

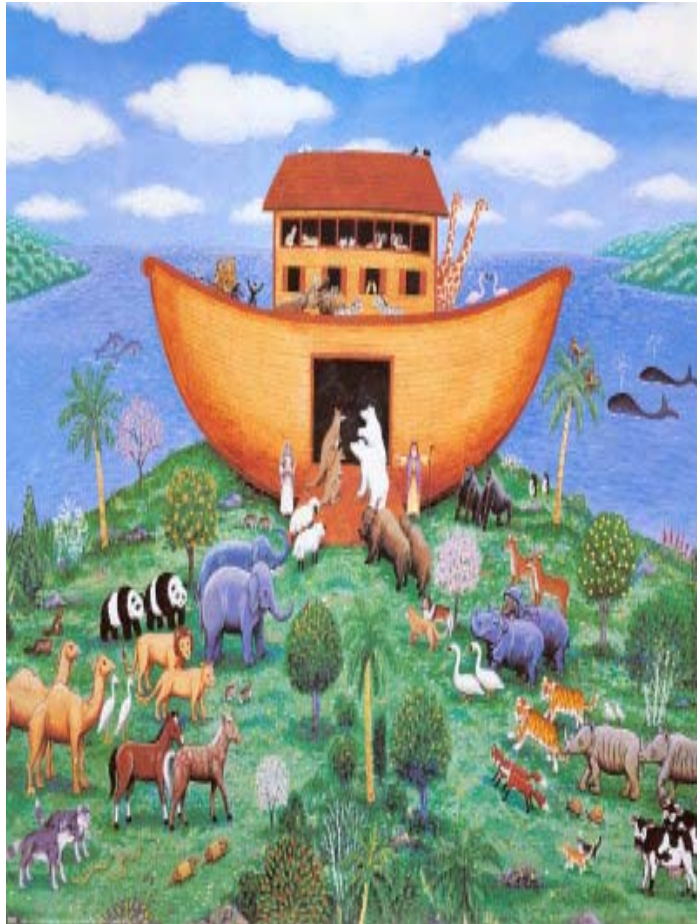
Presentation to the HLGroup on Better Regulation

The Spanish experiences in Better Regulation

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Project

Brussels, May, 20th. 2010

Noah and the Red Tape



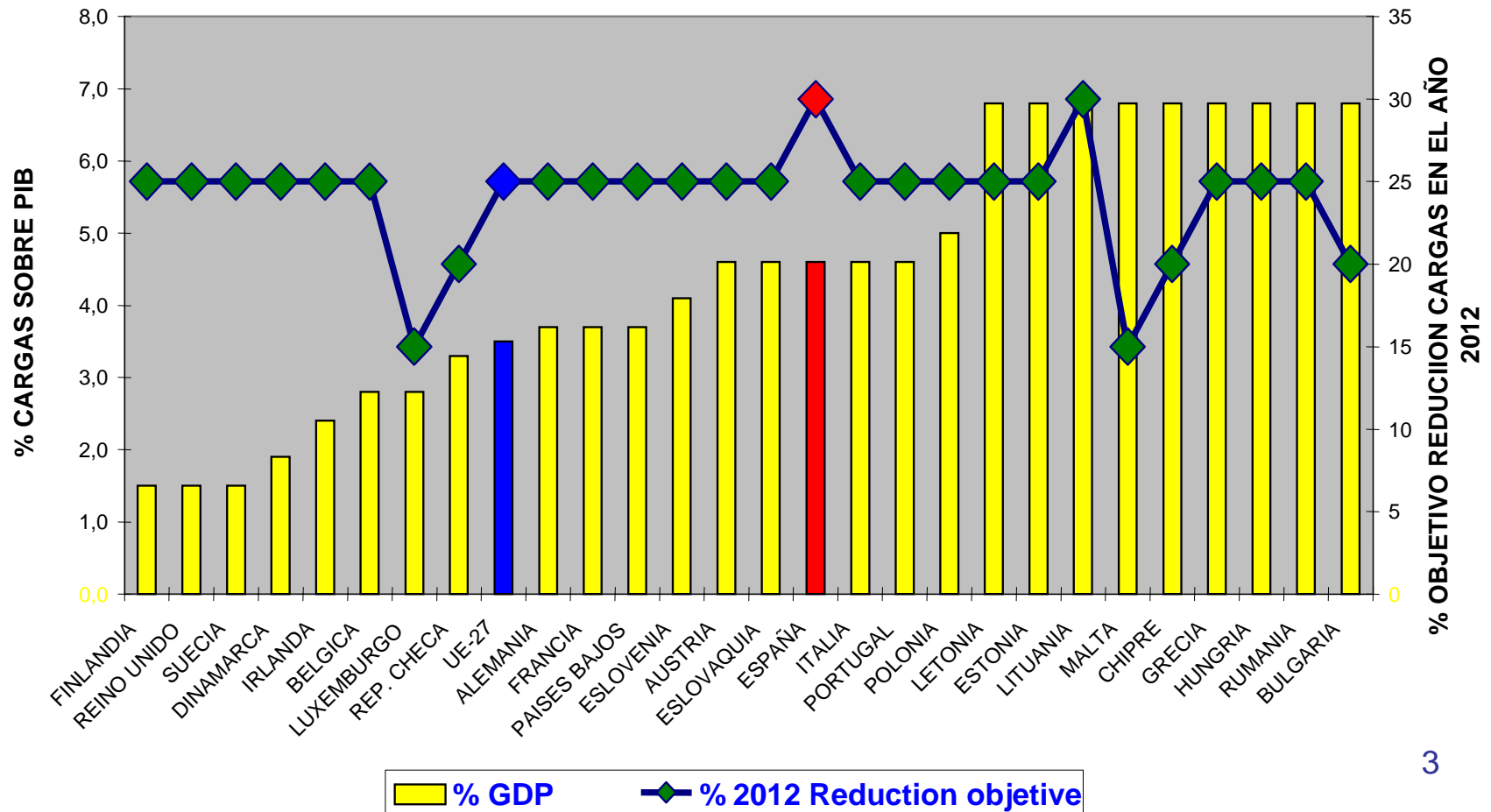
Noah's Administrative procedures in 2010

