



Regelrådet

Annual Report
2013



Regel|rådet

Annual Report **2013**



Slowly but surely on the path towards better regulation



Table of Contents

Preface	5
Summary	6

Annual Report 2013

1	Introduction	8
2	News	10
3	The Review Process in Figures	12
4	Council Activities	20
5	Training and Support	26
6	European and International Cooperation	30
7	Communication	34
8	Follow-up	38
9	Conclusions and Recommendations	42

Preface

A lot has happened in the five years since the Swedish Better Regulation Council (*Regelrådet*) started its work. As part of the Swedish Government's work toward better regulation, the Council has worked hard to reduce the administrative costs to businesses' and improve the quality of impact assessments.

I took over as Chair exactly one year ago and it is my opinion that the Council's work is enormously important and stimulating. Even though the Council had already achieved much by this point, there has been room for changes and improvements. These changes are described in more detail in the chapter News.

Despite the Council's proactive efforts to improve the quality of impact assessments, we have seen a reduction in both the number of approvals and the number of acceptable impact assessments. It is worrying that the pace of the drive towards better regulation has not been maintained.

Impact assessments involve not only observing the impact that regulations will have on those affected, but is also about producing substantiated decision material for the regulators themselves. Regulators must become better at seeing the benefits of well-executed impact assessments and using these as tools when drawing up purposeful regulations, resulting in the lowest possible cost to those affected. The senior management of government agencies and ministries must understand the importance and benefits of impact assessments if they are to prioritise this issue within their respective organisations. The Council has observed in its dealings with regulators and in its reviews that the regulators whose senior management is engaged in this issue are also the ones that have the best results in the Council's reviews.

It was announced by the Swedish Government in September 2013 that the Council would become a permanent organisation. This decision serves as a confirmation that the Council plays an important role in the work with better regulation. It is important that the Council's independent position is maintained when we move over to the new organisational structure in 2015 and that there is a clear division of responsibility between the stakeholders involved in the work to improve the quality of impact assessments.



Karin Lindell
Chair

Summary

The Swedish Better Regulation Council has received 446 referrals and 3 EU impact assessments over the course of 2013. Of these, 162 have led to opinions from the Council, with the Council approving 85 and objecting to 77 proposals. The proportion of proposals that were approved in 2013, 52 per cent, is significantly below the figure for 2012, when it was 74 per cent, roughly the same as in 2011. When the figures for the Government Offices of Sweden are separated from those of the governmental agencies, it can be observed that only 36 per cent of the submissions from the Government Offices have been approved, compared to 65 per cent in 2012. Sixty-six per cent of the referrals from government agencies have been approved. The equivalent figure was 82 per cent in 2012. The most common reason for objecting to a proposal is that there are no quantitative estimates of the administrative costs or that the calculations that have been made are incomplete, resulting in the Council being unable to assess whether the most administratively appropriate solution has been chosen. With regard to the quality of the impact assessments, 56 of the 162 that the Council have issued an opinion on have been assessed as acceptable, while 106 have been assessed as deficient (in one of the submissions there was no impact assessment; this is counted as a deficient impact assessment in the statistics). The proportion of acceptable impact assessments is 35 per cent, which is lower than 2012 and 2011, when the proportion was 42 per cent. Only 15 of the 72 impact assessments from the Government Offices of Sweden that the Council issued an opinion on in 2013 have been assessed as acceptable, equivalent to 21 per cent. This is worse than the figure for 2012, when this proportion was 30 per cent. 41 of 90 impact assessments from government agencies have been assessed as acceptable. This is a little bit lower than 2012, when the equivalent proportion was 52 per cent. The most common deficiencies in impact assessments are still that they have incomplete descriptions and calculations of the costs that are expected to result from a proposal. Other common deficiencies are that there is no estimate of the number of affected businesses and no quantitative description of these, and also no assessment of the impact of the proposal on small businesses. In addition, there continues to be deficiencies in the descriptions of proposals based on EU law or international treaties. The Council can also this year conclude that those regulators whose senior management is committed and who devote resources to the work with impact assessments also achieve better results. The results for both the Government Offices of Sweden and the government agencies have been worse this past year than previously. For the Government Offices of Sweden, this involves a close to

50 per cent reduction in the number of approved proposals.

An important part of the Council's work is the formulation of opinions that are as clear as possible, thus contributing to improvements in the quality of impact assessments. One aspect of this work over the past year has been the Council's adoption of changes in the wording and content of the opinions. This has involved introducing greater clarity into both the Council's standpoint and the assessment of the impact assessment.

The collection of samples on the Council's website has been supplemented with tangible suggestions and ideas to be used as guidance in the work with impact assessments. It can be found on the website divided in Sections 6 and 7 of the Ordinance on Regulatory Impact Assessment (Swedish Code of Statutes 2007:1244). The samples and suggestions are intended to be used as tools for facilitating the work on impact assessments and improving the understanding of the basis the Council uses when conducting its reviews.

Throughout the year the Council has continued to strengthen its role of providing support to regulators by conducting training in conjunction with the Swedish Agency for Economic and Regional Growth and the Swedish National Financial Management Authority, offering individualised training to ministries and government agencies, offering support with specific impact assessments, inviting regulators to exchange experiences and expanded its proactive activities towards the committees of inquiry in order to offer support.

Furthermore, the Council has seen increasing interest in its activities from other countries, both within and outside of the EU. This is mainly evident from the increased number of contacts received and the increased number of international visitors to the Council's English language website.

On 16 September 2013 the Swedish Government made the decision to make the Council's activities permanent when its current mandate expires at the end of 2014. The justification for this decision is that the Council performs an important function in the effort to simplify the day-to-day work of businesses. At the time of writing, it is uncertain what form the new organisation will take. Naturally, the Council welcomes the Government's decision, but would at the same time like to underline the importance of the new organisation maintaining its role as an independent reviewer.



Regel|rådet

Annual Report **2013**



1 Introduction

Tasks of the Swedish Better Regulation Council

The Swedish Better Regulation Council was established in 2008 as one element in the Swedish Government's efforts to reduce businesses' administrative costs and improve the quality of regulator's impact assessments. The Council's main task is to review proposals for new and amended regulations that may have a financial impact on businesses. The base for the review is to determine whether proposals are designed in such a way that they achieve the intended aim in a simple way and to the lowest possible administrative cost to the businesses affected. The Council also evaluates the quality of the appended impact assessment based on the Ordinance on Regulatory Impact Assessment (Swedish Code of Statutes 2007:1244). The Council has an advisory role in relation to the regulators. The Council has reviewed over 2000 impact assessments since it was set up and has built up a great deal of expertise on impact assessments over the years.

The Council mandate as a committee of inquiry is temporary, expiring on 31 December 2014. Its activities are governed by the following terms of reference: 2008:57, 2008:142, 2010:96 and 2011:71. Despite the Council being organised as a government appointed committee of inquiry, it submits no committee report; instead it submits an annual report summarising its activities over the course of the previous year. The Council will also submit a final report when its current mandate expires. In September 2013, the Government made the decision to make the Council's activities permanent. You can find more information about this in the section *A permanent Swedish Better Regulation Council* in the *News* chapter.

Organisation

Karin Lindell has been Chair of the Swedish Better Regulation Council since 1 January 2013. Lennart Palm is Deputy Chair and Leif Melin and Ellinor Kristoffersson are members of the Council. The alternates are Christina Ramberg, Claes Norberg, Sten Nyberg and Annika Andebark.

The Council has met 22 times throughout the year.

Secretariat

The secretariat reviews the referrals that have been received and presents them to the Council. The secretariat has increased the amount of contact it has with industrial and trade organisations and with those responsible for the proposals in order to acquire better data for decision-making. The secretariat also provides impact assessment training and support for committees of inquiry, ministries and government agencies. The secretariat registers and compiles the Council's statistics, manages its website and twitter account and is responsible for its LinkedIn page. The secretariat is also responsible for composing and publishing the newsletter. The secretariat arranges regular opportunities for regulators to share their experience and participates in the work on better regulation at the EU level in cooperation with its counterparts in other EU member states.

At the end of the year the secretariat consisted of Director Christina Fors, the case officers Linda Bodén, Katarina Garinder (on a leave of absence), Gustaf Molander, Christian Pousette, Ulrika Sjöström, Elin Törnqvist and Mia Wallgren (on a leave of absence), and the administrative officers Anne Lindström and Ingrid Sundin.



Karin Lindell

Chair | LL.B, former Swedish Auditor-General



Lennart Palm

Deputy Chair | LL.B, former Managing Director of the Board of Swedish Industry and Commerce for Better Regulation



Eleonor Kristoffersson

Member | LL.D and professor



Leif Melin

Member | PhD in Economics and professor



Christina Fors

Director | MScBA in Economics

Discussion of principles

The Swedish Better Regulation Council has had two discussions of principles in the past year, one in March and one in September. On these occasions the Council members discussed fundamental issues affecting the Council's reviews, for example, which forms of association are subject to the Council's review and how the Council will approach legislation that complements EU regulations. Other issues that have been discussed are the wordings used in the Council's opinions, which has led to more specific wordings concerning the standpoint on the administrative costs. Further information can be found in the section '*Clearer opinions*' in this chapter.

