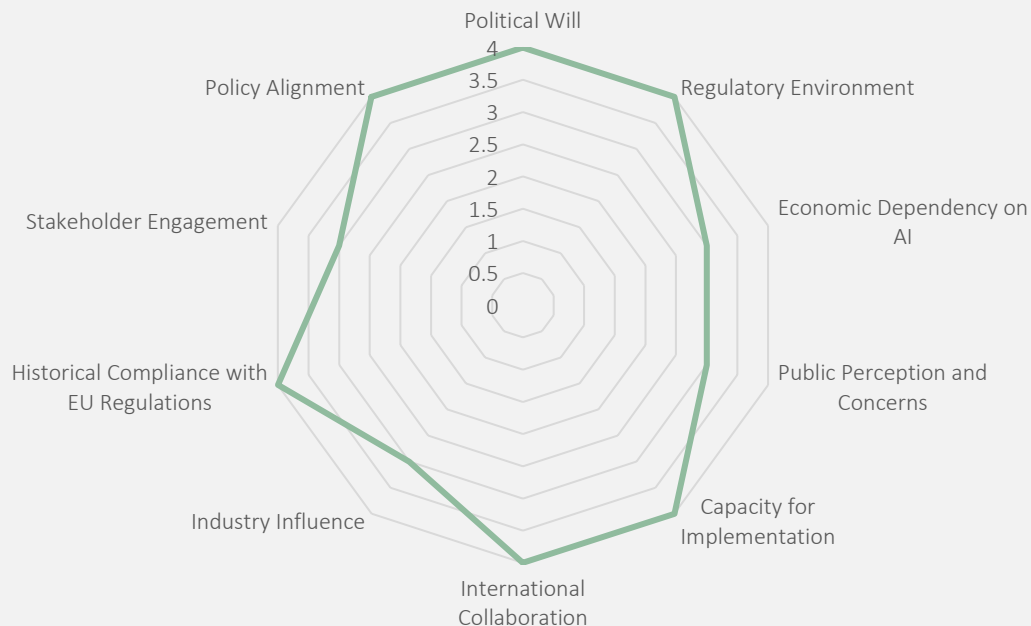
The Government Office plays a crucial role in coordinating different phases of regulatory proposal preparation, from consultation to final government meetings. It can propose reforms related to RIA and ex post evaluation frameworks. However, there is no oversight body dedicated to quality improvements in RIAs or ex post reviews.

Transparency and Accountability Enhancement

Hungary is encouraged to enhance transparency throughout the policy cycle, involving stakeholders at various stages and making relevant supporting documents and impact assessments available online. Informing the public in advance about consultations, RIAs, and ex post evaluations can improve the efficiency and effectiveness of public policies while promoting accountability.

Technical Quality Support and Improvements

Hungary could benefit from technical quality support for RIAs, ex post evaluations, and consultations. Establishing mechanisms for quality improvements, oversight bodies, and public reporting on RIAs would contribute to the effectiveness of the regulatory framework in Hungary.





Key Indicators of Regulatory Policy and Governance 2021

Development of Central Government Website for Consultations

Ireland is in the process of developing and trialling a prototype for a single central government website to publish ongoing consultations. Despite recent improvements, systematic consultation practices are not yet uniform across government departments, suggesting potential for broader application, especially for subordinate regulations.

Responsibilities of the Department of the Taoiseach

The Department of the Taoiseach, along with the Office of the Attorney General, oversees the effectiveness of regulators, ensures transparency and legislation quality, and sets the government's overall multi-sectoral policy. It focuses on reducing regulatory burdens, promoting regulatory quality, fostering a business-friendly environment, and coordinating regulatory development across departments.

Parliamentary Standing Orders and Policy Reviews

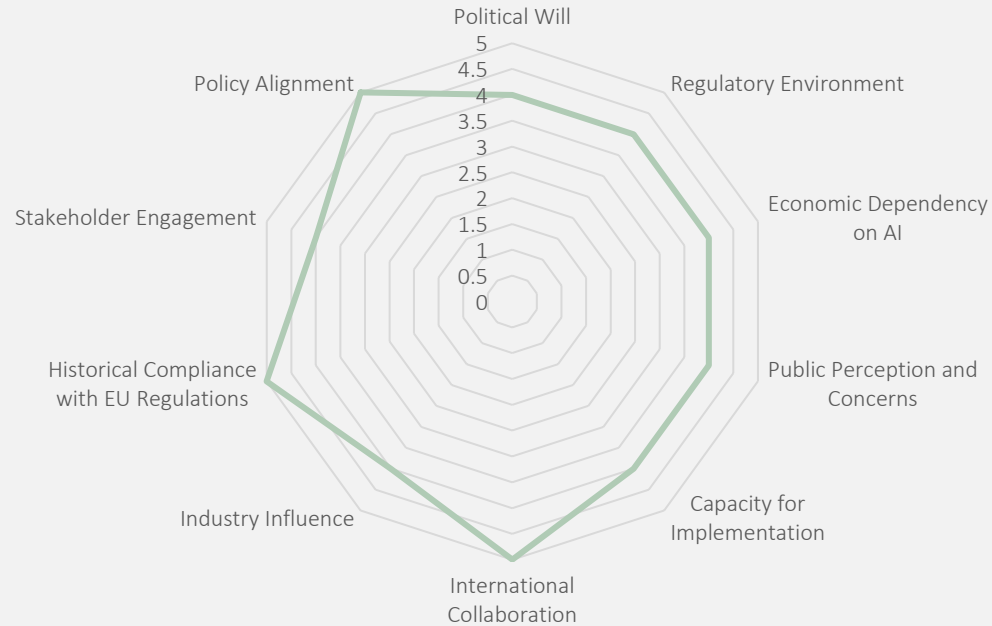
Parliamentary standing orders mandate ministers to assess the functioning of laws within a year of implementation. Some sectoral departments conduct policy and mandate reviews at least every seven years, in alignment with the 2013 Policy Statement on Economic Regulation. However, there is room for increased systematic requirements for ex post evaluations of existing regulations.

Mandatory Regulatory Impact Assessment (RIA)

Ireland requires mandatory RIA for major primary laws and subordinate regulations. To enhance the monitoring and assessment of RIA quality, consideration could be given to establishing a central oversight body tasked with core functions such as reviewing the quality of RIA and other regulatory management tools.

Open Government Partnership Commitment and Consultation Practices

Following commitments in the Open Government Partnership National Action Plans, Ireland is dedicated to improving consultation with citizens, civil society, and others. The ongoing development of tools for transparent stakeholder engagement suggests a potential for more systematic application, especially in the context of a broader range of draft regulations, including subordinate ones.





Key Indicators of Regulatory Policy and Governance 2021

Increasing Commonality of Ex Post Evaluations

Italy has witnessed a rise in the frequency of ex post evaluations across various policy areas. The public is informed in advance about upcoming evaluations through two-year plans published on each ministry's website. Additionally, the introduction of non-binding guidance on ex post evaluations and Regulatory Impact Assessment (RIA) in 2018 has contributed to the evaluation process.

Simplified RIA and Legislative Programmes

Ministries are obligated to prepare a simplified RIA for low-impact proposals, presenting an initial assessment of expected impacts and justifying the omission of a full RIA. The Department of Legal and Legislative Affairs (DAGL) reviews these RIAs. Ministries are also required to publish biannual legislative programmes, highlighting planned RIAs and consultations. The programs are made accessible on both the central government website and individual ministry websites.

