

Session II

RIA Systems in the SEE Countries based on Moldova example

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Topics to be covered:

- Steps taken to integrate RIA into the broad regulatory reform process
- How RIA model is being established in practical terms
- The political support for RIA implementation
- Obstacles, lessons learnt and challenges

RIA Process in Moldova



First tentative in 2004:

- Regulatory reform concept development
- Elaboration of tools to implement regulatory reform, e.g. 'Guillotine exercise'
- Linkage of regulatory reform tools to the reform of central public administration

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Failures of first tentative:

- Only legal criteria and principles used to revise regulations
- No market criteria used at all
- RIA not accepted as a tool for better regulation

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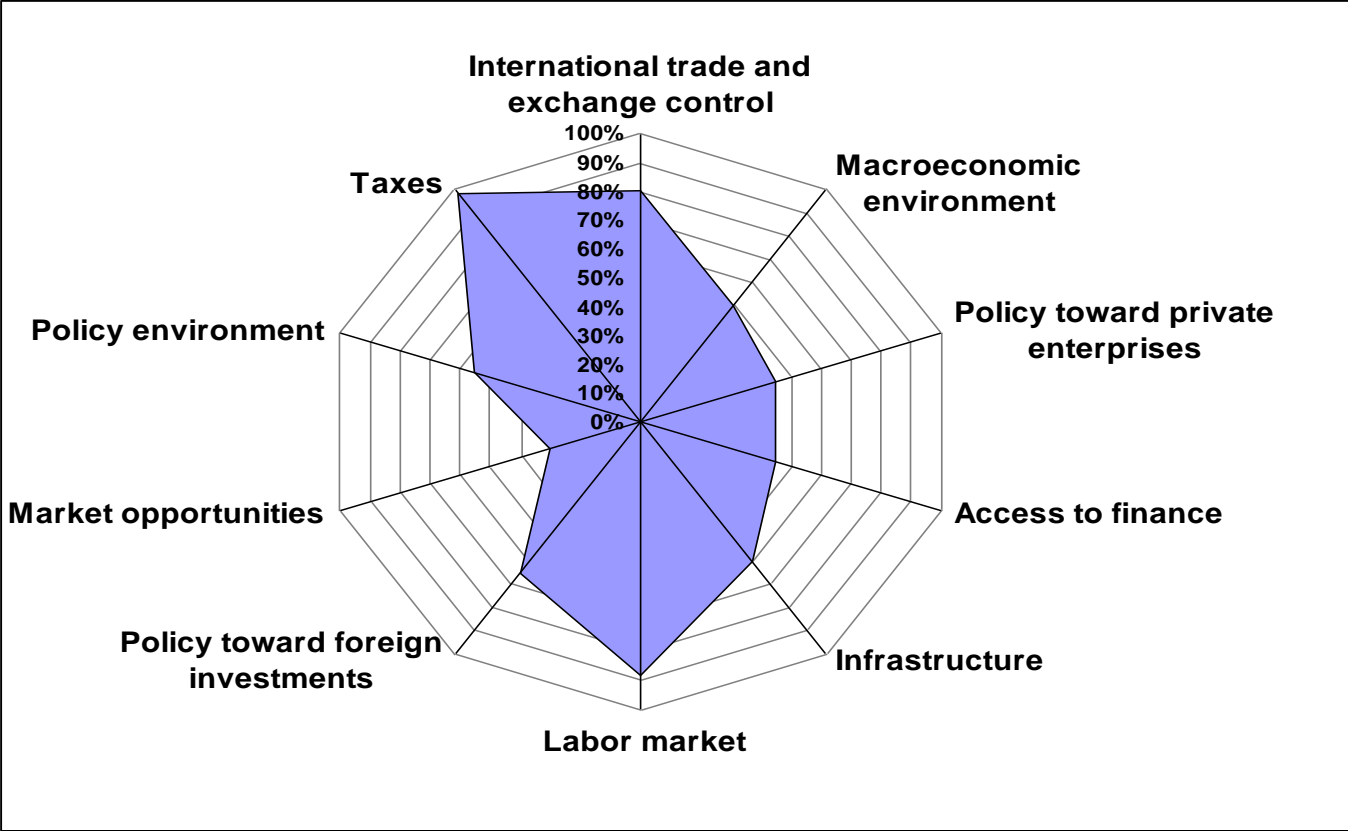
Causes for failure:

- Resistance from public authorities considering sufficient just the analysis of budget implications of a submitted draft
- Lack of understanding RIA as a tool used *apriori* proposing a policy or regulation
- Medium & long-term Activity Plans setting concrete tasks to regulate

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Moldova's policy environment compared to new EU members



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Second tentative in 2006:

- A new Law on Basic Principles Regulating Business Activity adopted endorsing, *inter alia*, RIA as a basic principle
- RIA Methodology approved by the Cabinet
- RIA Manual elaborated based on the Methodology

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Future actions required:

- Build capacity for an effective and efficient RIA implementation
- Set up a clear institutional framework, *i.e.* role of RIA Secretariat, which is endorsed in the Law but not in the RIA Methodology

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Current undertakings – capacity building:

- RIA training needs assessment
- RIA training of trainers
- RIA training for different levels of public officials
- Continuing training for RIA Secretariat
- RIA will become part of university curricula

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Current undertakings – piloting:

- Most 'difficult' public authorities chosen for piloting
- Continuing support for RIAs within the above authorities

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Current undertakings – legal perfection:

- RIA Methodology & Manual to be amended based on outputs of trainings
- RIA Secretariat institutional capacity to be clearly defined
- Modifications operated in relevant laws and regulations

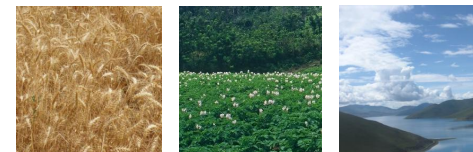
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Lessons learnt:

- Lack of human capacity within public authorities
- Low involvement of private sector
- Lack of data
- Value of RIA is understood by some, but generally viewed as an extra burden by many government officials
- RIA is seen as something that should be done by lawyers
- RIA is seen as means to justify a law, much less as means to assist with design of effective government intervention

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Challenges (I):

- RIA Methodology approved by the Cabinet, *i.e.* has no legal power over initiatives of MPs and President
- Action Plans for passing regulations approved almost by the end of 2008
- No data collection strategies
- Consultation techniques shall be implemented at a higher quality level
- Foreign TA

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Challenges (II):

- More effective private sector advocacy for reform
- RIA Secretariat 'niche' shall be found
- RIA capacity building shall be extended to private sector and Parliament

Conclusions



Some general thoughts :

- Must remember all governance processes take place in a political environment
- This means:
 - Need to build political will
 - Need to establish a broad constituency for reform
 - Sequence reforms- don't rush in.

Conclusions



Thoughts on regulatory reform:

- 'Guillotine exercises' and RIA help to establish a common language for reform.
- A system of RIA (when done well) is vital to the long term success of regulatory reform
- RIA is a tool for government, but also the private sector
- Effective RIA is based on a partnership approach between government and private sector