The Council has also discussed the importance of regulators describing and quantifying costs when a proposal is expected to lead to a reduction in administrative costs. In its reviews, the Council has been able to see that reduced administrative costs are rarely described in a satisfactory way. It is clearer what net effect the proposed statute will have on the administrative costs when the reduced administrative costs are listed and quantified. This is particularly useful if the impact assessments are to be used to monitor how the administrative costs develop over time. Further information can be found in the *Administrative costs* section of the *Council activities* chapter and in the section *Tools for measuring administrative costs following 2012* in the same chapter. Furthermore, following deliberation, the Council has decided that there will be an opportunity for regulators to resubmit a case when the impact assessment has been assessed as deficient and if the impact assessment has been reworked in line with the Council's points of view. A resubmission may only take place following contact with the Council's secretariat and when the current workload allows. The Council has also discussed the importance of emphasising to the regulators that the information required in an impact assessment should be found in one coherent section or document.

Clearer opinions

Formulating opinions that are as clear as possible is an important part of the Council's efforts to improve the

quality of impact assessments. As one aspect of the Council's efforts to clarify its opinions to the regulators, and as a result of the discussions on principles that have taken place, the Council has changed the wording of its opinions. Clarifications have been made, both with regards to the Council's standpoint and the assessment of the impact assessment. More information about the Council's opinions can be found in the *Opinions* section of the *Review process in figures* chapter.

The first part of the Council's opinion, the Council's standpoint, concerns whether the proposal is designed in such a way that its aims are achieved in a simple way and with a relatively low administrative cost to the businesses affected. The wordings concerning approval and objections in the decision have been improved to make clearer the grounds on which the Council has approved or objected to the proposal. This change also aims to make it clearer that the Council's approval or objection is based on the effects on the administrative costs for the businesses and how these are described in the impact assessment.

In cases where an impact assessment is considered to be deficient, it is the Council's goal for the proposer to understand why. Since October 2013, in certain opinions where the impact assessments have been assessed as deficient, reference is made to the Council's collection of samples, which is accessible on the website (www.regelradet.se). This is to provide the proposer with additional guidance on how description of certain of the points in Sections 6 and 7 of the Ordinance (2007:1244) on Regulatory Impact Assessment may appear. The Council has also made its evaluation of the reporting and differentiation of administrative and other costs in impact assessments more clear.

One element of the work to make opinions clearer is that the proposers whose impact assessments were assessed as deficient between August and October 2013 have been asked to fill out a questionnaire concerning their perceptions of the Council's opinion in each case. The results of this investigation are found in the chapter *Follow-up*.



A permanent Swedish Better Regulation Council

In September 2013, the Swedish Government made the decision to make the Council's activities permanent, the justification being that the Council plays an important role in the effort to simplify the day-to-day work of businesses by reviewing draft legislation and impact assessments of new regulations, and providing advice on new legislation. The Government feels that making this role permanent sends a signal that this work will continue in the long-term, which is good if impact assessments are to be prioritised in the drafting of legislation. The Government also indicates that it is important for ministries and government agencies to allocate resources to maintain the quality of impact assessments.

Minister for Enterprise Annie Lööf states in the Government's press release on the decision to make the Council permanent: "Simplifying things for businesses is an important and natural aspect of the Governments policy. Consequently, it is essential that we have an independent body to review new ordinances and laws." The Government has allocated funding for the Council from 2015 and onwards in the Budget Bill for 2014. At the time of writing, it is uncertain what form the Council's new organisation will take.

Collection of samples with tangible suggestion for impact assessments

The Council was commissioned, in its most recent supplementary terms of reference (ToR 2011:71), to compile a collection of samples of good impact assessments. The collection of samples was launched in 2012. The administrators who write the impact assessments often point out during training courses that they would like tangible suggestions concerning this work. Consequently, the Council have gone one step further, and since May 2013 the samples have been complemented by tangible suggestions and ideas on how to conduct impact assessments. The suggestions can be found along with the samples, on the Council's website, organised according to the relevant points in Sections 6 and 7 of the Ordinance on Regulatory Impact Assessment (2007:1244). Following the suggestions does not automatically mean that a regulator will have their proposal approved or that the impact assessment will be assessed as acceptable by the Council when submitted. The samples and suggestions should be used as tools for facilitating the work with impact assessments and improving the understanding of the basis the Council uses when conducting reviews. The consistently low quality of impact assessments has, however, been a factor that has made finding samples for the collection rather difficult.

The Review in Figures

The review in general

Regulators have to submit all proposed statutes that may have a significant impact on businesses' working conditions, their competitiveness or other conditions affecting them. Over the course of the year the Swedish Better Regulation Council processed 446 submissions and 3 EU impact assessments¹. Of these, the Council gave an opinion on 162 cases and submitted secretariat responses in another 284. In 2012, the Council gave an opinion on 145 cases and submitted secretariat responses in another 313.

The majority of the submissions come from government agencies and concern proposals for new or amended regulations. The proposals submitted by the ministries can be divided up into proposals drawn up within the Government Offices of Sweden, e.g. ministerial memoranda, and proposals from outside of the Government Offices, e.g. reports from committees of inquiry. There can also be reports containing proposals that were drafted by an underlying government agency at the request of the ministry. What the submissions all have in common is that they have been submitted by the ministry that is responsible for the ongoing work to draft the proposal in question.

The Council meets every other week and is to be provided with at least 14 days to submit comments on a proposal in accordance with the Ordinance

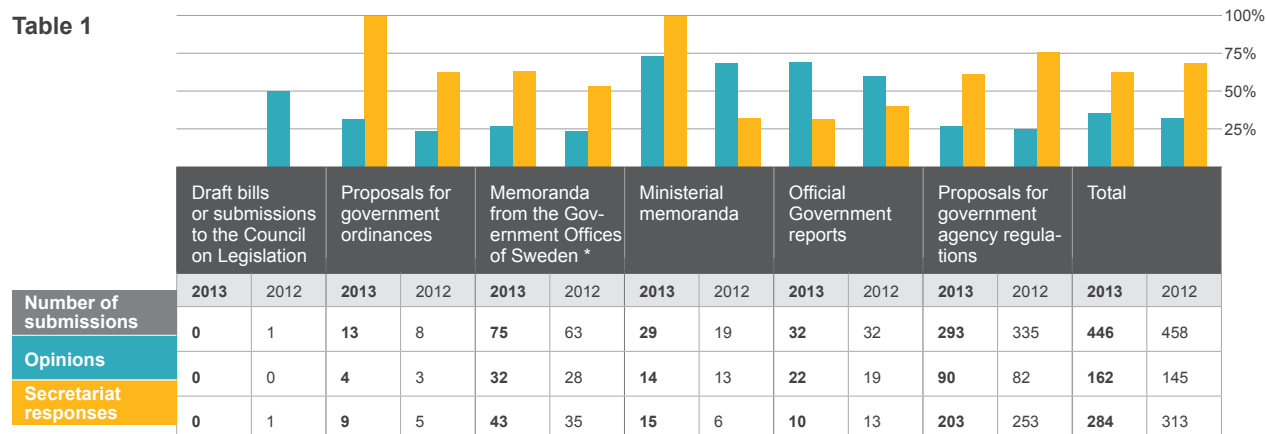
(2011:118) on the Obtaining of Opinions from the Swedish Better Regulation Council and the Government Offices' guidelines on the submission of documents to the Swedish Better Regulation Council. If the Council is provided with less time than this to submit its comments, it will normally ask for more time to provide an opinion. As already noted in the section *Discussion of principles*, it has become evident this year that regulators have made changes to their proposed statutes and impact assessments as a result of the Council's opinions, and consequently that they have asked to resubmit their proposals to the Council for a new opinion.

Table 1 shows the total number of cases submitted to the Council, distributed by type of case.

Opinion or secretariat response

When the Council receives a case, the case officer makes an initial assessment of whether the Council should give an opinion. Having consulted with the Director, the case officer then presents their proposal to the Chair, who decides whether the Council will provide an opinion on the case. A secretariat response is submitted if the Council does not give an opinion on the case. In certain, more complicated cases, a secretariat response is only submitted once the case has been discussed by the Council.

Table 1



¹ When reviewing EU impact assessments, the Council does not adopt a position on whether the proposal should be approved or objected to, nor on whether the impact assessment is deficient or acceptable. See the section *Review of the European Commission's impact assessments* in the *Council activities* chapter.

* The category *Memoranda from the Government Offices of Sweden* also includes agency reports submitted by the ministry responsible.

Secretariat responses

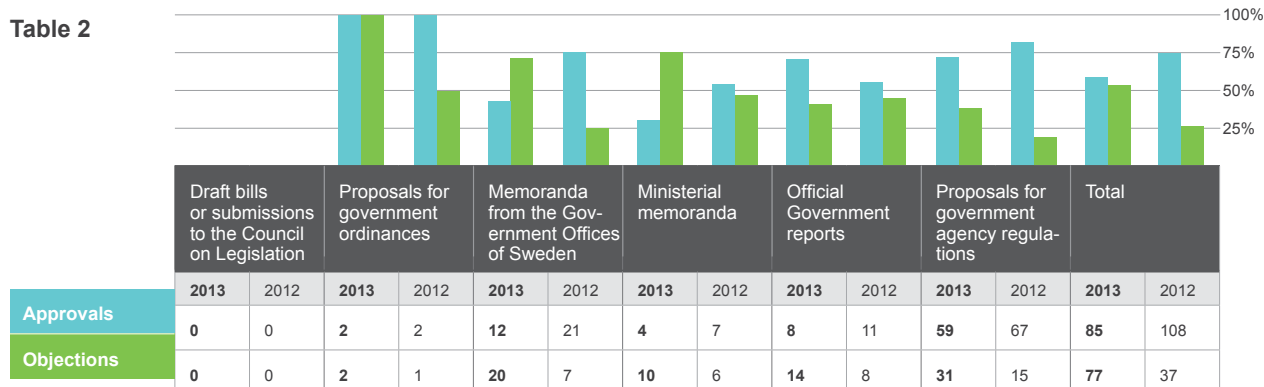
Secretariat responses are given for various reasons in order to provide the regulator with information about why the Council will not be issuing an opinion on the case. The four secretariat response categories are: limited impact on businesses, outside of the Council's remit, lack of time and lack of resources. The most common reason for a secretariat response is that the proposal is judged to have a limited impact on businesses. The reason may be that the proposal is not targeted at businesses at all or that it is assessed to have only a limited or no impact on business activities. The limited impact category encompasses 82 per cent of all the secretariat responses submitted last year. Secretariat responses are also submitted if the proposal is not covered by the Council's review remit, e.g. if it contains proposals for general advice or EU regulations. Over the course of the year, 16 per cent of secretariat responses were in this category. The categories used most infrequently are lack of time and lack of resources. Lack of resources is used if the submission cannot be processed within the response time, e.g. if the Council is provided with less than 14 days to submit its comments and its request for more time has been turned down. Lack of time is the reason for 1.4 per cent of secretariat responses. The final category, lack of resources, is only used if the secretariat's workload is so great that the submission cannot be processed within the given response time. The final category has been used in one case this past year, which is 0.4 per cent of the total number of secretariat responses.