Quality Oversight by DAGL and Impact Assessment Independent Unit

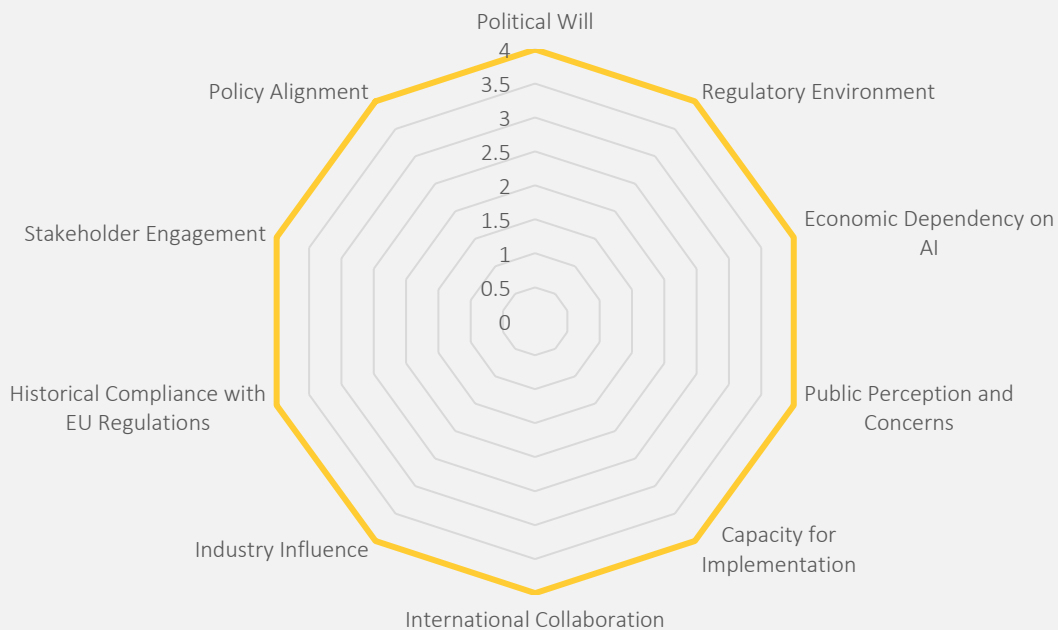
DAGL plays a vital role in reviewing the quality of RIAs and ex post evaluations. Negative opinions can be issued if the RIA quality is deemed insufficient. The Impact Assessment Independent Unit (Nucleo AIR), consisting of external experts, supports DAGL in reviewing both ex ante and ex post evaluations. The unit is committed to a four-year term, chosen through an open and competitive process. The Consultative Chamber on draft normative acts of the Council of State evaluates the quality of RIAs and stakeholder engagement practices.

Challenges in RIA Implementation

Despite progress, challenges persist in the implementation of RIAs. Many lack sufficient quantification, impacting both impact assessments and the number of people affected. Published RIAs are often challenging for the general public to find. A cultural shift toward evidence-based, user-centric policy-making is needed, emphasizing the systematic availability of RIAs when regulations are proposed.

Enhancing Consultation Processes

Consultation processes have been improved through the creation of a single online access point, yet opportunities for enhancement exist. The consultation process could be more systematic and consistent across ministries, providing a platform for understanding citizen preferences, gathering evidence on implementation options, and incorporating feedback more systematically into the decision-making process.





Key Indicators of Regulatory Policy and Governance 2021

Reforms in Regulatory Impact Assessment (RIA)

Latvia has recently enhanced its regulatory policy framework by introducing the obligation for Regulatory Impact Assessment (RIA) in 2009. This requirement extends to all draft legal acts, including subordinate regulations submitted to the Cabinet. The process mandates early preparation of RIAs and involves public consultation, focusing on financial, budgetary, administrative, environmental, and social impacts.

Guidance Material for Policymakers

Policymakers in Latvia now benefit from guidance material to aid in the preparation of RIAs. The material assists in identifying baselines, exploring various options, and conducting comprehensive cost-benefit analyses. Despite progress, there is a need for further improvement in quantifying the impacts of draft legislation and policy documents.

Structured Consultation Process

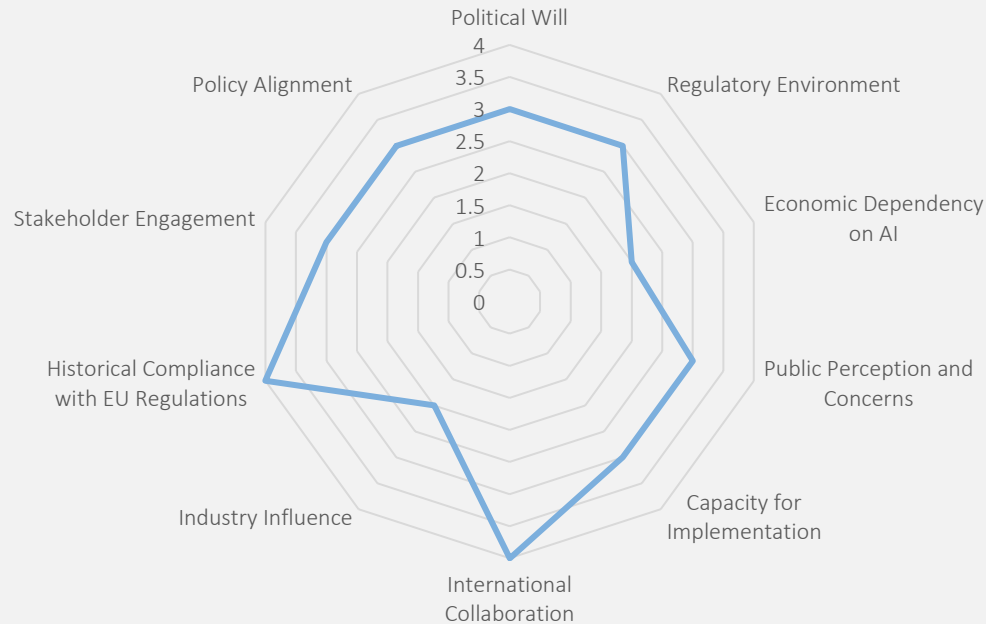
Latvia has established a structured and systematic process for consulting with social and civil partners. Public consultations are consistently conducted at a late stage in policy development, providing stakeholders with a broader range of supporting materials to focus their input on policy proposals. The next step involves broader institutionalization of early-stage consultations.

Focus on Regulatory Stock Reviews and Ex Post Evaluations

Regulatory stock reviews in Latvia primarily target administrative burdens. Although there is no explicit program for ex post evaluations, they are now required for some subordinate regulations. Furthermore, an evaluation of all policy documents conforming to the Sustainable Development Goals (SDGs) has been conducted, indicating a growing emphasis on post-implementation assessments.

Coordinated Responsibilities and Quality Control

The Ministry of Justice and the State Chancellery share responsibilities for coordinating regulatory policy and promoting regulatory quality in Latvia. The Ministry of Justice provides opinions on draft legal acts and development planning documents, along with methodological assistance and training for state administration personnel. The State Chancellery, through its Legal Department, ensures compliance with legislative drafting rules, impact assessment obligations, and stakeholder engagement requirements. Their assessments are binding for other ministries, fostering a coordinated approach, and the Chancellery's expanded mandate in 2018 includes quality control of ex post evaluations and systematic evaluation of regulatory policy.





