



College of Europe
Collège d'Europe

Brugge



Natolin



JACOBS&ASSOCIATES
international leaders in regulatory reform

REGULATORY IMPACT ANALYSIS

Applied Training Course
19-23 October 2009

**Presented by
The College of Europe and Jacobs & Associates
19-23 October 2009, Bruges, Belgium**

COURSE AGENDA

| MONDAY, 19 October | |
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| Registration | 08:45 – 09:00 |
| Official opening of the RIA training course and introduction of the participants | 09:00 – 09:15 |
| Session 1. Introduction to the RIA Course: Goals and Methods Presented by <i>Scott Jacobs (J&A)</i> and <i>Prof. Jacques Pelkmans (CoE)</i> | 09:15 – 09:30 |
| DEFINING RIA AND ITS RESULTS | |
| Session 2. What is RIA? An Overview of RIA, Goals, and Results Presented by <i>Scott Jacobs (J&A)</i> We will define RIA, review results seen in countries that have applied RIA, and identify the main features of a RIA system – dividing the RIA process into several steps, from problem definition to communication of the final results to ministers and the public. | 09:30 – 10:45 |
| Coffee break | 10:45 – 11:00 |
| Session 3. RIA in Action: The Rationale and Results of RIA in Europe Presented by <i>Jacques Pelkmans (CoE)</i> Using the European Commission as an example, this session will examine why Impact Assessment was adopted, and what it has accomplished, noting the difficulties and challenges of implementing a RIA program. It will discuss why Integrated Impact Assessment is the preferred RIA framework in the European Commission. | 11:00 – 12:30 |
| Lunch (College of Europe restaurant, Garenmarkt 15) | 12:30 – 13:30 |

| THE FIRST STEPS OF RIA | |
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| <p>Session 4. Organizing RIA in the Policy Process: Oversight and Quality control. Presented by <i>Scott Jacobs (J&A)</i></p> <p>Governments need a clear RIA strategy aimed at the institutionalization of capacities and incentives within the machinery of government. Such a strategy rests on a whole series of good RIA practices. We will examine the procedures and institutions needed to implement RIA, including strategies for:</p> <ul style="list-style-type: none"> • Allocation of responsibilities among institutions • Quality control • Transparency and consultation • The need for common standards • Institutional learning and evolution of RIA over time | 13:30 – 15:00 |
| <i>Coffee break</i> | 15:00 – 15:45 |
| <p>Session 5. Getting It Right From the Beginning: Defining the Problem and Setting the Baseline. Presented by <i>Scott Jacobs (J&A)</i></p> <p>The single most important step in RIA is correctly defining the policy problem. Regulators and law-makers often make mistakes at this stage that result in regulatory failure later on. We will review the most common reasons why regulations fail to achieve their goals, and discuss how such failures can be reduced through RIA based on better problem identification and identification of the baseline. Based on several real examples of costly regulatory failures, we will discuss how regulators can correctly identify the problem and its underlying causes. The second step is defining the baseline, that is, what would happen without government action. Mistakes can be avoided by applying some concepts.</p> | 15:45 – 17:45 |
| <i>Dinner (College of Europe restaurant, Garenmarkt 15)</i> | 19:00 – 20:30 |

| TUESDAY, 20 October | |
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| <p>Session 6. Basic RIA Concepts Presented by <i>Scott Jacobs (J&A)</i></p> <p>We will review basic concepts important to understanding the application of RIA. Concepts to be covered include:</p> <ul style="list-style-type: none"> • What are regulatory costs and benefits? How do we know them when we see them? • What are opportunity costs? And why do we care? • What are the uses of best estimates and sensitivity analysis? And how do we present uncertainty? | <p>9:00 – 11:00</p> |
| <p><i>Coffee break</i></p> | <p>11:15 – 11:30</p> |
| <p>Session 7. Putting RIA into Practice: Choosing the Analytical Methods. Presented by <i>Scott Jacobs (J&A)</i></p> <p>We will examine the available analytical methods for RIA, their strengths and weaknesses, and the kinds of problems and situations to which each is suited.</p> <ul style="list-style-type: none"> • the benefit-cost method • the cost-effectiveness method • the least-cost method <p>We will also discuss some common methods of partial analysis, including</p> <ul style="list-style-type: none"> • Business (or small business) impact analysis • Standard cost models for administrative burdens • How can the distribution of impacts be included in RIA? | <p>11:30 – 13:00</p> |
| <p><i>Lunch (College of Europe restaurant, Garenmarkt 15)</i></p> | <p>13:00 – 14:00</p> |