In previous years, the proportion of secretariat responses has been increasing successively, while the number of opinions has remained approximately the same. In 2013, the proportion of opinions has increased somewhat to 36 per cent, having been 32 per cent in 2012. The proportion of secretariat responses has decreased correspondingly. The proportion of secretariat responses in 2013 is 63 per cent, which can be compared with the figure in 2012, when the proportion was 68 per cent, and in 2011, when the proportion was 62 per cent. The EU impact assessments that the Council gave its opinion on constitute one per cent of the total number of submissions. The Council's review of EU impact assessments can be found in the section *Review of the European Commissions impact assessments* in the chapter *Activities*.

Opinions

The Council's reviews take place in two parts, which also means that the Council's opinions are divided into two parts. The first part of the opinion contains the Council's position on whether the proposal is designed in such a way that its aims are achieved in a simple way and with a relatively low administrative cost to the businesses affected. This is indicated in the opinion by an approval or an objection. The other part of the opinion contains the Council's evaluation of whether the impact assessment fulfils the requirements in Sections 6 and 7 of the Ordinance on Regulatory Impact Assessment (Swedish Code of Statutes 2007:1244). The Council's evaluation of the impact assessment's quality is indicated in the opinion as

Table 2



acceptable or deficient. In 2013, the Council has changed the wording for its opinions in order to make its evaluation clearer to regulators, as detailed in the section *Clearer opinions* in the chapter *News*.

Approval or objection

Over the course of 2013, the Council has given its opinion on 162 cases, resulting in 85 approvals and 77 objections. The proportion of approvals is 52 per cent, which is a significant reduction compared with 2012, when the figure was 74 per cent, and 2011, when it was 73 per cent. Table 2 shows the number of approvals and objections.

The most common reason for a proposal being objected to is incomplete calculation or lack of quantitative estimates of the administrative costs. When an impact assessment does not contain any quantitative estimates, it is usually not possible to assess whether the most administratively appropriate solution has been chosen.

Approvals and rejections by ministry and government agency

Table 3 shows the number of approvals and objections from the Government Offices of Sweden. The report is divided by ministry and based on whether the proposal has been drawn up within or outside of each



ministry. Submissions that have been drawn up within the Government Offices may be, for example, Memoranda from the Government Offices. That category also includes reports from government agencies that are submitted by the responsible ministry. Proposals drawn up outside of the Government

Table 3

Ministry	Within the Government Offices of Sweden		Outside of the Government Offices of Sweden		Total
	Approvals	Objections	Approvals	Objections	
Ministry of Finance	6	4	4	4	18
Ministry of Defence	1	0	1	0	2
Ministry of Justice	0	2	3	5	10
Ministry for Rural Affairs	1	1	0	0	2
Ministry of the Environment	0	2	0	1	3
Ministry of Enterprise, Energy and Communications	5	12	1	1	19
Ministry of Health and Social Affairs	0	1	2	8	11
Ministry of Education and Research	1	0	1	5	7
Total	14	22	12	24	72

Offices may be reports from committees of inquiry or from the ministry publications series. From 1 January 2014, all proposals from the ministry publications series are registered as coming from within the Government Offices.

The Council has given its opinion on 9 more cases from the Government Offices in 2013 than in 2012. Only 26 of a total of 72 submissions from the Government Offices that the Council has given its opinion on have been approved. This is 36 per cent for 2013, which is a considerable reduction on the figure of 65 per cent for 2012. The Council can see an even greater decline when dividing the proposals into those drawn up within and outside of the Government Offices. The proportion of approvals for proposals drawn up within the Government Offices has declined from 81 to 39 per cent. In general, the proportion of proposals drawn up within the Government Offices by, e.g. a specialist unit, have declined significantly since the previous year. For those proposals drawn up outside of the Government Offices, the proportion of approvals has declined from 57 per cent in 2012 to 33 per cent in 2013. The proposals drawn up within the Government Offices are responsible for the greatest decline, even though the proportion of proposals drawn up outside of the Government Offices has also decreased. Objections are most commonly caused by a lack of sufficient data for the Council to assess whether the most administratively appropriate solution has been chosen.

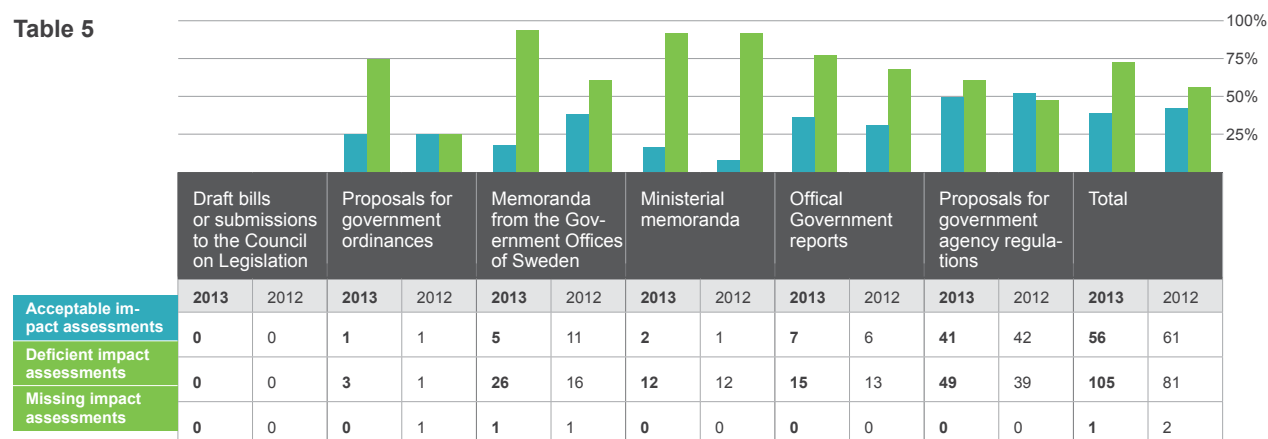
The Council has given its opinion on 8 more cases from government agencies in 2013 than in 2012. Table 4 shows the number of approvals and objections of proposals from government agencies; 59 of 90 proposals have been approved, 66 per cent. This is lower than in 2012, when 82 per cent were approved, and 2011, when 75 per cent were approved. However, the reduction in the proportion of approvals is not as alarming as that for the proposals submitted by the Government Offices. As was the case in 2012, the Swedish Transport Agency and the Swedish Board of Agriculture have had a good result as they submit a relatively large number of cases, but there are other agencies who have also achieved good results in the Council's review and who submitted relatively few cases, for example, the Swedish Dental and Pharmaceutical Benefits Agency and the Swedish Post and Telecom Authority. Conversely, the Council has objected to every one of the three submissions from the Swedish National Board of Health and Welfare that it has issued an opinion on.

Table 4

Government agency	Approvals	Objections	Total
Swedish Work Environment Authority	1	1	2
Swedish National Board of Housing, Building and Planning	3	2	5
Swedish National Electrical Safety Board	1	1	2
Swedish Energy Markets Inspectorate	0	1	1
Swedish Energy Agency	1	0	1
Swedish Financial Supervisory Authority	5	3	8
Swedish Social Insurance Agency	0	1	1
Swedish Agency for Marine and Water Management	1	1	2
Swedish Board of Agriculture	12	2	14
Swedish National Food Agency	0	2	2
Swedish Medical Products Agency	3	2	5
Swedish Agency for Accessible Media	0	1	1
Swedish Environmental Protection Agency	0	1	1
Swedish Pensions Agency	0	1	1
Swedish Post and Telecom Authority	4	1	5
Swedish Supervisory Board of Public Accountants	0	1	1
Swedish Maritime Administration	2	0	2
Swedish Tax Agency	0	1	1
Swedish Forest Agency	0	1	1
Swedish National Agency for Education	0	2	2
Swedish National Board of Health and Welfare	0	3	3
Statistics Sweden	2	1	3
Swedish Radiation Safety Authority	1	0	1
Swedish Board for Accreditation and Conformity Assessment	1	1	2
Swedish Dental and Pharmaceutical Benefits Agency	3	1	4
Swedish Transport Agency	19	0	19
Total	59	31	90

* The Swedish Energy Markets Inspectorate has also produced a number of reports that were submitted via the Ministry of Enterprise, Energy and Communications and these are listed in the statistics for the Ministry. The Council has objected to every one of the five submissions and the impact assessments have been assessed as deficient.