Key Indicators of Regulatory Policy and Governance 2021

Lack of Formal Regulatory Policy in Lithuania

Lithuania lacks a single formal government regulatory policy, with some elements dispersed across various strategic documents. The predominant focus is on reducing administrative burdens, particularly for businesses. Efforts have been made to enhance regulatory oversight and transparency in ex post evaluations, but further improvements are needed for increased effectiveness, possibly through centralized coordination.

Challenges in Regulatory Impact Assessment (RIA)

Regulatory Impact Assessment (RIA) in Lithuania is often a formal exercise to justify decisions already made, with limited reliance on data. The process is more entrenched in regulatory decision-making for primary laws than for subordinate regulations. Improvement areas include initiating RIAs early in policy development, informing policy instrument choices, and enhancing quantification of regulatory impacts. Establishing a data governance framework and simplifying access to administrative data for analytical purposes could enhance evidence-informed policy-making.

Evolution of Stakeholder Engagement and Consultation

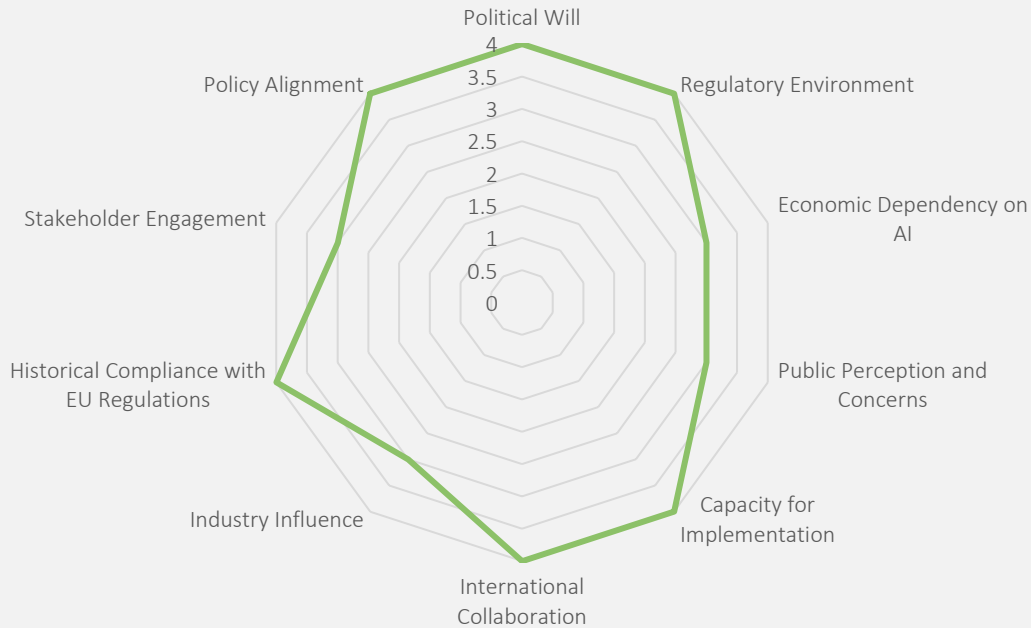
Consultation is systematically required after a regulation is drafted, but it doesn't consistently occur before the decision to regulate is made in Lithuania. The country has been actively developing stakeholder engagement and consultation methodologies, including written guidance in 2019, indicating an evolving commitment to inclusive policy development.

Institutional Responsibilities for Regulatory Policy

The Government Office in Lithuania holds primary institutional responsibility for coordinating regulatory policy and promoting regulatory quality. This involves organizing and supervising the law-making process, preparing the annual legislative program, and overseeing bodies like the Strategic Competences Group and the Government Strategic Analysis Centre. There is room for strengthening oversight functions related to ex post evaluation, potentially through mandates for central coordination and appropriate resource allocation.

Advanced Regulatory Enforcement and Inspection Reform

Lithuania stands ahead of many OECD countries in regulatory enforcement and inspections reform. Building on existing efforts, Lithuania could benefit from consolidating various elements of regulatory policy into an integrated strategic plan. This plan should articulate clear objectives and communication strategies, fostering a holistic, whole-of-government approach to regulatory policy.





Key Indicators of Regulatory Policy and Governance 2021

Limited Stakeholder Engagement with Recent Initiatives

Luxembourg has introduced citizen-centric initiatives like the vosidees.lu website for public service improvement ideas and petitiounen.lu for public petitions. However, stakeholder engagement for regulatory development is confined to formal consultations with professional groups. A crucial enhancement would be to open stakeholder engagement to the general public, providing avenues for broader feedback on proposed regulatory drafts.

Inconsistent Application of Ex Post Evaluations

While Luxembourg has conducted ex post evaluations, they lack consistency in application as a regulatory management tool. Establishing an evaluation framework with a clear methodology could ensure more systematic and effective evaluations, contributing to the ongoing fitness of regulations.

Enhancing Regulatory Impact Assessment (RIA) Practices

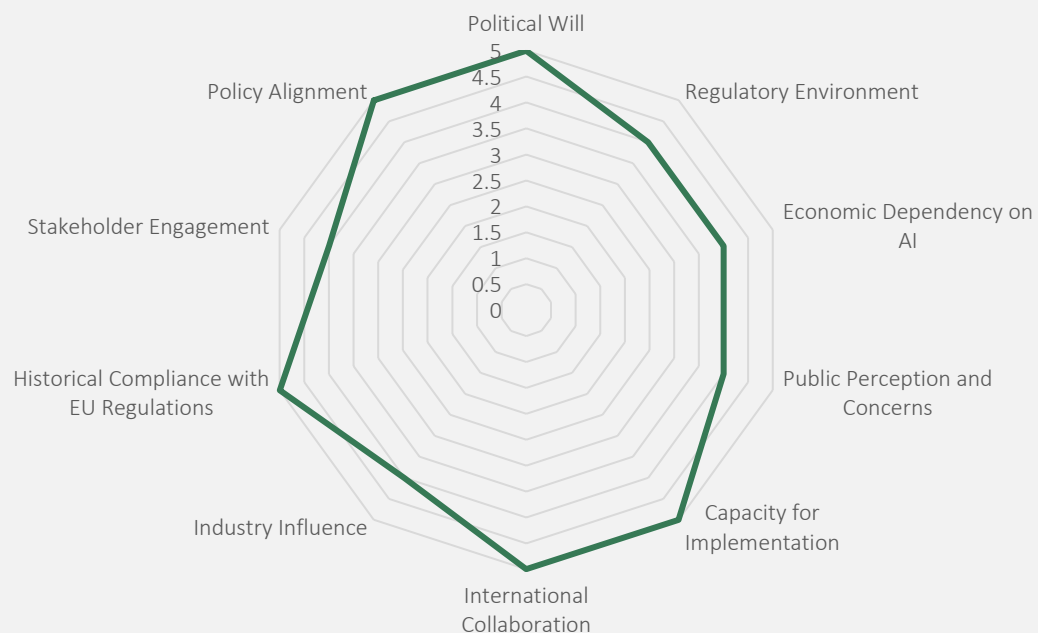
Luxembourg conducts RIA for all regulations using a checklist primarily focused on administrative burdens and enforcement. To enhance the utility of RIA, Luxembourg should consider expanding the analysis to cover various costs, impacts, and benefits of regulations. Developing bespoke guidance material, in line with European Commission standards, could garner stronger domestic support for regulatory policy.