- License for ship's construction.
- Permission for using coastal public land.
- Register in economic activities (Adventure tourism and Zoo exhibition).
- Special Permission to import/export wild animals.
- Fitosanitary Registers.
- *...And so on, until 626 additional procedures jiiii*

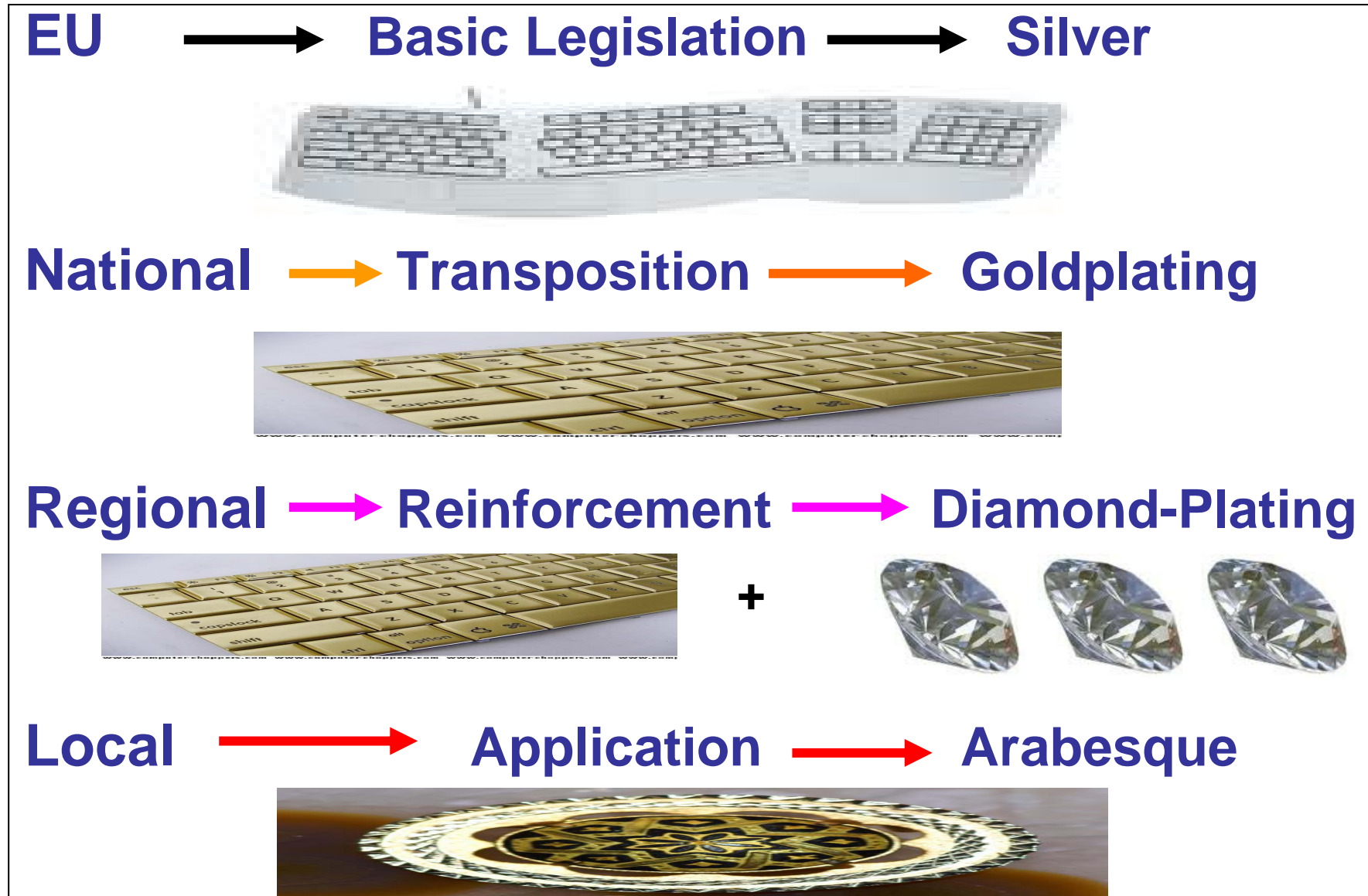
Mankind will not survive another deluge.....