Table 5



Quality of Impact assessments

The Council also reviews the quality of the impact assessment that is to be submitted with the proposal. The review is based on the requirements stipulated in Section 6 and 7 of the Ordinance on Regulatory Impact Assessment (Swedish Code of Statutes 2007:1244).

Of the 162 cases on which the Council issued an opinion in 2013, 56 impact assessments have been assessed as acceptable, while 106 have been assessed as deficient. The proportion of acceptable impact assessments is 35 per cent, which is worse than 2011 and 2012, when the proportion was 42 per cent. One of the submissions had no accompanying impact assessment. This is counted as a deficient impact assessment in the statistics.

Acceptable or deficient impact assessments by ministry and government agency

As can be seen below in Table 6, the Council has given its opinion on 72 proposals from the Government Offices of Sweden. Of these, only 15 impact

assessments have been assessed as acceptable. This is 21 per cent of the total and is worse than in 2012, when 30 per cent were assessed as acceptable.

On closer inspection of the proposals drawn up within and outside of the Government Offices, the figures become even more remarkable. Of the 36 proposals drawn up within the Government Offices, only 6 impact assessments, i.e. 17 per cent, have been assessed as acceptable. This can be compared with 2012, when 9 of 21 impact assessment were assessed as acceptable, close to 43 per cent. Twenty-seven of the 36 impact assessments drawn up outside of the Government Offices have been assessed as deficient, which is 75 per cent. This is the same proportion as in 2012, when 76 per cent were assessed as deficient, but still worse than 2011, when 68 per cent were deficient. The impact assessment was acceptable in only 2 of 14 proposals from the ministry publications series that the Council has given its opinion on. Seven of the 22 reports from committees of inquiry have been assessed as acceptable and only 2 of 11 reports submitted by a ministry. These reports originate from the government

Table 6

Ministry	Within the Government Offices of Sweden		Outside of the Government Offices of Sweden		Total
	Acceptable	Deficient	Acceptable	Deficient	
Ministry of Finance	3	7*	4	4	18
Ministry of Defence	0	1	1	0	2
Ministry of Justice	0	2	2	6	10
Ministry for Rural Affairs	1	1	0	0	2
Ministry of the Environment	0	2	0	1	3
Ministry of Enterprise, Energy and Communications	2	15	1	1	19
Ministry of Health and Social Affairs	0	1	1	9	11
Ministry of Education and Research	0	1	0	6	7
Total	6	29	9	27	72

* There was no impact assessment in one of the submissions from the Ministry of Finance; this has been counted as deficient in the statistics.

agencies the Swedish Energy Markets Inspectorate (5), the Swedish Transport Agency (2), the Swedish Forest Agency (2), the Swedish Tax Agency (1) and the Swedish Environmental Protection Agency (1). An underlying reason why so few of the government agencies' reports contain acceptable impact assessments may be, according to the Councils perception, deficiencies in communication between the responsible ministry and the agency that the report will be submitted onwards immediately. The reports may be either a suggestion from the agency itself or a request from the responsible ministry.

Table 7 shows the government agencies' results in the Councils review of impact assessments. 41 of the 90 impact assessments submitted have been assessed as acceptable. This is 46 per cent of the total and is slightly worse than in 2012, when 52 per cent were assessed as acceptable. The government agencies that have previously performed well such as the Swedish Transport Agency have continued to do so, but the Swedish Post and Telecom Authority achieved a better result in 2013. The Swedish Financial Supervisory Authority, all of whose impact assessments were assessed as deficient in 2012, has improved its impact assessments in 2013 and has achieved a better result.

The most common deficiencies in impact assessments are still incomplete descriptions of the costs that are expected to result from a proposal. All too often the wording is generalised with no attempt to provide a quantitative estimate in the impact assessment. Other common deficiencies are that there are no estimates of the number of businesses that will be affected, no quantitative description of these and of the impact the proposal may have on small businesses. In addition, there continues to be deficiencies in descriptions of those proposals that are based on EU law or international agreements.

In the annual report for 2012, the Council drew attention to the remarkably high proportion of impact assessments submitted by the Government Offices that were assessed as deficient. It is regrettable that, since last year's annual report, the result has become even worse. However, the Council can see that it is different ministries that are responsible for the deficient impact assessments from year to year. There may be several different factors behind this result, among them that that ministries produce a varying amount of regulations from year to year. However, it is not possible to ignore that the ministries have significantly worse statistics than the government agencies when it comes to acceptable impact assessments.

Table 7

Government agency	Acceptable	Deficient	Total
Swedish Work Environment Authority	1	1	2
Swedish National Board of Housing, Building and Planning	1	4	5
Swedish National Electrical Safety Board	1	1	2
Swedish Energy Markets Inspectorate	0	1	1
Swedish Energy Agency	1	0	1
Swedish Financial Supervisory Authority	3	5	8
Swedish Social Insurance Agency	0	1	1
Swedish Agency for Marine and Water Management	0	2	2
Swedish Board of Agriculture	9	5	14
Swedish National Food Agency	0	2	2
Swedish Medical Products Agency	1	4	5
Swedish Agency for Accessible Media	0	1	1
Swedish Environmental Protection Agency	0	1	1
Swedish Pensions Agency	0	1	1
Swedish Post and Telecom Authority	4	1	5
Swedish Supervisory Board of Public Accountants	0	1	1
Swedish Maritime Administration	1	1	2
Swedish Tax Agency	0	1	1
Swedish Forest Agency	0	1	1
Swedish National Agency for Education	0	2	2
Swedish National Board of Health and Welfare	0	3	3
Statistics Sweden	2	1	3
Swedish Radiation Safety Authority	1	0	1
Swedish Board for Accreditation and Conformity Assessment	0	2	2
Swedish Dental and Pharmaceutical Benefits Agency	2	2	4
Swedish Transport Agency	14	5	19
Total	41	49	90

* The Swedish Energy Markets Inspectorate has also produced a number of reports that were submitted via the Ministry of Enterprise, Energy and Communications and these are listed in the statistics for the Ministry. The Council has objected to every one of the five submissions and the impact assessments have been assessed as deficient.

Please note

- The proportion of approved proposed statutes has been reduced compared with previous years.
- Proposed statutes drawn up within the Government Offices of Sweden account for the largest reduction in the number of approved proposals.
- Impact assessments still often lack calculations of quantitative estimates of the proposal's costs.

Regelrådet

Regelrådet är ett av regeringen utsatt
oberoende organ vars huvudsakliga uppgift är att
1. Ta ställning till om nya eller ändrade regler är
utformade så att de uppnår regelverkets syfte
på ett enkelt sätt och till en rimligt sett låg
administrativ kostnad för företag
2. Bedöma konsekvensutredningarnas kvalitet
Regelrådet tar inte ställning till förlagens
politiska syfte.

Yttrande
2013-09-18

Vårt Dnr
N 2008/052013/1

Ett Dnr
2013-288-SE

Myndigheten
103 33 Stockholm

Yttrande över myndighetens förslag till föreskrifter om viktiga saker

Regelrådets ställningstagande

1. Regelrådet tillstyrker förslaget med anledning av att de administrativa kostnaderna bedöms
nödvändiga för att uppnå förslagens syfte.
2. Regelrådet anser att konsekvensutredningen är godtagbar.

Innehållet i förslaget

I förslaget föreslår myndigheten nya föreskrifter om viktiga saker. Syftet med förslaget är att komma
tillrätta med en problematik. Förslaget omfattar inte den som utför vissa andra saker. Det föreslås även
att vissa andra företag ska omfattas av förslaget. Bakgrunden till myndighetens förslag är skrivelser från
företag och branschorganisationer i vilka de påpekat att föreskrifter om viktiga saker behövs.

Skälen för Regelrådets ställningstagande

Administrativa kostnader

I förslaget anges att förslaget kommer att leda till ökade administrativa kostnader om 500 000 kronor
för de företag som inte arbetar med viktiga saker. För de företag som arbetar med viktiga saker kommer
förslaget att medföra ökade administrativa kostnader om 200 000 kronor per år. 1 500 väntas beröras
av förslaget. Som framgår av det föregående kommer förslaget att medföra betydande administrativa
kostnader för berörda företag. Såvitt Regelrådet kan bedöma är dock dessa kostnader nödvändiga för att
uppnå förslagens syfte. Regelrådet tillstyrker därför förslaget.

Konsekvensutredningen

Av förslaget framgår syftet med och bakgrunden till förslaget samt dess överensstämmelse med EU-
rätten. Regelrådet har förståelse för att det vid rådande förhållanden kan vara svårt att utföra en exakt
beräkning av de kostnadsåtergående effekter som förslaget kan komma att medföra för berörda företag. Det
hade dock varit önskvärt med en uppskattning av förväntade kostnader även i nämnda osäkra fall.
Sammanlagt uppfyller konsekvensutredningen de krav som följer av 6 och 7 §§ förordningen (2007:1244)
om konsekvensutredning vid regelgivning. Konsekvensutredningen är därför godtagbar.

Postadress

Kv Garnisonen, 103 33 Stockholm

Telefon (vård)

08-405 10 00

Webbplats

www.regelradet.se

E-post

regelradet@regelradet.se

Administrative costs

Since August 2011, the Swedish Better Regulation Council has been tasked with reporting changes to businesses' administrative costs as stated in the impact assessments that are submitted. The report is to contain the proposer's assessment of whether the costs increase or decrease, and, in cases where the costs have been quantified, the amount.