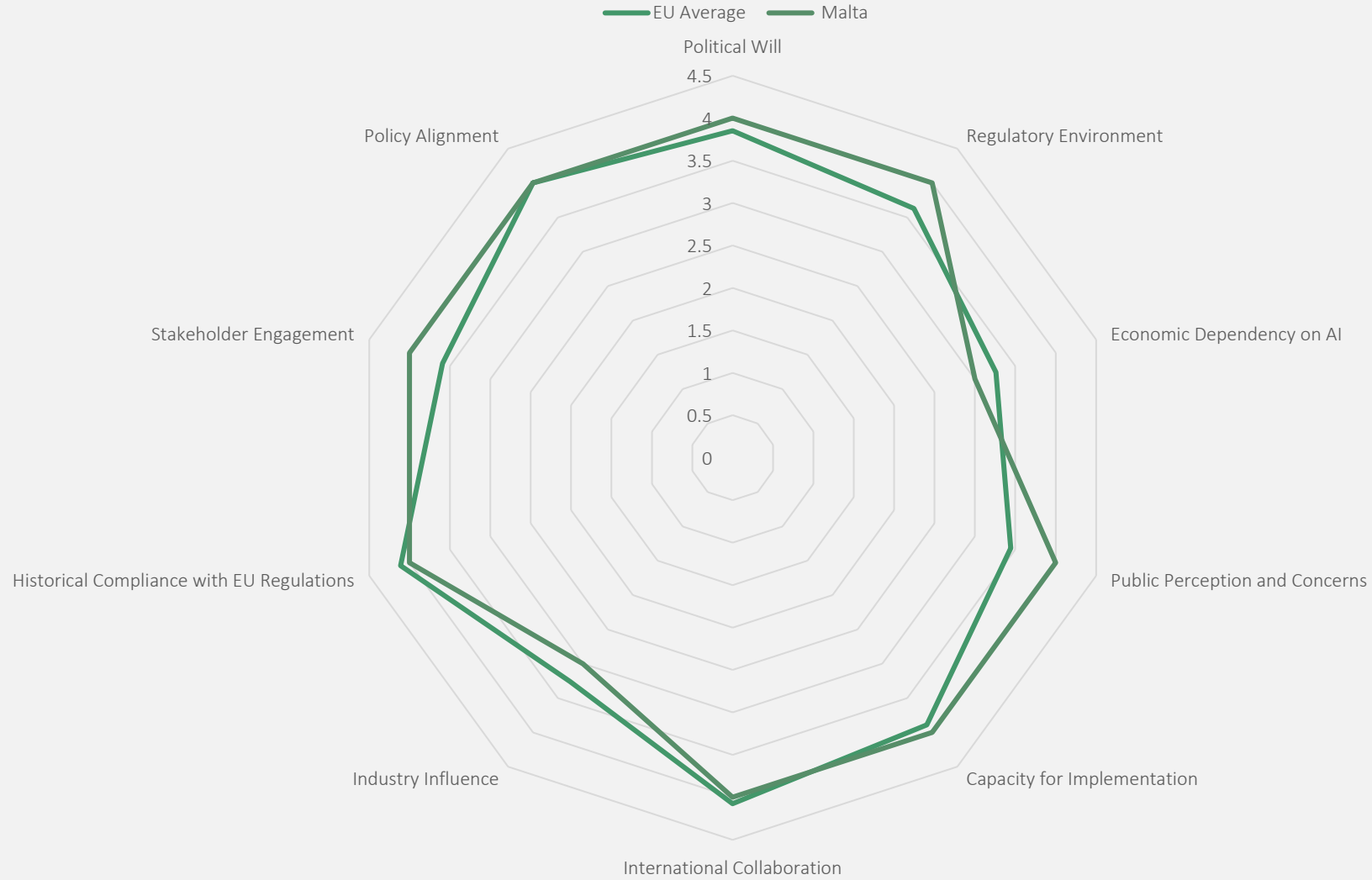
Transfer of Regulatory Oversight Competences

In 2018, Luxembourg shifted regulatory oversight competences from the Ministry of Civil Service to the Ministry of Digitalisation. The oversight body, now under the Ministry of Digitalisation, lacks a gatekeeper role but provides advice and guidance to ministries. It is responsible for evaluating regulatory policy, identifying areas for improvement, and coordinating regulatory efforts.

Opportunities for Strengthening Regulatory Oversight

Luxembourg's regulatory oversight body, though transferred to the Ministry of Digitalisation, remains advisory without sanctioning powers. Strengthening its role, potentially by granting gatekeeping authority, could enhance its effectiveness in ensuring quality control of stakeholder engagement, RIA, and ex post evaluations. Consideration may be given to aligning its functions more closely with international best practices in regulatory oversight.







Key Indicators of Regulatory Policy and Governance 2021

Progress in Regulatory Practices

The Netherlands has made advancements in regulatory practices, particularly in oversight and quality control for periodic ex post evaluations. The country has a history of adopting regulatory reform policies, emphasizing open stakeholder engagement, and focusing on burden reduction for business and citizens.

Integraal Afwegingskader (IAK) Enhancements

The IAK, integrating existing requirements and instructions for ex ante regulatory impact assessment, emphasizes measuring regulatory burdens. Recent updates (since 2018) include guidelines on impacts in border regions, gender equality, developing countries, and Sustainable Development Goals. SMEs are now involved early in regulation development through an SME Test.

Post-Implementation Monitoring and Evaluation

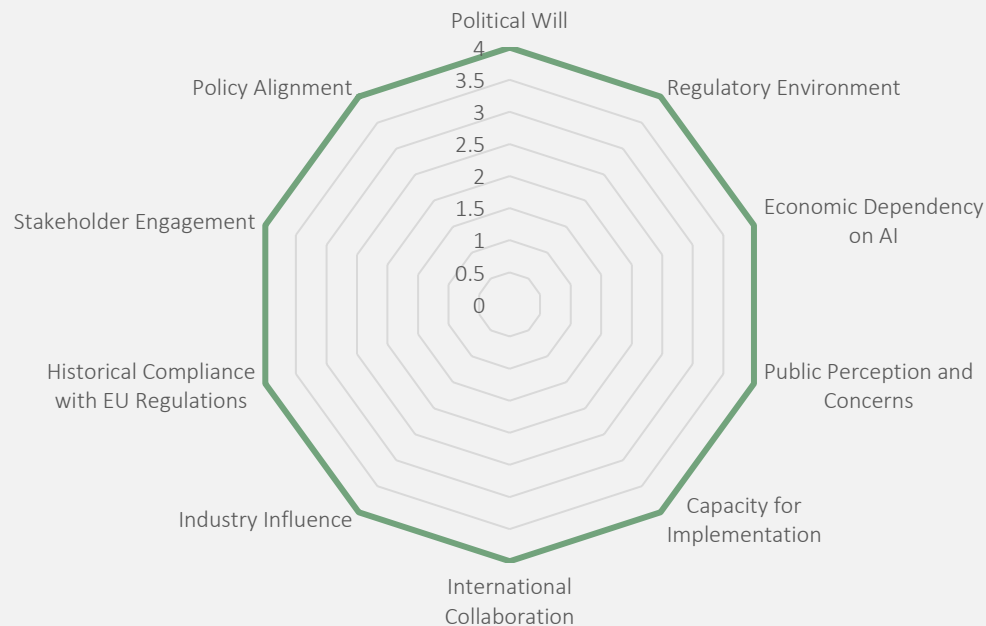
The IAK was updated in 2018, driven by the Compatibility Act 2016, requiring ministries to monitor and evaluate regulations post-implementation. The Inspectorate of the State Budget oversees procedural compliance, co-ordinates the government-wide ex post evaluation framework, and provides guidance through a toolbox while handling training and capacity-building.