The Spanish Baseline (I): A heavier starting burden

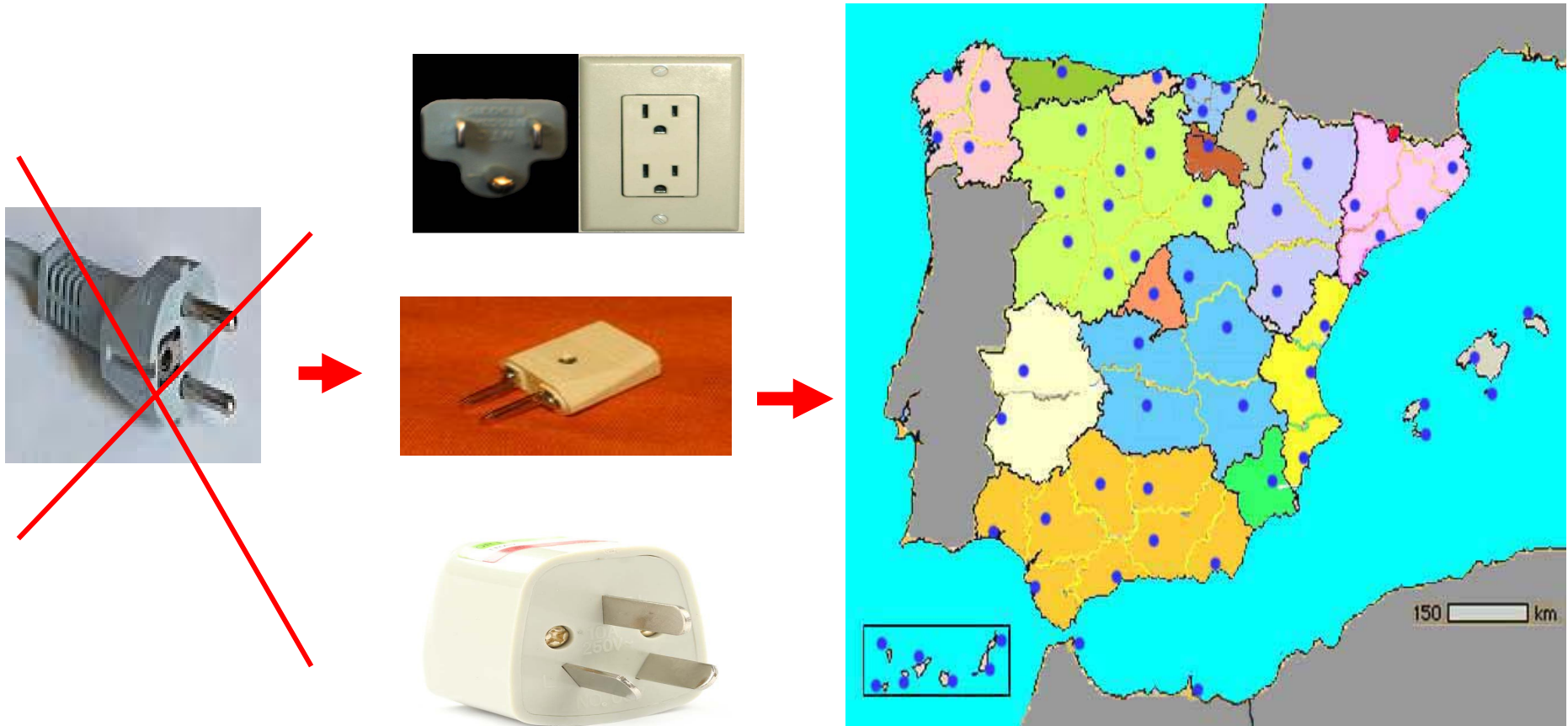
ADMINISTRATIVE BURDEN IN EU-27 MEMBER COUNTRIES