This year's report shows that many of the submissions lack quantitative estimates of the administrative costs. In those impact assessments which do include quantified costs, these are not always calculated in full. It may be the case that the cost has only been quantified for certain administrative requirements or for an average business, rather than the total number of businesses that are affected in Sweden. The Council cannot record any amount in those submissions where the administrative costs have not been reported separately from the other costs. However, what is most common is that there is a total lack of quantified costs and that the assessment of costs that has been performed has been presented in a generalised manner. As a result of these deficiencies and other uncertainty factors, the synthesis below must be interpreted with great care.

According to the Council's synthesis, the proposals that the Council gave its opinion on in 2013 can result in an annual net increase of approx. SEK 290 million in recurring administrative costs, should the proposals be implemented. On top of this are and additional approx. SEK 690 million in initial administrative costs. The latter figure reflects one-time costs in the first year following the introduction of the proposed regulations. The synthesis of the annual net increase is based on the stated increase in annual recurring administrative costs. However, the majority of these costs are accounted for by a small number of proposals. The reduction in annual recurring administrative costs is stated as approx. SEK 180 million.

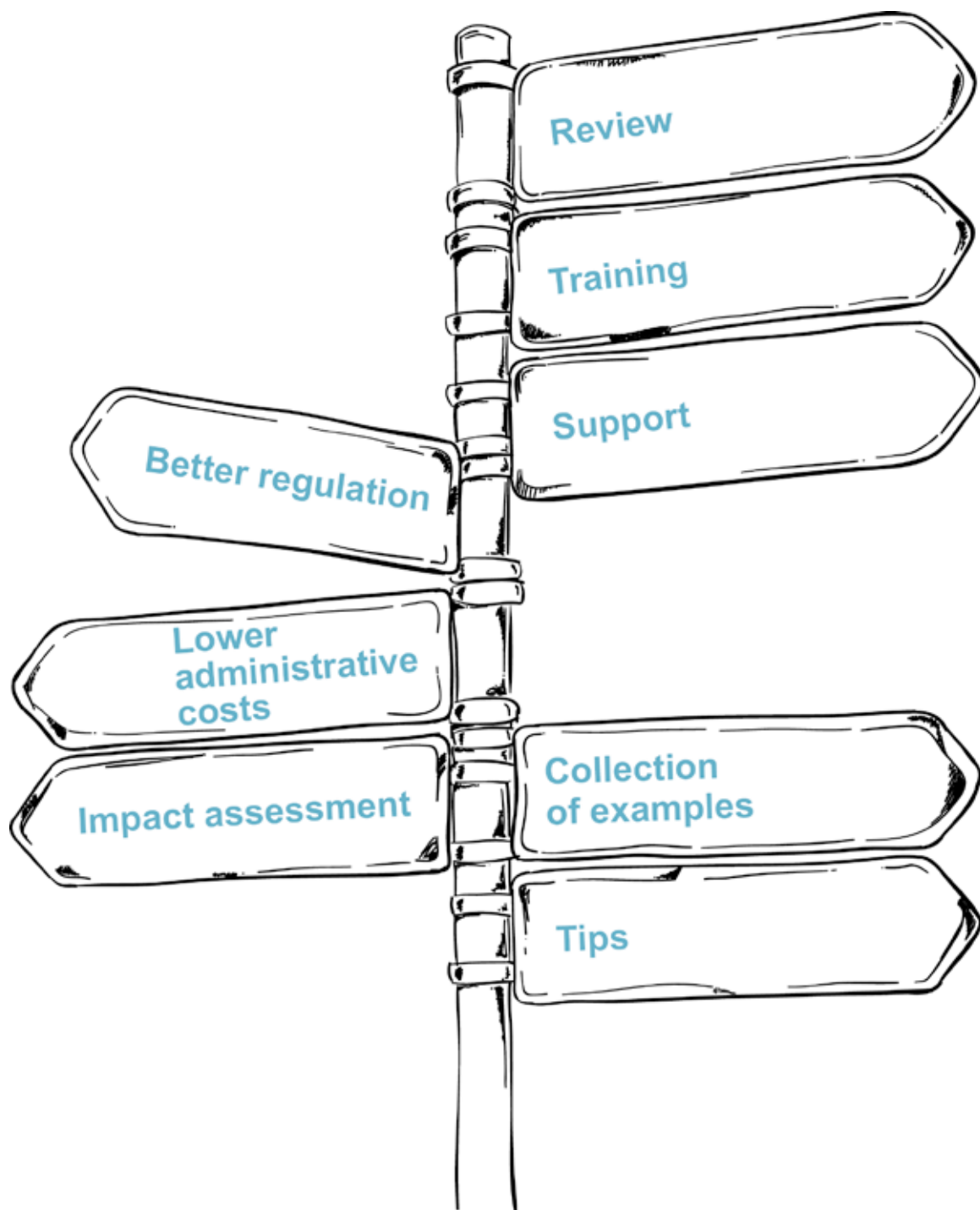
As was the case in 2012, 30 per cent of the 162 submissions on which the Council gave its opinion in 2013 contain some form of calculation of either completely or partially quantified administrative costs.

The regulator has made an assessment of the effect of the proposal on administrative cost, but has not reported any amount in 54 per cent of the submissions on which the Council gave its opinion. The proposal has been assessed as resulting in reduced administrative costs in 15 per cent of these submissions, while 54 percent of them specify that the administrative costs will rise. The remaining 31 per cent of submissions indicate that the proposal will result in unchanged costs.

The remaining 25 submissions, equivalent to 15 per cent, contain no assessment of the effect of the proposal on businesses' administrative costs. The Council's own assessment of these submissions is that about half may lead to increased cost if they were implemented.

Because the Swedish constitutional system consists of three levels, the same information requirements specified in a proposal for an ordinance may also be present in a proposal for a regulation from a government agency that has the authority to issue regulations on the requirement. Uncertainty is introduced into the Council's reporting when information requirements are thus reported at more than one constitutional level, or when regulation takes place on more than one constitutional level in different submissions, but essentially refer to the same requirement at the same cost. For example, it may be the case that the Council receives a submission containing changes to an ordinance and specifying a total for administrative costs and then six months later another submission arrives from a government agency containing a regulatory proposal with almost the same administrative costs, but there is no way to determine whether the administrative costs reported in the superordinate statute have already been registered. Another uncertainty factor that should be noted is that the reports are based on proposals' expected costs and the Council has not monitored whether or not these proposals have been introduced.

In summary, there is still potential for improvement with regard to the quantification of administrative costs. Despite the uncertainty factors that have



previously been reported, the Council can clearly see, based on the proposals submitted, that businesses' total administrative costs have increased over the course of 2013.

Review of the European Commission's impact assessments

Since 2011, the Council has been had a task to assist regulators by reviewing impact assessments of proposals drawn up by the EU that may have a large impact on Swedish trade and industry. Following requests from the Ministry of Justice, the Ministry for Foreign Affairs and the Ministry of Enterprise, Energy and Communications, the Council has given its opinion on three EU impact assessments in 2013. The main content of the Council's opinions is a description of whether the EU impact assessment' analysis of these parts is deficient and whether a supplementary national impact assessment should be drawn up and, if so, what this should contain.

The Council has had follow-up meetings with the ministries in question to investigate how their ongoing work has benefited from the Council's opinions. They have indicated that having the EU impact assessments analysed by an external body with specific expertise concerning the content of impact assessments and the economic effects on businesses is highly beneficial. The ministries are also in agreement that the Council's opinions on EU impact assessments are very influential to their ongoing work on these proposals. It is important that experts in impact assessments are given the opportunity share their points of view on EU impact assessments with the ministries. The opinions have mainly been used in negotiations with Brussels, where they are used to draw attention to deficiencies in the Commission's impact assessments. Furthermore, the ministries indicate that they benefit most from the Council's opinions at an early stage of the negotiation process, but emphasise that an opinion may also be useful later in the negotiations. The Council's opinions are felt to have clarity. The ministries state that the more detailed the opinion the better and that it is therefore very helpful when the Council clearly indicate which articles in the proposals are considered

to have an extensive impact on businesses and whether these impacts are sufficiently well-described in the EU impact assessment.

In addition, the ministries have stated that they have not drawn up any supplementary Swedish impact assessments in the way that the Council has proposed in its opinions. The reason for this is that the proposals from the EU are changed continually during the negotiation processes. A supplementary impact assessment with its own calculations would therefore quickly become out of date and would need to be updated continually. According to the ministries, there is neither the expertise required nor sufficient resources to maintain an effort of this nature.

The Council's follow-up of the review of EU impact assessments has shown that its opinions have been highly beneficial. Despite the Council having had this mandate for two years, only three ministries have taken the opportunity to have an EU impact assessment reviewed. The Council hopes that other ministries seize this opportunity in future.

Tools for measuring administrative costs subsequent to 2012

In 2013, the Swedish Agency for Economic and Regional Growth was commissioned by the Ministry of Enterprise, Energy and Communications to draw up proposals for a method to track changes to businesses' administrative costs subsequent to 2012. The production of those aspects of the method that will affect the work of the Council's secretariat have taken place in consultation with the secretariat. The basis for the method is the cost estimates the regulators have to compile in an impact assessment in conjunction with proposals for new or amended regulations.

The Swedish Agency for Economic and Regional Growth's proposed method is based on the impact assessments submitted to the Council. This procedure, using the expected regulatory costs as a basis, is also applied in other European countries, as indicated in a survey of the UK, Germany, Denmark and the Netherlands conducted by the project group. This

method provides the opportunity to track the change in businesses' administrative costs and also to predict future costs. One difficult aspect of the application of the method is that many proposed statutes still do not contain completely-quantified administrative costs.