| THE PRACTICE OF RIA | |
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| <p>Session 8. Administrative burdens and the use of the Standard Cost Model Presented by <i>Wim Janssen</i> (Dutch Ministry of Finance)</p> <p>Administrative burdens on businesses and citizens are increasingly becoming a concern for competitiveness and job creation. The Dutch Government has committed to measuring and reducing the administrative burden using a method called the “Standard Cost Model” (SCM), which is a bottom-up method of measuring the time needed to comply with administrative requirements and extrapolating from firms to entire economies. Several countries are developing this method for their own use, and the SCM is spreading rapidly. We will examine the use of the SQM – its strengths and limitations – in this session.</p> | 14:00 – 15:30 |
| <p><i>Coffee break</i></p> | 15:30 – 15:45 |
| <p>Session 9. First Interactive Case Study: The Standard Cost Model as a Partial RIA. Presented by <i>Wim Janssen</i> (Dutch Ministry of Finance)</p> <p>In this interactive case study, participants will break into smaller working groups and develop an administrative cost assessment as part of a RIA. Each group will present its cost assessment to the entire class. The session will end with a presentation on how the case was actually conducted and its conclusions, including a commentary by the instructors and participants.</p> | 15:45 – 17:45 |
| <p><i>Dinner with Guest Speaker.</i> <i>(College of Europe restaurant, Garenmarkt 15)</i></p> | 19:00 – 21:00 |

| WEDNESDAY, 21 October | |
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| <p>Session 10. A RIA example, beginning to end: Impact Assessment on General Food labelling, attached to a proposal for a Regulation on the provision of food information to consumers (Jan. 2008). Presented by <i>Jacques Pelkmans (CoE)</i></p> <p>This session will examine a complete RIA prepared by the European Commission, examining each step and discussing its strengths and weaknesses.</p> | 09:00 – 10:45 |
| <i>Coffee Break</i> | 10:45 – 11:00 |
| <p>Session 11. Assessing Alternatives to Traditional Regulation Presented by <i>Scott Jacobs (J&A)</i></p> <p>A vital but difficult part of RIA is the assessment of alternative policy instruments and different regulatory designs. We will examine how such alternatives can be systematically assessed and compared. Alternatives to be discussed include:</p> <ul style="list-style-type: none"> • Information disclosure and education campaigns (labelling, quality marks, public campaigns) • Self-regulation and co-regulation (codes of practice, technical standards) • Third party regulation (mandatory inspections/audits by non-government parties) • Performance-based rules rather than means-based, including variants such as the Open Method of Co-ordination and Framework Directives • Market based instruments (taxes, subsidies, user charges, risk payments, insurance) | 11:00 – 13:00 |
| <i>Lunch (College of Europe restaurant, Garenmarkt 15)</i> | 13:00 – 14:00 |
| <p>Session 12. Assessing Alternatives: Breakout Session Presented by <i>Scott Jacobs (J&A)</i></p> <p>Participants will break out into groups and, using a current RIA, assess the problem and prepare a set of options to be assessed in the RIA.</p> | 14:00 – 16:00 |
| <i>Free period. Participants may meet with instructors to discuss individual questions and review course materials</i> | 16:00 – 18:00 |
| <i>Dinner (College of Europe restaurant, Garenmarkt 15)</i> | 19:00 – 20:00 |
| <p><i>Walking guided tour of Bruges.</i> Meeting point: Garenmarkt 15.</p> | 20:15 – 21:15 |