The Spanish Baseline (II): Four administrative Levels



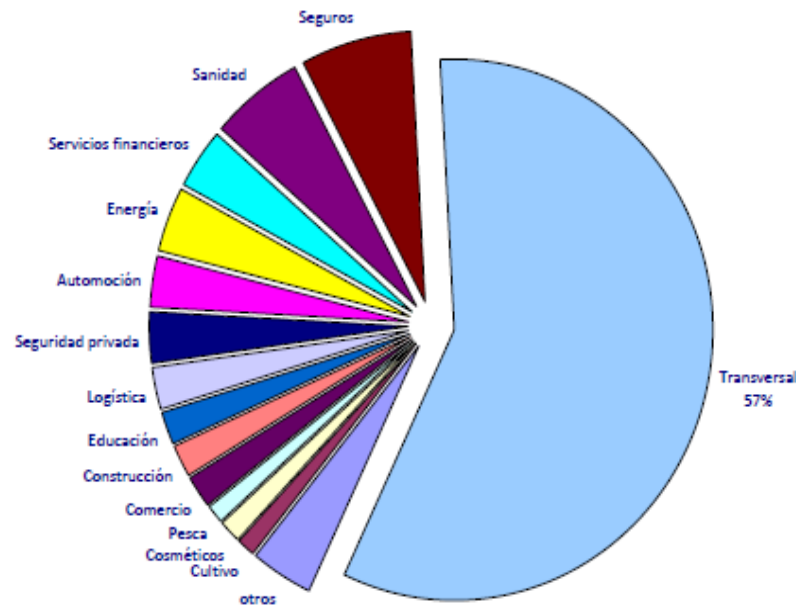
The Spanish Baseline Line (III): A fragmented domestic market



Diamond Plating induces heavier, administrative and other, burdens...

What has been done in Spain? (I): Adopted simplification measures

- **159 measures**, in 15 areas, adopted by the Spanish Government in 2008-2009.



- 1,174 million €uros savings in annual in administrative burdens for companies.
- 1,167 million €uros savings in annual administrative burdens for citizens.
- 0,2% of Spanish GDP.

- Approval and implementation of the **Regulatory Impact Analysis** of new and existing legislation.

What has been done in Spain? (II): Better Regulation Networking

- **Better regulation networking** conducted by the Ministry of the Presidency of the Spanish Government:
 - With the Regional Governments.
 - With the Local Authorities, through their National Federation.
 - With the Business Organizations.
- **Objectives:**
 - Identify priorities for action.
 - Minimize jewel plating.
 - Exchange better practices.

The Spanish Government-CEOE, Better Regulation Project



- Started in **2009**. Projected until **2012**.
- The **2009 Results**:
 - Creation of the CEOE's BR Network (131 Business Federations, more than 500.000 companies indirectly involved).
 - 125 Simplification measures proposed
 - 3,300 million Euros of potential annual savings.
- The **2010 Work Program**:
 - Identification and proposal of specific simplification measures in 5+10 Sectors (transport, tourism, telecom, etc).
 - Expected Proposal of 300 simplification measures.

Spanish Regulation Best Practices (I): Public Procurement



- **Centralized Register** for companies, providing works and services to the Central Government.
- **Number of acts involved:** Over 1.000.000/year.
- **Activities involved:** Legislative improvement- Simplification of procedures- Electronic access.
- **Estimated cost** by the companies: Very high.
- **“Irritation factor” before and after implementation:** Very high-Moderate.
- **Other factors:** Possibility to interconnect the Register with those at Regional and local level.