Until there is a significant improvement of the calculations in impact assessments, the method may require supplementary calculations and additional training initiatives.

These training initiatives are planned and implemented jointly by the Swedish Agency for Economic and Regional Growth and the Council. In the long-term, however, the proposers are expected to be able to produce their own cost estimates, as is already the case in several other countries. When a submission is referred to the Council, the secretariat is responsible for conducting an initial assessment of which of the proposals can be expected to result in significant administrative costs for businesses. These proposals will be forwarded to the Swedish Agency for Economic and Regional Growth, which will conduct an additional cost assessment and check whether or not a decision has been made regarding the proposal. Proposals that result in significant administrative costs and on which a decision has been made will, according to the proposed method, be included in the follow-up of businesses' administrative costs.

Through dialogue with government agencies, the Swedish Agency for Economic and Regional Growth will also survey the changes to, for example, general advice and e-solutions that may also be included in the follow-up. The results of these follow-ups will be presented in frequent reports. The new method will be implemented beginning in 2014.

Please note

- Several submissions lack calculations or quantitative estimates of administrative costs.
- There is a lack of data about the number of affected businesses all too frequently and the costs of only certain administrative requirements are calculated.
- The report of the proposals' impact on administrative costs is complicated and must be interpreted with great care. Despite uncertainty factors, the report indicates that businesses' total administrative costs have increased during 2013.
- The Council's review of the European Commission's impact assessments provides the ministries with useful assistance in their negotiations at the EU level.



Training and Support

Training and Support for regulators

Since its inception in 2009, the Swedish Better Regulation Council has reviewed over 2,000 impact assessments. The Council has thus built up expertise in both the common deficiencies in impact assessments and how the impacts should be described in order to provide a satisfactory picture of the proposal and its effects and so that it is possible for the Council to assess whether it is acceptable. The Council's most recent supplementary terms of reference (2011:71) make it clear that the Council is to develop its role as an advisory body, against the background of the knowledge base that has been built up within the organisation over the course of the years it have been operating. In 2013, the Council has continued to strengthen its role of providing support to regulators by conducting training in conjunction with the Swedish Agency for Economic and Regional Growth and the Swedish National Financial Management Authority, offering individualised training, supporting specific impact assessments, giving regulators the opportunity to share their experience and expanded its proactive activities towards the committees of inquiry in order to offer support. The Council has also developed its collection of samples so that it now also contains tangible suggestions for regulators. You can find more information about this in the section Collection of samples with tangible suggestion for impact assessments in the News chapter.

In order to avoid endangering the independence of the Council's reviews as a result of the increased demand for support by regulators, the secretariat's work has been organised in such a way that the case officer who provides support to an impact assessment is not the same as the one that reviews the proposal when it is subsequently submitted to the Council.

Ministries

The Council has no explicit mandate to conduct training sessions for ministries, but upon request it has begun an attempt to meet the Government Offices of Sweden's very real need for training. Over the course of the year, the Council has therefore held targeted training sessions at the Ministry of Culture, the Transport Unit at the Ministry of Enterprise, Energy and Communications and at the Ministry of

Education and Research. In that last case, several units from the Ministry of Education and Research sent their representatives who in turn acted as ambassadors within their units with the aim of improving the quality of the ministry's impact assessments. The starting point of these training sessions is the Council's experience of reviewing the effects on business using the guidelines that govern the ministry's own work with impact assessments, as well as three perspectives involving impact assessments for the ministry to consider. This involves memos and reports from the ministry publications series, requests for reports containing impact assessments from associated government agencies and instructions in terms of reference about what must be specifically highlighted in a committee report. In the sessions, examples are given from the Council's collection along with tangible suggestions about how to describe the financial effects on businesses. Course evaluations conducted by the Council indicate that they are considered valuable and rich in content. However, the participants have asked to be given even more examples of good impact assessments, which is something that will be developed further in the training programme in future. It is clear that the Council's training sessions fulfil a requirement of the ministries. The Council hopes that it is given the explicit task of providing training in its new organisation.

The Council has, on one occasion, arranged an experience sharing session to which all the ministries were invited. There were participants from nine ministries. At this session, the Council talked about their reviews and the support that is available to ministries. The Better Regulation Unit at the Ministry of Enterprise, Energy and Communications also took part and described its drive towards better regulation and the importance of conducting impact assessments. The Ministry for Rural Affairs and the Ministry of Culture have initiated efforts to improve the quality of their impact assessments using, for example, their own guidelines. Both of these ministries took part and described their experiences. The session was well-attended and was well-received by the participants. In the evaluation of the session, several of the participants stated that they had received answers to their questions in the section concerned



with describing the effects on businesses, but that there was a lack of a comprehensive perspective on impact assessments. The results of the evaluation make it clear that there is a need for training in how to conduct a good impact assessment within the Government Offices.

So far, one ministry has received support with a specific impact assessment. The impact assessment has not yet been submitted to the Council.

Government agencies

In 2012, upon request, the Council also began offering individualised training sessions to government agencies. The training sessions provide a picture of the Council's reviews based on the Ordinance on Regulatory Impact Assessment (Swedish Code of Statutes 2007:1244), combined with good examples and tangible suggestions based on the individual agency's needs. In 2013, the Council has conducted one individualised training session following a request from a government agency. Additional training sessions are planned for spring 2014 in collaboration with the Swedish Agency for Economic and Regional Growth.

On one occasion, the Council has invited all government agencies that refer proposals to the council to an experience sharing session. The aim was to provide the agencies with suggestions and advice on how to conduct impact assessments based on the Council's ex-

perience from its reviews, but also to offer a forum in which to share their experiences of impact assessments and the Council's opinions with other agencies. There was demand for the experience sharing session and it was described as very valuable in the evaluations. The discussions with the Council's case officers and the opportunity to share experiences with other agencies at the same time as hearing the Council's view of these were highlighted as particularly valuable.

The Council's secretariat has, over the course of the year, also provided support to four agencies in their work with specific impact assessments. Two of these have been submitted to the Council. Follow-up of the Council's support to government agencies' work with specific impact assessments indicated that the agency that has paid heed to the Council's points of view and changed the impact assessment accordingly has achieved a better result when submitting its proposal. The agency that did not take action based on the Council's points of view has had its impact assessment assessed as deficient on the same grounds that were highlighted when the support was provided. However, the agency in question contacted the secretariat some time after receiving the Council's opinion and asked for additional support, which was provided. The Council would like government agencies to make more extensive use of the opportunity to contact the Council to gain its points of view on their impact assessments.

Committees of inquiry

One of the Council's goals is to make contact with as many committees of inquiry as possible. In order to make contact with the committees of inquiry, a letter is always sent to the inquiry secretary containing an offer of support with impact assessments when they begin their work. If the committee does not contact the Council's secretariat when they are coming close to the date of the final report, renewed contact is made with the committee in question.

Twice per semester, the Council participates in the training for committees of inquiry organised by Kommitéservice. In addition, the Council's secretariat provides ongoing support to committees of inquiry concerning individual impact assessments via personal meetings or e-mail (if the committee is in another town). At the time of these advisory sessions, the committees may be in different phases of their inquiries, which means that the support is adapted to the individual inquiry's circumstances and mandate.

The Council has begun a discussion with the Swedish National Financial Management Authority and Committee of Inquiry Service in order to clarify roles and develop impact assessment training programmes for committees. There are plans for a new set up for the training in 2014.

The Council arranges regular meetings in which the committees of inquiry can get to know the Council's secretariat in a more informal way. These meetings are usually popular and well-attended and the number of committees requesting support always increases subsequent to a meeting. The frequency of these meetings has increased this past year to happen every other month with the title "Regelrådsfika" (Swedish Better Regulation Council Coffee).

The Council has noted that certain committees contact the secretariat very late on in their inquiries. Consequently, the Council's secretariat always emphasises the importance of making contact with the secretariat as early as possible.

The Council also want to underline how important it is that the terms of reference are structured in a feasible way with regard to impact assessments and that the time aspects are taken into consideration. The committees of inquiry must be allocated sufficient time to draw up a good quality impact assessment.

Another factor that the Council has discovered through providing support to committees is that they often find it hard to produce data and calculate the costs that the proposals may result in for businesses. The Council, therefore, regard it as particularly important that the committees have the expertise to perform the calculations required for the impact assessment. In addition, the ministries must constantly emphasise the importance of good quality impact assessments.

The Council has discovered that many of the committees contacting the secretariat for support are investigating issues that will not have a large impact on trade and industry, while several of the committees whose proposals will have a large impact on trade and industry have not contacted the Council or responded to the Council's offer of support with their impact assessments. The Council proposes that the Prime Minister's Office Memorandum 1994:3 on the structure of terms of reference be updated and that it is made clearer that, when an inquiry that will submit proposals with an impact on businesses is appointed, there must be a consultation with the Council as early a stage of the inquiry as possible concerning the structure of the impact assessment with regard to businesses.

Over the course of the year, the Council has provided support to 23 new committees of inquiry. The committee's reports are usually submitted some time after they have been handed over, which means that they are not always submitted in the same year as the support is provided. Eleven committee reports to which the Council has previously provided support were submitted over the course of the year.

Please note

- The Council considers there to be a great need for impact assessment training.
- The government agencies that have received support with their proposals, and which have taken in the Council's points of view, have achieved better results when they have submitted their proposals to the Council.
- Several committees of inquiry that propose regulations with a large impact on businesses have not accepted the Council's help with describing the impact.