Role of Ministries in Regulatory Oversight

The Ministry of Justice and Security's Unit for Judicial Affairs and Better Regulation Policy ensures compliance with the RIA framework. The Ministry of Economic Affairs and Climate Policy's Better Regulation Unit coordinates the regulatory burden reduction program and oversees the quality of regulatory burden assessments. The focus has shifted from quantitative burden reduction to addressing problems faced by firms.

Recommendations for Strengthening Oversight

The Netherlands is advised to enhance regulatory oversight and supervision capacities, extending beyond the emphasis on regulatory burdens. Reforms in the RIA process could incentivize ministries to conduct assessments earlier in the regulatory process and consider alternative policy options. A systematic approach to informing the public in advance of planned consultations could enhance public input into regulatory decisions.





Key Indicators of Regulatory Policy and Governance 2021

Recent Adjustments in Regulatory Management

Poland has made recent adjustments to its legal framework for regulatory management, emphasizing public consultation compliance through changes in the Rules of Works of the Council of Ministers in 2019. Draft laws can now be returned to ministries if consultation processes are not in accordance with rules.

Strengthened Impact Assessment for SMEs

The Law for Entrepreneurs Act in 2018 strengthened the requirement for assessing the impact of economic law on SMEs. The Centre for Strategic Analysis (CAS) was established as the central government body responsible for assessing regulatory impact assessments (RIAs). RIAs continue to be mandatory for all laws and regulations.

Responsibilities for Regulatory Oversight

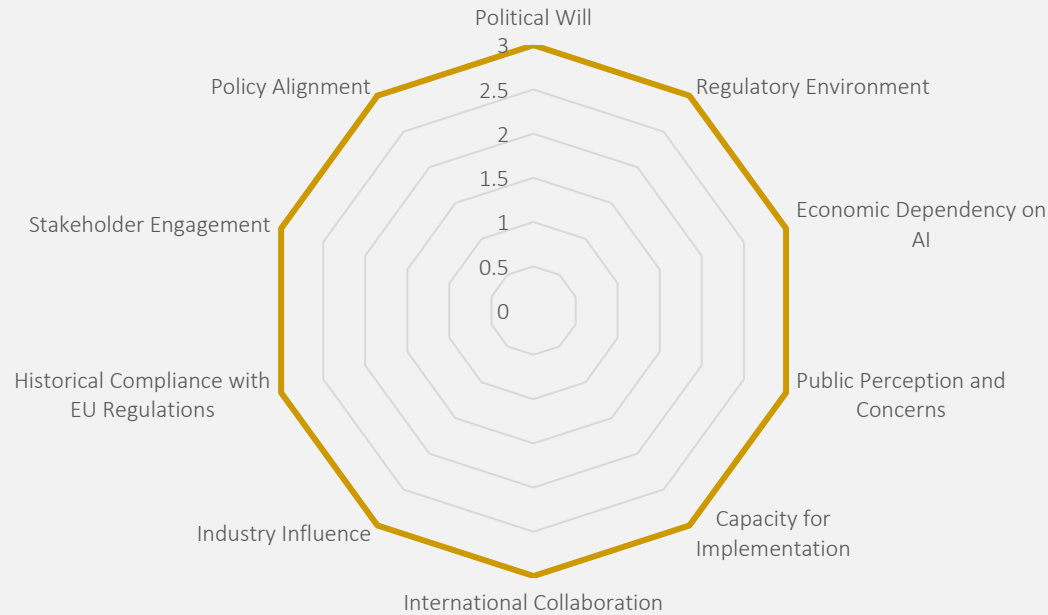
The Department for the Improvement of Business Regulation within the Ministry of Economic Development and Technology focuses on systematic improvement and the better regulation agenda. The Chancellery of the Prime Minister oversees regulatory management tools, including the Government Programming Board and the Center for Strategic Analysis (CAS). The CAS plays a key role in reviewing RIAs and advising on the government work programme.

Challenges in Ex post Evaluations

While ex post evaluations can be required at the request of various bodies, including the Council of Ministers, CAS, and Ombudsman for SMEs, there has been limited systematic implementation by the end of 2020. The focus of ex post evaluations could be broadened beyond administrative burdens to encompass total social, economic, and environmental impacts.

Parliamentary Initiatives and Regulatory Policy

Regulatory policy requirements, including public consultation, do not apply to laws initiated by parliament, constituting 21% of all laws passed between 2017 and 2020. The Law for Entrepreneurs Act requirements also extend to non-governmental drafts, with exceptions for laws initiated by civic initiatives.





Key Indicators of Regulatory Policy and Governance 2021

Reforms in Regulatory Impact Assessment (RIA)

Portugal has undergone significant reforms in recent years to implement and strengthen regulatory impact assessments (RIA). Key reforms were adopted in 2017, followed by additional measures in 2018 and 2019. These reforms formalized and expanded the use of RIA, requiring the analysis of regulatory alternatives and a broader range of impacts, particularly for subordinate regulations.

Role of Regulatory Oversight Body (UTAIL)

The Technical Unit for Legislative Impact Assessment (UTAIL) serves as Portugal's regulatory oversight body, operating within the Legal Centre of the Presidency of the Council of Ministers. Established in 2017, UTAIL provides technical support, training, and quality control for various regulatory processes, including ex post evaluations and stakeholder engagement in RIA exercises.

Limited Use of RIA in Stakeholder Consultations

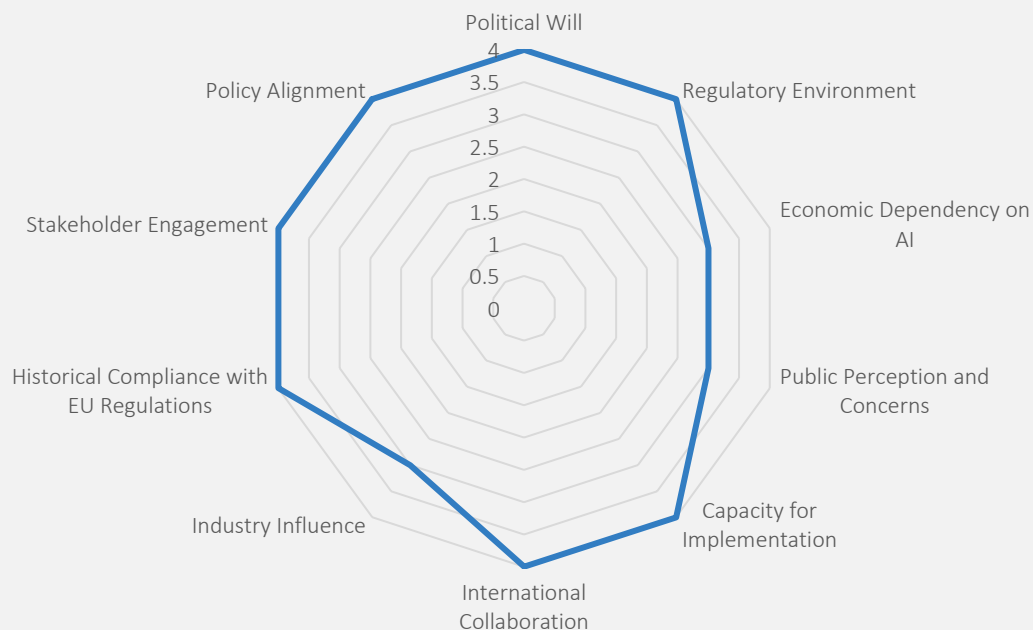
Despite the expanded role of RIA, it is not yet actively used in consultations with stakeholders. While a central consultation platform has been introduced for subordinate regulations, its utilization is limited to late-stage consultation when a draft regulation is available. Portugal is encouraged to engage stakeholders earlier in the decision-making process and make RIA information available to support discussions.

