One year of the Senate’s experience of using Regulation Impact Assessment

Katarzyna Majewska, Marian Andrzej Fałek
Chancellery of the Senate of the Republic of Poland, Legislative Office
Presentation plan

- Development of RIA
- What is RIA?
- Development process of RIA in the Senate
- Examples of the Senate's RIAs
- RIA according to Senators – questionnaire
Development of RIA

- **USA** OIRA, September 2003, Circular, A-4, IA guidance

- **EU**
  - 2000, advisory group, EU Lisbon Strategy
  - 2001, recommendations Mandelkern Group
  - European Commission
  - 2011, European Parliament (Directorate for IA and EAV)

- **Poland**
  - 1996, accession to the OECD
  - 2001, Rules of Procedure of the Council of Ministers
  - 2012, reform of the RIA system
  - 2016, Senate of the Republic of Poland, RIA
What is RIA and why is it worth using?

- Definition of RIA
- Principles to be followed during RIA
- Analytical methods
- Benefits of using RIA
Regulation Impact Statement

### OCENA SKUTKÓW REGULACJI

1. **Jaki problem jest rozwiązywany?**

2. **Rekomendowane rozwiązania, w tym planowane narzędzia interwencji, i oczekiwanie efekt**

3. **Jak problem został rozwiązany w innych krajach, w szczególności krajinach członkowskich OECD/UE?**

4. **Podmioty, na które oddziałuje projekt**

5. **Informacje na temat zakresu, czasu trwania i podsumowanie wyników konsultacji**

6. **Wpływ na sektor finansów publicznych**

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7. **Wpływ na konkurencyjność gospodarki przedsiębiorczość, w tym funkcjonowanie przedsiębiorców oraz na rodziny, obywateli i gospodarkę domową**

8. **Zmiana obciążenia regulacyjnych (w tym obowiązków informacyjnych) wynikających z projektu**

9. **Wpływ na rynek pracy**
Role of consultations – impact on draft regulations and RIA

- Opinions of citizens and institutions
- Opinion on RIA results
- Data for RIA:
  - transferring government data, collecting data for the needs of RIA, examination of records,…….
- Updating RIA
RIA in the Senate of the Republic of Poland

April 2016 **RIA Team**
- The Team operates within the Legislative Office of the Chancellery of the Senate
- The Team is composed of:
  - persons with an *economic degree* and *experience* concerning RIA in the government legislative process and concerning analytical work

**Tasks**
- RIA obligatorily applies to all Senate initiatives
- On request of Senate Committees or Senators it applies to the Senate’s amendments to government bills
Developing process of RIA in the Senate

The simplified scheme of the Senate’s legislative initiative process, including RIA, is presented in the document attached to this presentation.
Development process of RIA in the Senate

- **Preparing** RIA at the stage of drawing up and adopting a bill in relevant committees – except bills submitted by a group of Senators for which RIA is prepared only during the first reading

- **Updating** RIA at each stage of legislative work in the Senate (during the first reading and after amendments submitted during the first and second readings)
  - Short time limit for preparing and updating RIA (depending on the type of bill, between several days and several weeks)
  - Preparing RIA does not lead to the lengthening of the legislative process
Up to now the Team has prepared 50 RIAs.
Examples of RIAs prepared in the Senate

- 27 out of 50 interventions had substantial effects on public finance, e.g.:
  - the excise duty on passenger cars – an increase of approx. **PLN 300 million per year**
  - pension for women born in 1953 who used the opportunity of early retirement – an increase of approx. **PLN 220-250 million per year**
  - the amount of tax-free income – a loss of approx. **PLN 1.5 billion per year (!)**

- 10 bills had substantial impact on enterprises, e.g.:
  - imposing financial penalties on large surface shops for food waste
RIA according to Senators – questionnaire

- **Aim of the questionnaire:** get to know the views of Senators concerning the suitability of RIA in parliamentary work as well as the quality of RIAs prepared by the RIA Team with regard to the Senate’s initiatives
  - Questionnaire form: 7 closed-ended questions, 1 open-ended question.
  - The questionnaire was carried out during the sitting of the Senate of the Republic of Poland in June 2017.
  - 29 Senators filled in the questionnaire (from 84 participated in the sitting).
  - The questionnaire was anonymous.
RIA according to Senators – questionnaire

Conclusions:

- Senators recognise the importance of RIA in the legislative process
- They use this tool in the parliamentary work
- They value highly problem description and recommended solution as well as international comparison and impact on citizens
- Positive assessment of RIAs prepared by RIA Team
- RIAs prepared by the RIA Team are comprehensible for all Senators – regardless of their education and parliamentary experience
- A wider use of RIA is necessary
Thank you for your attention

Katarzyna Majewska, Marian Andrzej Fałek