Spanish Regulation Best Practices (II): Tax Simplification



- **Consolidation of 4 VAT declarations** into one and **2 Company Tax declarations** into one.
- **Number of administrative acts involved:** 7.900.000 declarations/year.
- **Activities involved:** Legislative improvement- Simplification of procedures- Reinforced Electronic access.
- **Estimated savings:** 270 million Euros/year.
- **“Irritation factor” before and after implementation:** Moderate-Low.
- **Other factors:** Reinforcement of fiscal information and reduction in tax fraud.

Spanish Regulation Best Practices (III): Public Private Partnership



The cooperation between the **Spanish Government and the Spanish Employers Federation CEOE**, based in **cooperative work and total trust**, allows:

- **Identify**, Better Regulation, real priorities for companies.
- **Create** an effective application of the Regulatory Impact analysis, through an ex-ante consultation.
- **Reinforce** the application of measures designed at national level, through the influence of Regional Business Federations with the Regional and Local Authorities.

Some personal thoughts (I): Cost vs Irritation



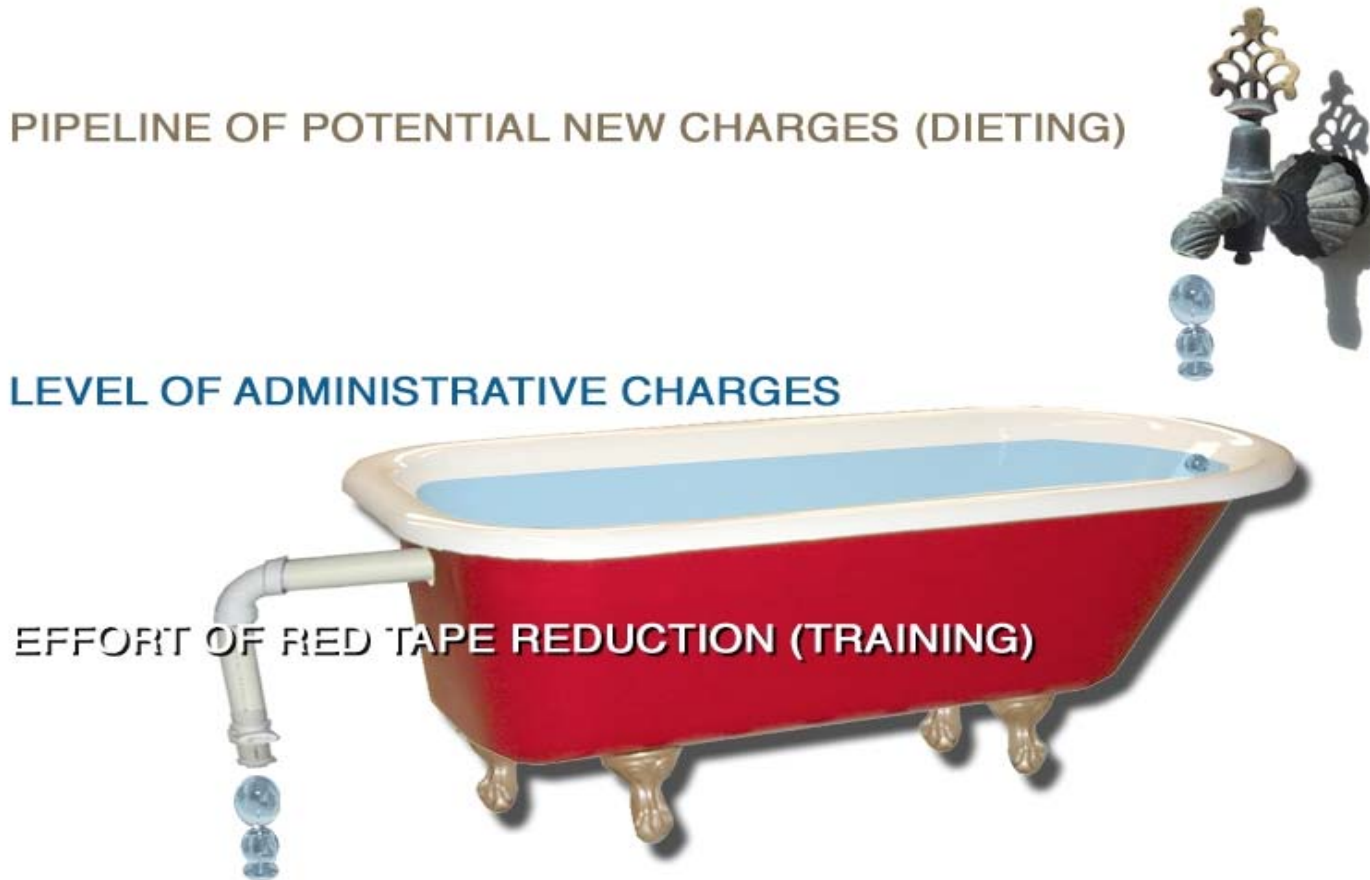
- **Cost evaluation** is only an instrument, but never a goal in itself.
- **Irritation** is many times more important to companies and citizens, than actual administrative burden costs.
- Both the European Commission and the National Governments, have **done poorly in marketing the progress achieved in Better Regulation.**