European and Other International Cooperation

International contacts

The Swedish Better Regulation Council's role also involves monitoring better regulation issues at the EU level. The Council participates, for example, as an observer in the European Commission's High Level Group of Independent Stakeholders on Administrative Burdens, which has a mandate until October 2014. The Council took part in five meetings in 2013. At the meeting on 7 March, the Council and the Board of Swedish Industry and Commerce for Better Regulation (NNR) were invited to present the joint report "Clarifying Gold-plating", which was published in 2012.

In January, the International Regulatory Reform Conference was held in Berlin on the theme of: Accountability, Transparency, Participation: Key Elements of Good Governance. The Council, together with the NNR, also presented their experiences of gold-plating at this conference, in a workshop entitled Clarifying Gold Plating: Mitigating Barriers to Trade in the Single Market.

In June the Council participated in the OECD's 5th Expert Workshop on "Assessing Progress in the Implementation of the 2012 OECD Recommendation of the Council on Regulatory Policy and Governance". The Council also contributed to the content of the conference; the secretariat's Director, Christina Fors, provided comments on one of the presentations in a workshop on the OECD's fourth principle, "Integrated Regulatory Impact Assessment".

Later that same month, the Council took part in a meeting as part of the network Directors and Experts on Better Regulation in Vilnius, Lithuania. The Director of the Council's secretariat, Christina Fors, was especially invited in order to talk more about the joint report of the Council and the NNR, "Clarifying Gold-Plating".

This past year, the Council has seen an increased interest in its activities from other countries, both within and outside of the EU. In June the Council met with a delegation from Russia, consisting of representa-

tives from the Ministry of Economic Development. The council has also received queries from and shared information with Lithuania, Iceland and Japan, and has been involved in the research project "Impact assessment and the making of regulation in Europe: a comparative perspective", initiated by the Ecole Nationale d'Administration in France and University College London in the United Kingdom.





The Council has also been in contact with other Nordic countries. In September, the Council received a delegation from Finland that is part of a coordination group for better regulation tasked with investigating opportunities for Finland to initiate an independent review of impact assessments in a similar fashion to the Council.

The new Norwegian government has indicated in its policy programme that it will establish an independent Better Regulation Council that will be based on the pattern of the Swedish Better Regulation Council. The Council welcomes this decision and is looking forward to cooperating with our new Norwegian colleagues and hopefully, in the long-term, Finnish colleagues as well.

Network of independent review bodies

Over the course of the year, the Council has intensified the cooperation with its counterparts in other EU countries. At the time of writing, the Council has an equivalent in four EU member states. Adviescollege toetsing administratieve lasten (ACTAL) in the Netherlands, Nationaler Normen-kontrollrat (NKR) in Germany, the Regulatory Policy Committee (RPC) in the United Kingdom and the Regulatory Impact Assessment Board (RIAB) in the Czech Republic. These organisations have different mandates, but what they have in common is that they are independent and review proposals and/or impact assessments with effects that are significant for businesses. Some of these organisations also review other effects such as effects on the public sector. The five review organisations meet regularly to discuss how they can work together to make regulation within the EU better and to increase the use of impact assessments within the EU's institutions. Together they have built an informal network, known as RegWatchEurope. The cooperation with the other bodies has previously resulted in a number of joint position papers containing recommendations for the EU's institutions. This work has continued in 2013; among other things there has been a meeting in the European Parliament with MEPs and the Parliament's newly-established unit IMPA, the work of which is to review and supplement the Commission's impact assessments. In addition, an informal network for MEPs will be initiated in which the five review bodies will offer the benefit of their expertise.

Each of these bodies has been active for several years and together they possess great expertise concerning the independent review of national impact assessments, as well as of the importance of impact assessments within the EU's institutions. The bodies therefore offer their expertise and the opportunity for dialogue and sharing experiences with other European countries that are working to establish independent bodies to review impact assessments or which have already in some way begun to review the quality of national impact assessments. Just such an occasion will be offered during 2014.

Please note

- This past year, the Council has seen an increased interest in its activities from other countries, both within and outside of the EU.
- The Council has been invited to talk about its joint report with the NNR, "Clarifying Gold-Plating", on several occasions over the course of the year.
- Contacts with the Council's counterparts around the EU continue and they are working together to, for example, improve the use of impact assessments in the EU's institutions.



Communication

Website

All of the Swedish Better Regulation Council's opinions and submissions are published continually on its website. The website also contains information for regulators about the support offered by the Council and a sample collection of good impact assessments. In addition, it contains information about what is happening in the field of better regulation, about forthcoming training sessions and about the Council's media profile. The Council's secretariat manages the website and updates it regularly.

Over the course of the year, the website has had 12,549 visitors, with an average visit lasting about four and a half minutes. This may be compared with the previous year when the Council's new website had 6,185 visits, from the launch at the end of March until the end of the year.

On average, returning visitors spend close to seven minutes on the website. The most visited page is that containing submission responses, where there is easy access to both the Council's opinions and the underlying proposal.

The English version of the website has had 477 visitors over the course of the year from a total of 59 countries, including the United Kingdom, the USA, the Czech Republic, the Netherlands, Poland, Germany, Denmark, Norway, Finland, Japan and Russia.

The newsletter *Regelrätt*

The Council's electronic newsletter is published each month, with the exception of the summer months. It contains summaries of current opinions. The aim is to make the Council's opinions more accessible and for them to reach a wider audience. The newsletter also contains information about what is happening in the field of better regulation in general and about forthcoming events and training sessions organised by the Council. The newsletter's target audience are regulators in ministries and government agencies, journalists, members of the Parliament and representatives of business organisations. The number of subscribers has increased over the course of the year, from 600 to about 800.

Social media

Since it began its work, the Council has utilised social media in order to come into contact with both

businesses and regulators and to make it easy to get in contact and communicate with the Council. The Council's social media presence includes a Twitter (a type of micro-blog) account, where businesses and regulators can have a direct dialogue with the Council. It is easy for businesses, for example, to ask questions about better regulation and administrative costs directly and then receive quick, short answers. The Council is also actively involved in dialogue with politicians, including the Minister for Enterprise. The discussions the Council is involved in on Twitter can be found in a feed on the Council's website. At the end of the year, the Council had 654 followers on Twitter.

This year, the Council's secretariat have launched a profile page on LinkedIn (online service for professional networking), which is an additional communication channel. This can also be used by the Council to provide information about the organisation's news, specific reports and events. The LinkedIn page can also be used to start discussions about better regulation.

Business contacts

Because the Council's activities involve contributing to a positive change in the day-to-day work of businesses, it is important that the Council keeps itself up-to-date on the day-to-day work of businesses and the administration that they have to deal with.

As one element in this, the Council's Chair and the Director of the secretariat have, over the course of the year, met with the senior management of the Board of Swedish Industry and Commerce for Better Regulation, the MD of Företagarna and the MD of the Federation of Swedish Farmers. In addition, there have been meetings with the Swedish Association of Independent Schools to share information. The Director of the Council's secretariat has been involved in ongoing contact with her counterpart at the Board of Swedish Industry and Commerce for Better Regulation (NNR).

The majority of contacts with businesses take place via the contacts made by the secretariat as part of the current reviews of submissions listed in the *Secretariat* section of the introduction. In 2013, the secretariat has been involved in more extensive contact with industrial and trade organisations.

Follow us on:



Twitter: @regelradet



Linkedin: Regelrådet

Please note

- Interest in both the Council's website and its newsletter is on the rise.
- The Council's online support tools for regulators have been improved.
- In 2013, the Council's secretariat have made more extensive contact with industrial and trade organisations as part of the review process.



Follow-up in general

Follow-up is important if the Swedish Better Regulation Council's work is to be effective and achieve its aims. Activities that have been followed-up on include the support provided by the Council to committees of inquiry and government agencies in 2013.

In autumn 2013, the Council has carried out a survey in order to find out how the regulators perceive the Council's opinions.

In addition, a follow-up has been conducted of the impact of the Council's opinions in those cases from government agencies and ministries that were reviewed in autumn 2012 and spring 2013 and in which the impact assessments were assessed as deficient. In these cases the Council has chosen to investigate whether the regulators making the submissions have supplemented the impact assessments in accordance with the Council's recommendations.

Information about the Council's follow-up of the European Commission's impact assessments can be found in the Review of the *European Commission's impact assessments* section of the chapter *Council activities*.

Surveys about opinions

The Council worked continuously to make its opinions clearer; consequently these have been successively given an alternative tone and a more substantial content than previously. In May 2013, a further step in this work was taken when the opinions were made clearer in terms of both the Council's position and the evaluation of the impact assessment.

As one aspect of the attempt to make the Council's opinions clearer, there was a specific focus in the follow-up of 2012 on establishing how the government agencies that submitted cases between August and October 2012 in which the impact assessments were found to be deficient perceived the opinions. The investigation took the form of a survey. Among the conclusions that can be drawn from responses to the survey are that an overwhelming majority felt that the opinion stated why the impact assessment has been

assessed as deficient and in what way this could be supplemented in order to be made acceptable.

An equivalent survey has been conducted this year, which now also includes the ministries who submitted cases to the Council between August and October 2013. The government agencies and ministries that made submissions were asked to answer certain questions. In addition, they were given the opportunity to provide comments and proposals about how the opinions could be improved.

A total of 30 surveys were sent out, 23 of these were answered. The question of whether it appears in the Council's opinion why the impact assessment has been assessed as deficient has been answered by 22 respondents, an overwhelming majority of whom (21) consider this to be the case, while one respondent did not.