Ex post Evaluations and Administrative Simplification

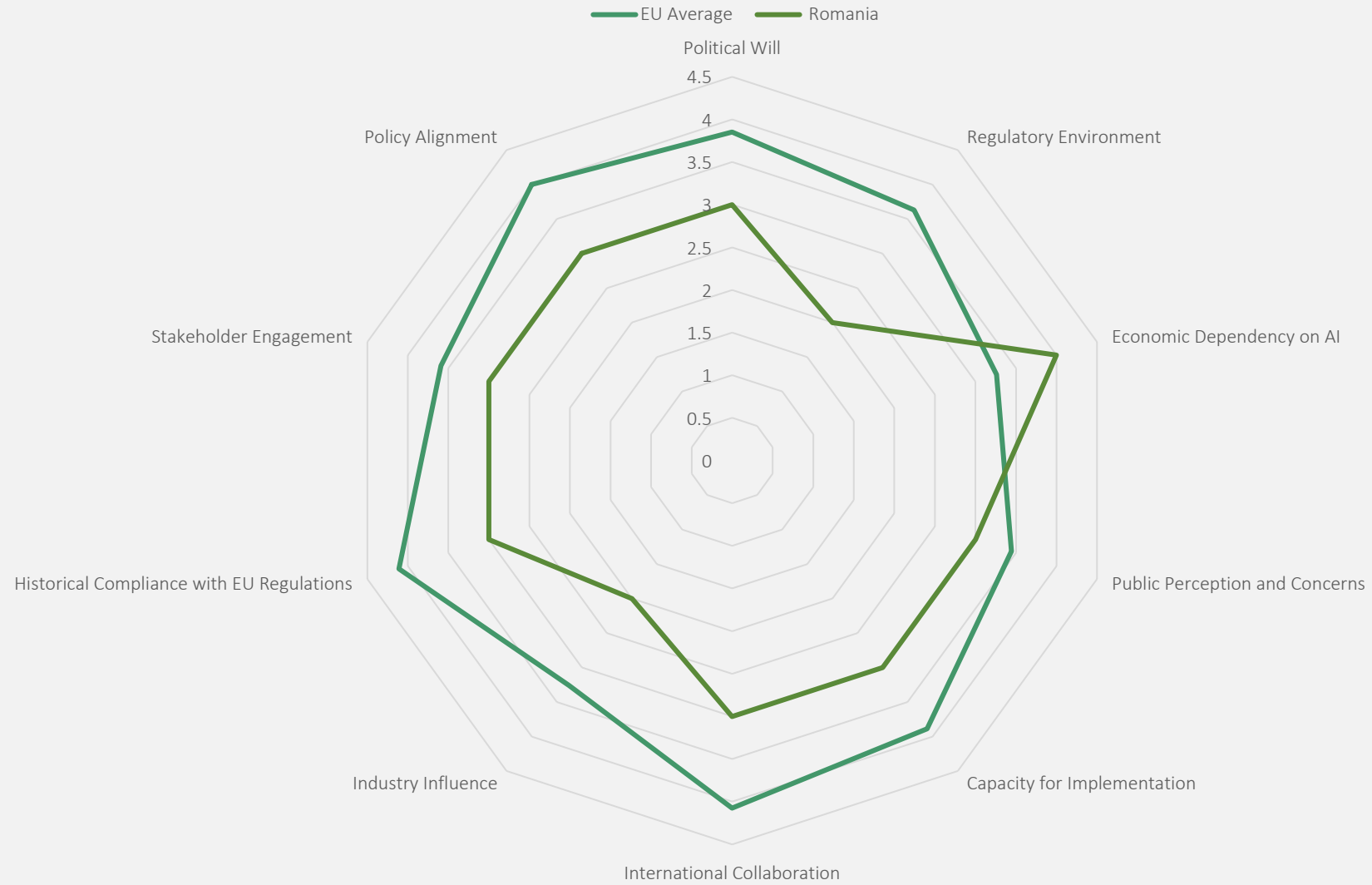
Ex post evaluations of existing regulations are not mandatory in Portugal. However, sunset clauses have been introduced for some regulations post the COVID-19 pandemic. UTAIL has assumed additional responsibilities related to ex post evaluations, including coordination across public administration and assistance to officials. Portugal could consider introducing systematic requirements for ex post evaluations and conducting in-depth reviews in specific sectors or policy areas.

Coverage and Requirements for Primary Laws

Indicators on RIA and stakeholder engagement cover processes initiated by the executive, constituting approximately 38% of primary laws in Portugal. There is no mandatory requirement for consultation with the general public or for conducting RIAs for primary laws initiated by the parliament. Portugal may explore extending consultation and RIA requirements to primary laws initiated by the parliament to ensure a more comprehensive regulatory approach.



Romania





Implementation of RIA 2020 - Better Regulation Strategy

The Slovak Republic is actively working on implementing the RIA 2020 – Better Regulation Strategy adopted in 2018. The strategy focuses on a comprehensive whole-of-government approach to regulatory policy, emphasizing improvements in both ex ante and ex post evaluations of regulations. Notably, a draft methodology for ex post evaluation was approved in 2019, undergoing pilot testing, and a methodology for stakeholder engagement is currently in development.

Long-standing Obligation for Regulatory Impact Assessments (RIAs)

Since 2008, Slovakia has had an obligation to conduct regulatory impact assessments (RIAs). Reforms in 2015 introduced a robust methodology for assessing economic, social, and environmental impacts, including an SME Test and consideration of innovation impacts. Despite these improvements, quantification of wider impacts remains a challenge, with a predominant focus on budgetary and business impacts.