Some personal thoughts (II): The bathtub theory

PIPELINE OF POTENTIAL NEW CHARGES (DIETING)

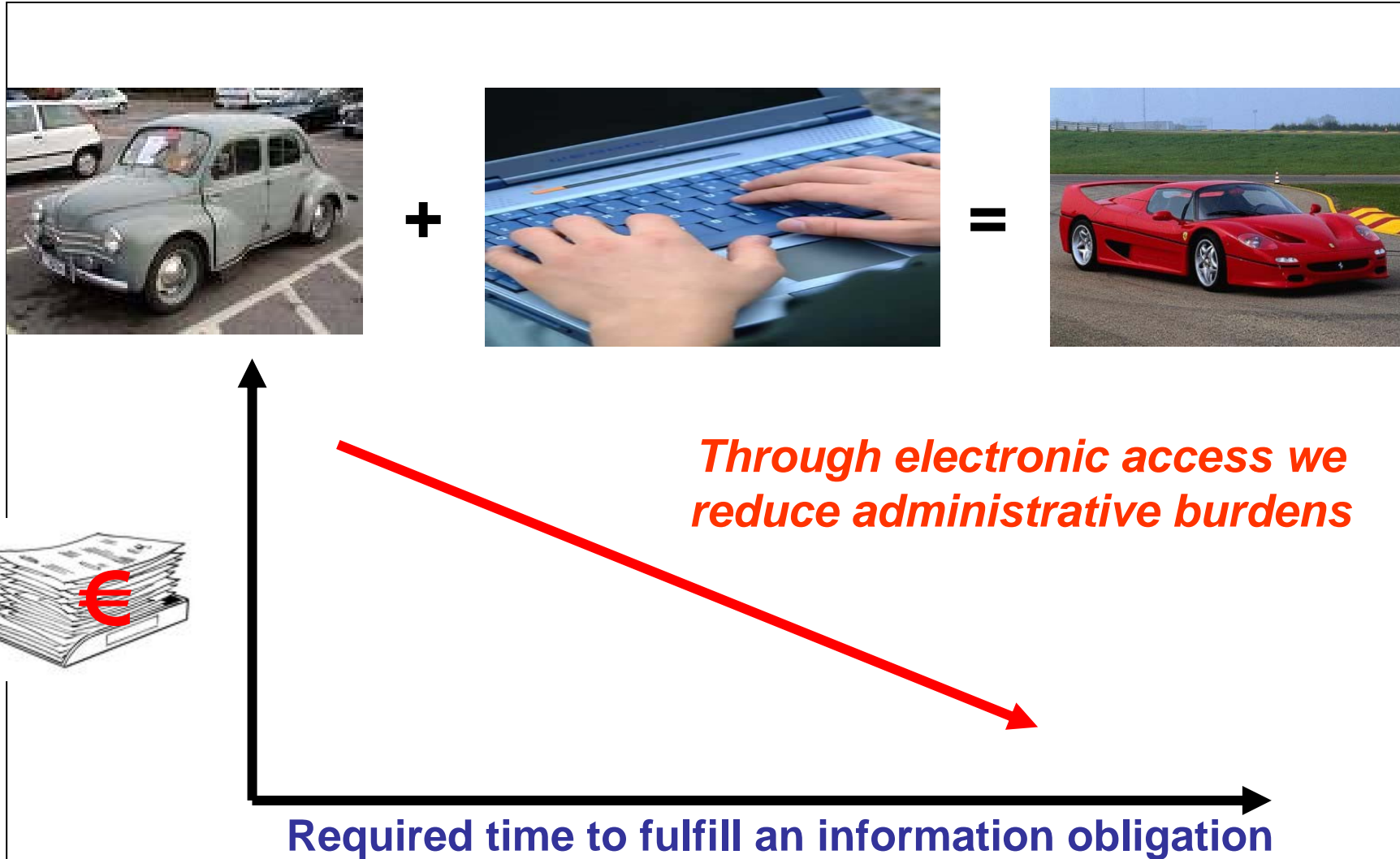
LEVEL OF ADMINISTRATIVE CHARGES

EFFORT OF RED TAPE REDUCTION (TRAINING)

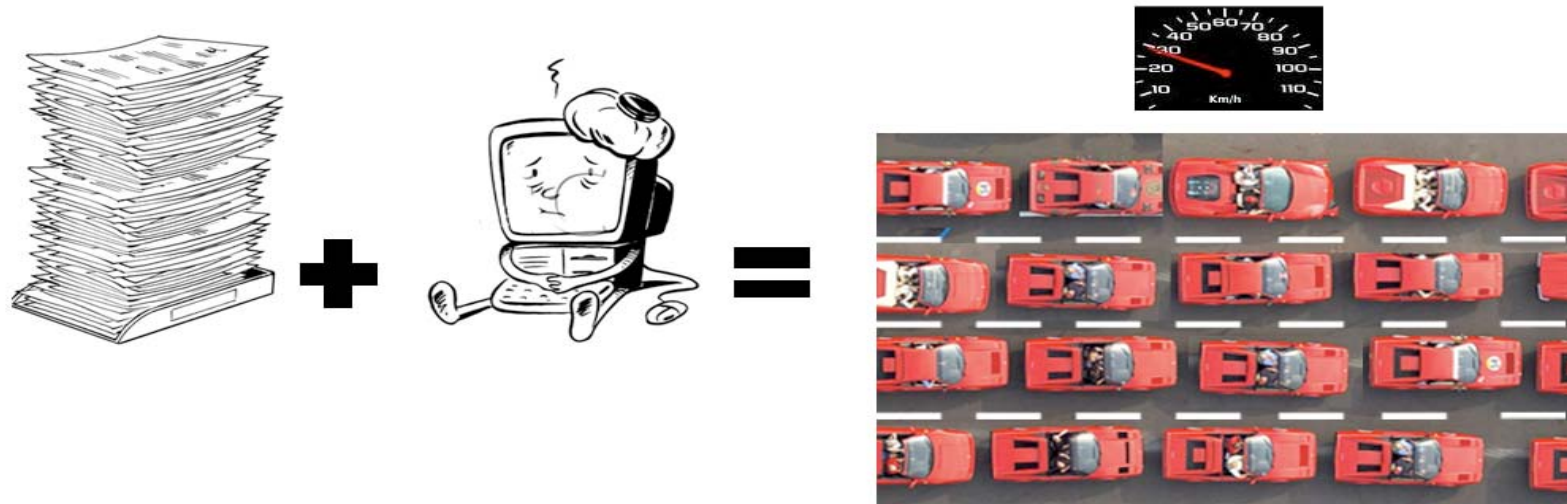


In our opinion more relevant than the bath drain, is the tap (the many regional taps) existing in Spain.

Some personal thoughts (III): Electronic access is not the universal aspirin



Some personal thoughts (IV): Electronic access is not the universal aspirin



But when the tap is pouring, without stop, new administrative charges, even Ferraris are clogged in the road.

And last, some personal solutions

- **Better balance the efforts** in SCM quantification with an adequate irritation measurement.
- Reinforce the accuracy of the **Regulatory Impact Analysis** and have its **quality checked** by an independent body.
- **Disseminate the results achieved** through the Business Federations and other Citizens representative bodies.
- **Training** of civil servants, but also companies' and citizens' experts in Better Regulation.
- Analyze the feelings and attitudes of EU citizens about BR through the **Eurobarometer**.

Noah and the Ark: Epilog

And then Noah asked the Lord: “What then, shall I do?”

“Do not worry. I will ask the Stoiber Group to fix it for you”.

Adapted from Willow's Dreamscapes

<http://www.dreamscapes.co.za/daydreams/dd080>