On the question of whether the opinion indicates how the impact assessment should be supplemented in order to achieve an acceptable result, 18 of the 23 respondents felt that it does, while the other five believe that this is not the case. Proposals for how the Council can further develop its opinions to give an indication of how the impact assessment should be supplemented include a list of what needs to be supplemented and why, as well as information about how the requested quantitative estimates can be produced.

The Council, naturally, sees it as very positive that the overwhelming majority believe that the Council's opinions indicate both why the impact assessment was assessed as deficient and how this should be supplemented in order to achieve an acceptable result. As noted earlier, however, the Council sees attempts to improve its opinions and make them clearer as an ongoing effort contributing to both improving the quality of impact assessments and increasing the proportion of supplemented impact assessments in those cases where the Council has found deficiencies.

Impact of the Council's opinions

For the period August 2012-June 2013, the Council has followed up on 99 submissions where the impact assessments was assessed as deficient. Of these, 49 came from government agencies and 50 from ministries.

40 of the proposals submitted by government agencies had progressed further in the regulatory process by the time of the Council's in November 2013. Of these, 19 had been supplemented in accordance with the points of view in the Council's opinion, while 21 had not been supplemented.

26 of the proposals submitted by ministries had progressed further in the legislative process by the time of the follow-up. Of these, 10 had been supplemented in accordance with the points of view in the Council's opinion, while 16 had not been supplemented. In many of the cases where the agencies or ministries has not provided any supplementation, the reason why is reported in subsequent memoranda, submissions to the Council on Legislation or Government bills.

Some of the reasons given by the regulators are that it has been difficult to calculate the expected costs, there has been insufficient time or that they do not agree with the Council's assessment or its points of view. The outcome of the follow-up is, from the Council's point of view, not satisfactory. One regulator has complained that the Council's opinions do not have any binding effect, which, naturally, may be one of the explanations why so many choose to ignore the Council's points of view. Another explanations may be that the advantages and benefits of sufficiently assessing the impact of proposals. Therefore, the Council still views actively working to train and provide support to government agencies and ministries in the production of impact assessments as a very important part of its activities.



Please note

- The Council sees attempts to improve its opinions and make them clearer as an ongoing effort contributing to both improving the quality of impact assessments and increasing the proportion of supplemented impact assessments in those cases where the Council has found deficiencies.
- 95 per cent of those who responded to the Council's survey about its opinions stated that their perception was that the Council's opinions indicate why an impact assessment has been evaluated as deficient.
- 48 per cent of the regulatory proposals on which the Council has given its opinion and which had progressed further in the process by the time of the Council's reconciliation have been changed as a result of the Council's opinion. The equivalent proportion for the Government Offices of Sweden is 38 per cent.

Conclusions and Recommendations

Conclusions

In the five year it has been operating, the Swedish Better Regulation Council has reviewed over 2,000 impact assessments. The aim of this systematic review process is to reduce red tape for businesses and to achieve a perceptible change in their day-to-day work. In 2013, the Council has produced 162 opinions, the proportion of approvals has decreased from 74 to 52 per cent and the proportion of acceptable impact assessments has declined from 42 to 35 per cent.

The Council has taken a closer look at which sectors have been the object of several proposed regulations over the course of the year, and has been able to see that the energy sector and the financial sector are affected by several proposals that can be expected to result in high costs. These costs have rarely been described in the submissions in a satisfactory way. The construction sector has also been the subject of several proposed regulations over the course of the year. Several of these proposals aim to make things simpler for businesses and reduce construction costs, but the expected cost reductions have not always been highlighted sufficiently in the submissions.

It is the Council's belief that the drive towards better regulation must be given a renewed focus, particularly as the goal to reduce administrative costs is no longer quantitative. Other costs that administrative also need to be given greater consideration so that the calculations can be improved. The figures presented in the Council's report this year are gloomy. Despite the secretariat's hard work to intensify its efforts to provide support and training to regulators, such as ministries and committees of inquiry, the statistics indicate that the issue is still not sufficiently prioritised by the regulators.

Of particular note is that no improvement has taken place within the Government Offices of Sweden and that the ministries' statistics are worse than ever. The ministries are responsible for controlling the government agencies. They should set a good example for the subordinate agencies when it comes to both descriptions and calculations of administrative and other costs and the general quality of their impact assessments. Therefore, the Council would like to highlight the importance of prioritising impact assessments and of assessing and calculating which administrative and other effects proposed statutes may have on businesses. The Council is aware that there is a need to update and clarify the Government Offices' document templates and guidelines concerning the requirements for impact assessments. The issue of impact assessments must be prioritised within the Government Offices, but it is also important to provide

clear instructions in the inquiry commissions that are set up outside of the Government Offices.

At the Council's half-year reconciliation, it could already see that a considerable deterioration had taken place, and intensified its support functions as a result. The issue was pointed out to the Ministry of Enterprise, Energy and Communications, which in turn organised a workshop for the Council and the Swedish Agency for Economic and Regional Growth, where they discussed this matter and came up with measures to improve the quality of impact assessments. A number of joint training initiatives are planned for 2014.

In autumn, the secretariat invited all of the ministries to an experience sharing session and has been more proactive towards certain ministries by offering training initiatives directly to those ministries that did not produce acceptable impact assessments. This is in spite of the fact that the Council does not have the explicit mandate to provide training to the ministries. The Council hopes that such a mandate is specified as part of the commission of the new organisation.

Because a large proportion of the administrative costs that affect Swedish businesses are the result of EU legislation, it is important to have an impact and make changes early in the EU legislative process. Over the course of the year, the council has continued working with its counterparts in other EU countries to highlight the issue of impact assessments within all of the EU's institutions. The Council has also visited the Swedish permanent representation in Brussels in order to, amongst other things, talk about the opportunity they offer to review EU impact assessments.

Over the course of the year, the Council has had several discussions of principles. These discussions have been positive in the sense that the Council has been able to set out how assessments will be conducted in, for example, borderline cases or more complicated proposals. The Council hopes that the clearer and, in certain cases, stricter boundaries that have been drawn and the clearer opinions with explicit recommendations will be perceived as providing informative guidance to regulators.

The decision to make the Council's activities permanent is a positive signal that the Government understands the importance of independently reviewing proposed statutes and that impact assessments must be priorities. The drive towards better regulation is still progressing too slowly, and in some aspects is even going in reverse. The Council continues to do its best to work towards purposeful legislation that has the lowest possible cost to businesses.



Recommendations

Based on the results presented in this report, the Swedish Better Regulation Council has a number of recommendations for regulators.

- **Senior management needs to take responsibility**

Regulators with a senior management that is aware of the importance of and advantages of well-executed impact assessments contribute to making new regulations more purposeful. The Council has been able to see that these regulators also achieve better results in the Council's reviews. The issue must be moved to the top of the agenda and be prioritised. It must be made clear at the ministries and agencies who is responsible for these issues. Resources must be allocated to those who conduct impact assessments in order to improve their quality.

- **Increase the dialogue between ministries and government agencies**

Ministries and government agencies must conduct a clear dialogue concerning what is expected when an inquiry commission is laid out. This means a requirement for clear guidelines about what is involved in the commission and information that the Government may submit the report externally.

- **Make terms of reference more clear**

The ministries should stipulate clearly in the terms of reference that an impact assessment must take place and that the impact on and costs to the businesses affected must be specifically highlighted and that contact must be made with the Council in good time.

- **Introduce a requirement that committees of inquiry consult with the Swedish Better Regulation Council when submitting proposals that can have a big impact on businesses**

The Council proposes that Prime Minister's Office Memorandum 1994:3 on the design of terms of reference is updated and that it is made clear that, when an inquiry that will submit proposals with a significant impact on businesses is appointed, consultation with the Council takes place at an early stage and that it continues during the inquiry's work involving the impacts assessment's design when it comes to businesses.

- **Provide clear information within the Government Offices of Sweden that the Swedish Better Regulation Council is a resource for the review of EU impact assessments**

The Council proposes that the Government Offices' guidelines for the preparation of EU issues include the information that the Council is able to assist the ministries with the review of EU impact assessments that may have a large impact on Swedish businesses.

- **Share the responsibility for advice and support**

The commission to improve the regulators' impact assessments is shared between the Council, the Swedish Agency for Economic and Regional Growth and the Swedish National Financial Management Authority. We are working together to improve the quality of impact assessments through joint training programmes and initiatives for the regulators. There is uncertainty on the part of the regulators about where the responsibility lies. It is therefore important that there is clarity in our commissions, particularly in preparation of the Council's new organisation.

- **Utilise the opportunity to receive training and support from the Swedish Better Regulation Council**

The Council offers support to all regulators. The Council also offers regulators the opportunity to receive training in impact assessments in collaboration with the Swedish Agency for Economic and Regional Growth and the Swedish National Financial Management Authority.



Contact

Website	www.regelradet.se
E-mail	regelradet@regelradet.se
Telephone	+46(0)8-405 10 00 (switchboard)
Address	Swedish Better Regulation Council N 2008:05 Kv. Garnisonen 103 33 Stockholm Sweden

The Swedish Better Regulation Council is a government appointed committee of inquiry. The Council provides support to regulators and reviews the formulation of proposals for new and amended regulations that may have a financial impact on businesses. The Council takes a position on whether the regulations are designed in such a way that they achieve their aim in a simple way with the lowest possible administrative cost for businesses, but does not take a position on the proposals' political aims. The Council also evaluates the quality of the impact assessments'.

Production: The Swedish Better Regulation Council

Design: Blomquist Annonsbyrå

Photos: iStockphoto, page 45: Colourbox, front page: Matton Collection, pp. 30-31, Mia Pousette and Colourbox

Printed by: Lenanders Grafiska

