

‘Better regulation’ (RIA) system in Hungary



introduction
Better Regulation Program
administrative burden reduction
lessons learnt

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[introduction I.]



- **dual situation:** appropriate legislative background but incomplete realization in many aspects
- *Act XI of 1987 on Legislation*
 - *appropriate basis for Better Regulation activities*
 - *not realized to the desirable degree*

introduction II.



- radical change of point of view is/was needed:
 - law-makers' intention cannot be formulated by intuitions instead of evidences
 - background materials not aiming at being fully objective
 - easily emerging overregulation is strengthened by the regulative point of view
 - no-nothing option (no regulation)
 - alternative regulatory tools
 - avoidance of unnecessary administrative burdens
 - protection of the “own” regulations of the ministries - inhibiting the simplification efforts

achievements so far

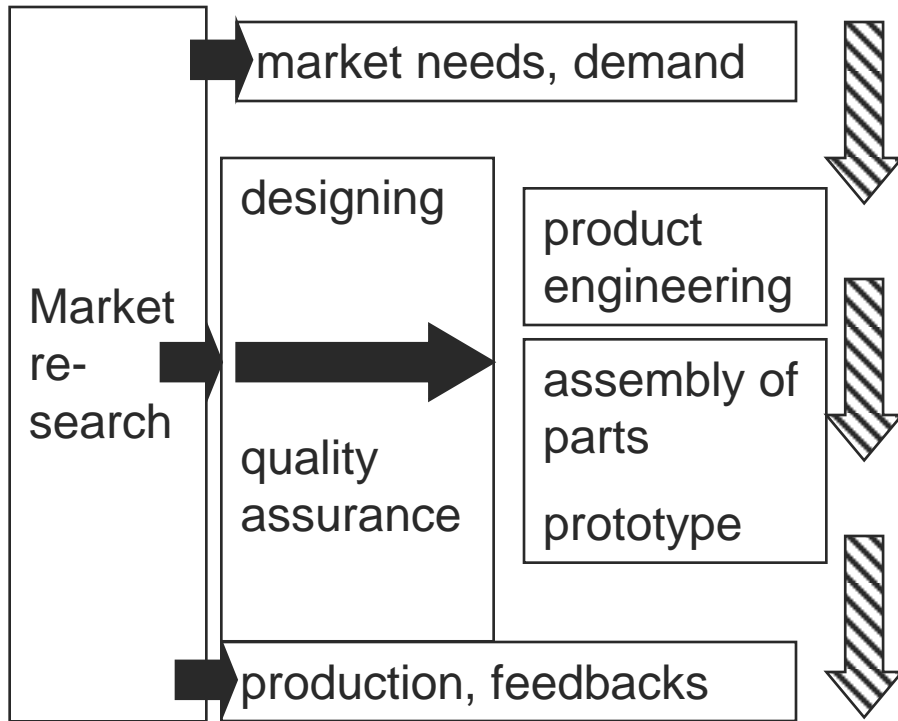


- comprehensive RIA methodology
 - based on the best practices of countries all over the world
 - being upgraded with the competitiveness IA part
- 11 complex RIA studies
 - *RIA of the Act CXL of 2004 on the General Rules of State Administration Official Procedures and Services*
 - *Ex-post RIA of the ACT LV of 2002 on the Mediation Activities*
 - *RIA of the Proposal on the Lower Output of Green House Gases, and on its Output Unit (quota) Trade*
- RIA monitoring system
- ABR methodology (businesses and citizens)
- postgraduate Better Regulation trainings
- expert groups familiar w/ BR techniques in several ministries
- ('RIA club')

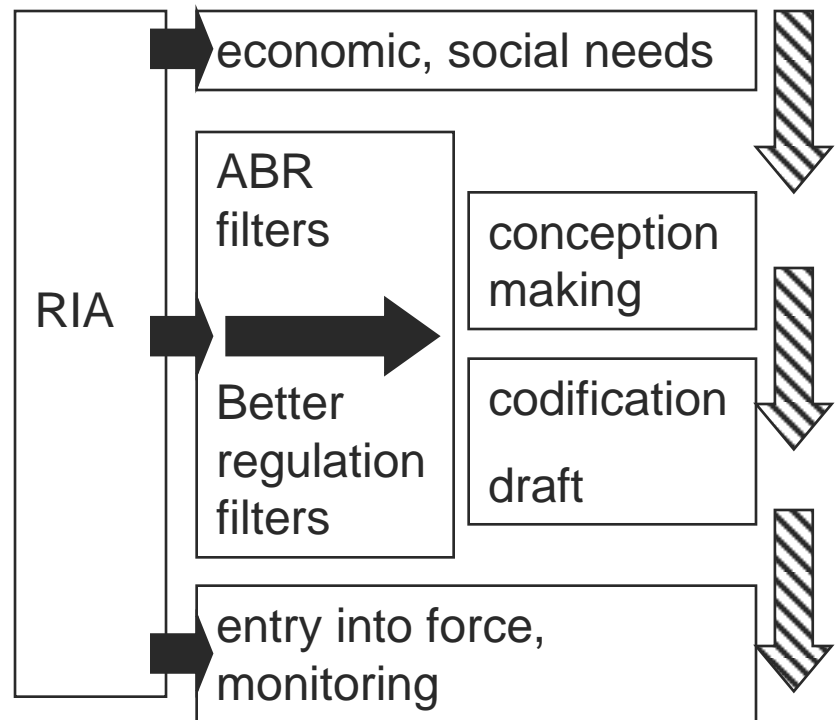
‘dynamic model’ of law preparation



production of a market product



‘production’ of a regulation



better regulation program



Aim:

is to have a comprehensive quality assurance system integrated in the legislative procedures, which