Public Consultations and Ex post Reviews

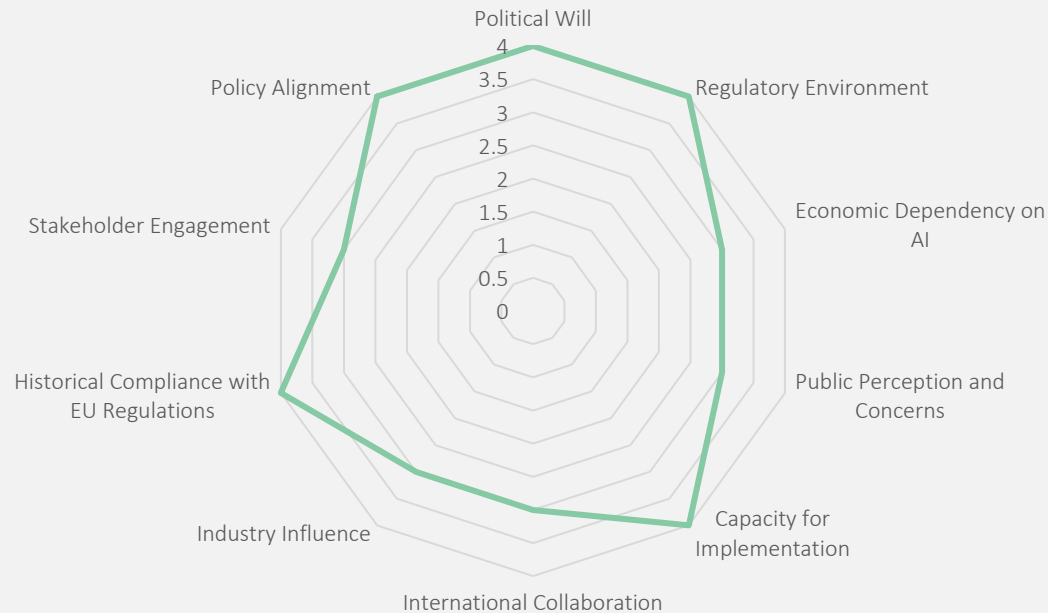
Slovakia has well-developed procedures for public consultations, especially in the later stages of the regulatory process, with automatic publication of legislative documents on the government portal. Early-stage consultations, particularly with business associations, were emphasized after reforms in 2015. Ex post reviews, historically centered on administrative burdens, have expanded, with anti-bureaucratic packages and measures introduced in response to the COVID-19 pandemic.

Role of the RIA Committee

The Permanent Working Committee of the Legislative Council of the Slovak Republic (RIA Committee), established in 2015, oversees the quality of RIAs. It includes representation from various ministries, each responsible for checking the quality of RIAs within their respective competences. The Committee plays a role in quality control of stakeholder engagement.

Recommendations for Strengthening Regulatory Oversight

Slovakia is advised to strengthen regulatory oversight by centralizing responsibility in one body, preferably close to the centre of government. The current distribution of responsibilities across multiple ministries, as seen with the RIA Committee, could be streamlined. This centralized body could also assume the role of evaluating integrated impacts and assessing the quality of ex post evaluations, especially as more comprehensive reviews become mandatory with the introduction of a new ex post evaluation methodology. The new methodology could pave the way for targeted, in-depth reviews of existing regulations.





Key Indicators of Regulatory Policy and Governance 2021

Strengthening Regulatory Policy in Slovenia

Slovenia is actively working to enhance its regulatory policy through the Action Plan 2019-2022. The plan includes extending the Regulatory Impact Assessment (RIA) guidance document to cover non-financial impacts and recommends the introduction of preliminary impact assessments. Currently, RIAs are conducted for all primary laws and some subordinate regulations.

RIAs for Primary Laws and Subordinate Regulations

In 2019, 96% of draft primary laws underwent RIA during or after the drafting process. However, the impact assessment requirements for subordinate regulations are less stringent. There is no mandatory quantification of costs and benefits for secondary regulations, and assessments are conducted only for some. The Action Plan aims to strengthen the RIA process, especially for subordinate regulations, by introducing threshold tests or proportionality criteria.

Oversight Functions and Institutional Responsibilities

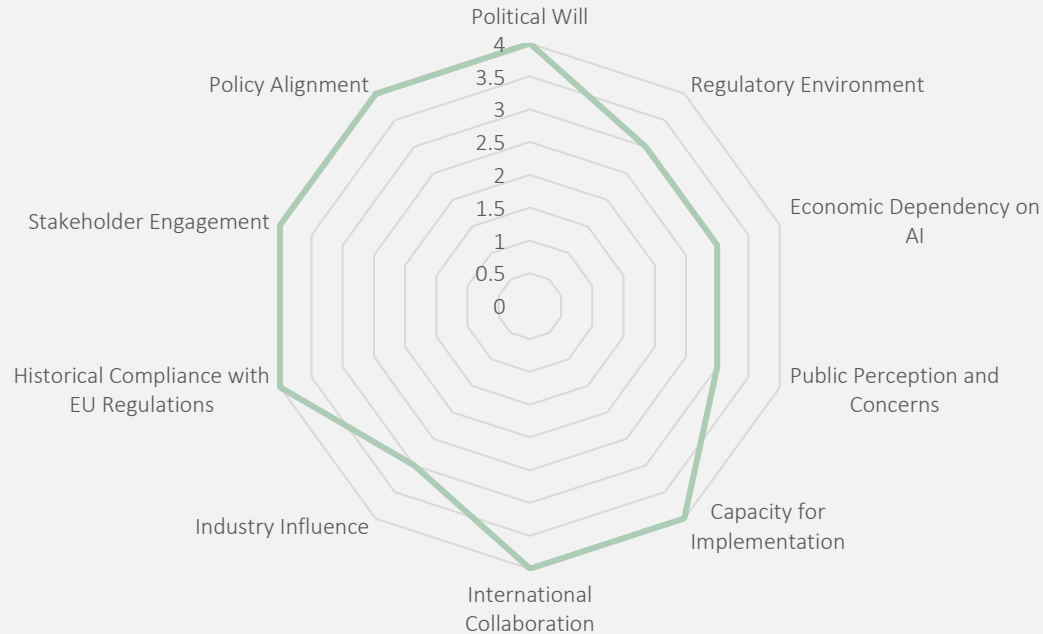
Oversight functions in Slovenia are distributed among various institutions. The General Secretariat of the Government now monitors stakeholder consultation implementation, while the Ministry of Public Administration and the Ministry of Economic Development and Technology oversee RIAs. The Government Office of Legislation is involved in examining legislative proposals and providing guidance on regulatory management tools and policy coordination.

Standard Cost Model (SCM) and Ex post Evaluations

Slovenia is an early adopter of the Standard Cost Model (SCM), incorporating the SME test to assess economic impacts. Ex post evaluation efforts primarily focus on reducing administrative burdens. The Stop Bureaucracy web portal enables citizens and businesses to suggest red tape reduction measures. While ex post evaluation is mandatory for some primary laws, Slovenia could consider expanding its use to other regulations and assessing existing regulations' objectives.

Stakeholder Engagement and Public Communication

Stakeholder engagement is mandatory for both primary laws and subordinate regulations. Slovenia could enhance public engagement by systematically informing the public in advance of planned consultations, RIAs, and ex post evaluations. This proactive approach would foster greater public involvement in regulatory decision-making processes.





Key Indicators of Regulatory Policy and Governance 2021

Advancements in Better Regulation in Spain

Spain is progressively enhancing its Better Regulation efforts by extending its focus beyond administrative simplification. Stakeholder engagement and ex post evaluation are gaining prominence, and regulatory impact assessment (RIA) has been bolstered through the establishment of a dedicated body.