| THURSDAY, 22 October | |
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| <p>Session 13. Data collection and stakeholder Consultation in the RIA Process Presented by Cesar Cordova (J&A)</p> <p>One of the most costly and time-consuming RIA activities is the collection of data for the analysis. Data are scarce, costly, and never sufficient. Jacobs and Associates has developed a set of good data collection practices that will save time and money, and improve the quality of data. We will examine these practical techniques to collect data for RIA.</p> <p>Stakeholder consultation is an important strategy for quality control and data collection. We will discuss the means of consulting and communicating with stakeholders as part of carrying out the RIA, and how to avoid the pitfalls of poor consultation. One of the most cost-effective forms of consultation is the business test panel. This session will also examine how the business test panel is organized and carried out for a specific regulation.</p> | 09:00 – 11:00 |
| Coffee Break | 11:00 – 11:15 |
| <p>Session 14. Breakout session on Consultation Presented by Cesar Cordova (J&A)</p> <p>Participants will design an actual consultation process in a challenging situation to ensure open access and appropriate opportunities for information collection and dialogue.</p> | 11:15 – 13:00 |
| Lunch (College of Europe restaurant, Garenmarkt 15) | 13:00 – 14:00 |
| <p>Session 15. Second Interactive Case Study: REACH: the new horizontal chemicals regulation in Europe Presented by Jacques Pelkmans (CoE)</p> <p>In this interactive Case study, participants will break into smaller working groups and develop the core elements [the problem definition, problems facing the analysts, choice of method, data collection and presentation of costs and benefits] of a RIA developed in Europe.</p> | 14:00 – 17:30 |
| <p>Session 16. Stock-taking of the Course</p> <p>We will discuss the content of the course as it has met the expectations of participants and identify any issues that require more discussion or clarification on Friday.</p> | 17:30 – 18:00 |
| Dinner (College of Europe restaurant, Garenmarkt 15) | 19:00 – 20:00 |

| FRIDAY, 23 October | |
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| <p>Session 17. Course examination</p> <p>Participants will respond to a written examination of key concepts and issues covered by the course. The exam will assist each participant in identifying where additional study on RIA might be useful.</p> | 09:00 – 09:45 |
| Coffee Break | 09:45 – 10:00 |
| <p>Session 18. Third Interactive Case Study: Labelling of Transfat in Food by the Food and Drug Administration, United States Presented by Scott Jacobs (J&A)</p> <p>In this interactive case study, participants will break into smaller working groups and develop the core elements (the problem definition, problems facing the analysts, choice of method, data collection, and presentation of benefits and costs) of a RIA for a regulation that would require labelling of transfat on foods to reduce consumption of this dangerous substance. Each group will present its RIA to the entire class. The session will end with a presentation on how the case was actually conducted and its conclusions, including a commentary by the instructors and participants.</p> | 10:00 – 13:00 |
| Lunch (College of Europe restaurant, Garenmarkt 15) | 13:00 – 14:00 |
| <p>Session 19: Response to Participant Requests: Discussion of Specific Issues Identified in Session 17</p> <p>The instructors will prepare additional materials or presentations to clarify issues identified in the course as particularly important or requiring further discussion by participants, or which the course examination shows as being insufficiently understood by participants.</p> | 14:00 – 15:00 |
| Coffee Break | 15:00 – 15:15 |
| <p>Session 20: Discussion of the Examination Answers</p> <p>We will review the answers to the examination and discuss any points that are not sufficiently clear.</p> | 15:15 – 16:00 |
| Session 21. Final Comments, Course Evaluation, Presentation of Certificates | 16:00 – 17:00 |
| Farewell Dinner (Kempinski Hotel Dukes' Palace Bruges, Prinsenhof 8) | From 19:30 |