- forecasts regulatory effects w/ RIAs
 - assures stakeholder opinions to be integrated
 - assures effective law-making w/ different monitoring systems
 - assures that regulations generate only the necessary level of ABs for the affected
 - continuously organizes the required resourced for the above mentioned procedures
- complex program has been drafted
 - part of the State Reform Operative Program (SROP) of the 2nd National Development Plan
 - direct positive effect on RIA and other BR activities and
 - increase the affectivity of consultation mechanisms

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RIA & consultation



1. *the e-RIA system*

shall be able to support the RIA activities in all ministries to the maximum extent

it shall provide

- an up-to-date, unified methodological database to be able to create comparable RIA studies within the public administration,
 - a meta-database, in order to maximize the benefits of the available databases and results of different (sub-)researches,
 - an up-to-date expert database,
 - a RIA library containing all the finished RIAs,
 - a complete management system of the RIA projects being executed (scheduling, integration of different RIA modules, etc.).
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- *RIA methodology (8001/2006 Information Note of the MoJ)*

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RIA & consultation II.



2. e-support system of legislative consultation

the fora of consultation exist with different quality
most of the drafts are available for public consultation on
governmental or other specific websites

cannot ensure the frequent, wide-sense public participation in
the consultation processes

- The project's aim is to create an IT environment being able to completely manage (scheduling, notification, logging, archiving, up-to-date partner database etc) the consultation.

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law preparation & registration



3. *e-support system of law preparation*

the law preparation technically differs in the authorities making law, thus the requirement of having a unified regulation is not met in many aspects

the assurance of these technical and formal requirements needs significant resources in spite of most of them can be automated and standardized

- this significant resource requirement can be replaced with an IT support tool
 - gives an electronical framework for all phases of the law preparation from designing the very first conception papers to the finalization of the text of the regulation
 - strongly integrated with the other (e-law registration system, e-consultation and e-RIA) systems

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law preparation & registration II.



4. *electronic law registration system*

many electronic registration systems are available on the market

the only authentic sources (Hungarian Gazettes, Official Collection of Laws and Decrees, Collection of Regulations in Force) are not available electronically

- needs to have a ***complete, authentic and electronic source*** of regulations to support the legal preparation

law simplification and ABR



- new minister without portfolio responsible for governmental co-ordination
 - with strong co-operation with departments of MoJ&LE
- agreement that a full baseline-analysis of the regulatory mass is not to be done
 - only priority areas are to be analyzed

law simplification and ABR in the Ministry of Justice and Law Enforcement



- the Standard Cost Model (SCM) has been applied since 2005.
- other ABR programs in the MoJ&LE
 - 'social benchmarking' w/ SCM in process (Act on Family Support)
 - citizens' AB benchmarking project (1st October, 2006 – 31st December, 2007)
 - not full range, only focused benchmarks on sensible target groups (parents bringing up children, elders, permanently ill and disabled people)
- administrative burden point-of-view analysis of all drafts
 - AB sheet is to be attached to the proposals
- internet forum on Better regulation
- paragraph pillory project

impacts on administrative burdens ('AB filter')



- ABR programs:
 - 'static part': the scanning of the regulatory mass with an 'ABR point-of-view'
 - 'dynamic part': the continuous 'ABR point-of-view' analysis of the regulations being prepared
- the reproduction of regulations generating unnecessary administrative burdens shall be avoided!

impacts on administrative burdens deregulation sheet



Deregulation sheet

1. The draft to be analyzed

2. Data on the administrative obligations:

Obligation coming from the regulation	original value	direction and scale of the change, (i.e. +1 occasion)	frequency (occasion/year)	specification and the number of the affected of the obligation	number of the provision specifying the obligation
Number of the documents need to be filled and put in (certifications, expert opinions, etc.)					
Number of the needed payments (paying ins) money withdrawals					
Number of needed personal attendances in office (i.e. application of documents, etc.)					
Number of needed occasions to mail documents (occasions in post office)					
Others					

Short explanation of the increase of the administrative burdens:

lessons learnt



- technical prescription can turn into substantial quality improvement
- strong political will is vital
- there are very similar problems emerging in different countries
- the professional independence of IA analysts is an important factor of success
- real opportunity for the application within the policy cycle (timeframes, deadlines etc.)
 - change of the way of thinking and the system is slow
 - 2-level RIA system is being prepared

lessons learnt (cont.)

what is essential?



- preparation of a methodological guideline
- legislative prescription
- training for the legislators
- creation of the institutional background
- ongoing quality improvement

contact



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*Thank you very much for
your attention!*