Regulatory Coordination and Quality Office

Since 2018, the Regulatory Coordination and Quality Office, situated within the Ministry of the Presidency, is the permanent body responsible for promoting the quality, coordination, and coherence of rulemaking activities by the executive. It oversees Better Regulation requirements, primarily RIA, and supervises the initial definition of objectives and methodology for ex post evaluations.

Responsibilities of Key Bodies

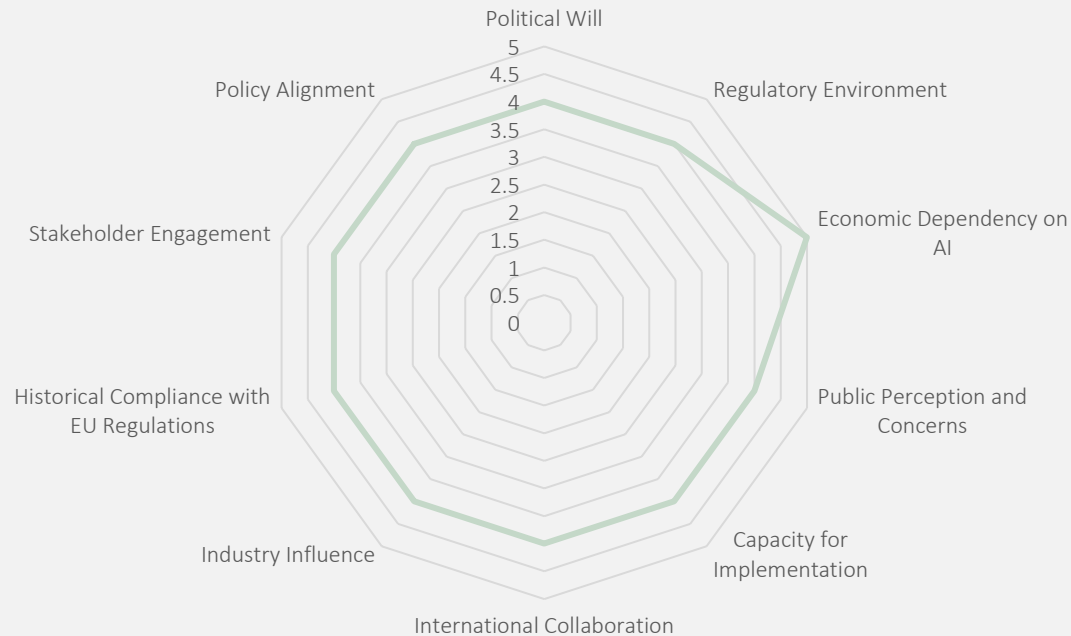
The Ministry of Territorial Policy and Public Function checks the quality of various RIA components, focusing on administrative burden reduction and public consultation. The Council of State assesses the legality of regulations and their development, ensuring proper functioning and legal quality. Stakeholder engagement has improved transparency through a centralized online platform listing ongoing consultations.

Stakeholder Engagement Transparency

While stakeholder engagement is not fully systematic, Spain has improved transparency through a centralized online platform, allowing citizens to participate in normative activity. The platform provides access to the regulatory planning agenda, and yearly statistics on citizens' platform use are published, enhancing transparency and good governance in the public administration.

Enhancements in RIA Requirements

RIA is mandatory for all regulations, with systematic consideration of impacts on competition and SMEs since October 2017. Updated thresholds for ex post evaluations have been introduced. However, there is a pending update to the 2009 RIA guidelines, highlighting the need for clear guidance on data collection methods and assessment methodologies. Developing targeted guidance for systematic ex post evaluations would contribute to consistent assessments of regulations' practical effectiveness.





Key Indicators of Regulatory Policy and Governance 2021

Stakeholder Engagement in Sweden

Sweden maintains a strong tradition of stakeholder engagement in the law-making process, utilizing a central government portal for systematic consultations. Stakeholders, including the general public, authorities, and organizations, provide feedback through email to policy makers, fostering transparency. There is potential for further enhancement by moving towards a more interactive consultation website.

Committee of Inquiry Consultation Process

Committees of inquiry in Sweden, composed of policymakers, experts, and politicians, enable early-stage consultations on policy issues. These committees analyze and evaluate proposals, and the final report is shared with relevant stakeholders for consideration before the joint draft procedure continues within government offices.

Simplification Focus in Regulatory Policy

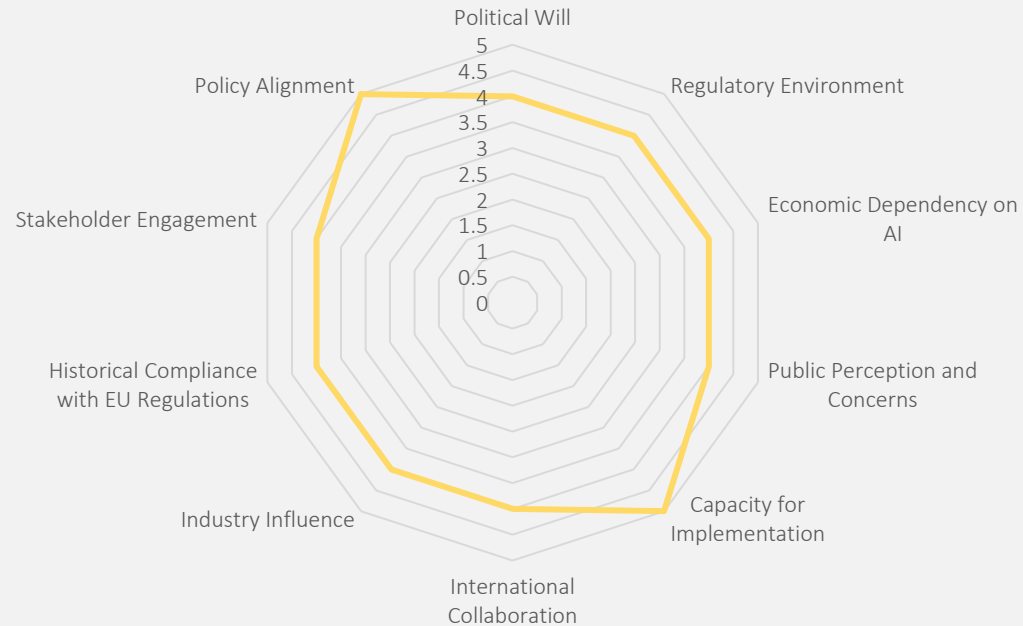
Simplification remains a core aspect of Sweden's regulatory policy. The Committee for Technological Innovation and Ethics (Komet) established a forum in 2020 to gather feedback from citizens and businesses on regulatory barriers to technological development. Feasibility studies were conducted on 11 proposals related to health, science, and transport.

Ex Ante and Ex Post Evaluation Practices

Ex ante evaluation is mandatory for all primary laws and subordinate regulations in Sweden. Updated guidelines in 2018 provide detailed guidance on assessing economic, social, and environmental impacts. While ex post evaluations are typically conducted ad hoc, Sweden could explore expanding this practice by initiating comprehensive, in-depth reviews in specific sectors or policy areas.

Role of the Swedish Better Regulation Council

The Swedish Better Regulation Council, housed within the Swedish Agency for Economic and Regional Growth, plays a crucial role in reviewing the quality of impact assessments for legislative proposals affecting businesses. The Agency is responsible for methodological development, guidance, and training in regulatory management tools, actively participating in international efforts to simplify regulations for businesses and promoting awareness among government agencies.





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