



# EXAMPLE OF INDICATORS OF REGULATORY QUALITY

---

A project funded by DG Enterprise,  
European Commission

Pilot project: Robert Scharrenborg,  
DG Enterprise

## The final report presents three systems of indicators of regulatory quality

---

1. Design of better regulation policy and tools. Macro and ex-ante
2. Ex-post and micro
3. Bridge between measurement of regulatory quality and the systematic evaluation of better regulation as public policy

# Where do the indicators come from?

---

- Operationalisation of the principles of better regulation
- Questionnaire and consultation with support network
- Experience of MS and other countries
- Criteria of “usable knowledge” = indicators that can be embedded in policy processes

# Indicators – characteristics of system 1: quality of the process

---

- an **ex-ante macro-system** - does not go down to the level of individual impact assessments or consultations
  - based on objective indicators, it covers the **design** of better regulation policies, instruments (contents of formal guidance), and supporting and quality assurance activities
  - can be **managed** by coordinating units in MSs and the SG in the Commission
-

# Quality assurance - examples

Indicator	What is measured	Interpretation	Data collection
Quantitative targets	Existence or absence	Targets facilitate implem. of BR programmes	IRQ dataset
Reporting on progress	Existence or absence	Accountability and transparency	IRQ dataset
Performance of quality assurance unit	Existence or absence	Establishing quantitative criteria to assess success or failure	IRQ dataset
Civil society – public official document	Existence or absence	Legitimacy of better regulation programmes	Official guidance
Monitoring and evaluation	Existence or absence	Culture of monitoring and evaluation	IRQ database plus official guidance

# Indicators – characteristics of system 2: internal evaluation

---

- An ex-post micro-level system focused on what the tools of better regulation **deliver** in a given time-period
- We look at guidance as designed in system 1 and measure what has been **achieved**

# System 2 contains the following:

---

1. A simple checklist on the quality of **individual** impact assessments and major consultations
2. **Real-world measures** of the impact of better regulation policies (subjective: surveys over time)
3. **Five real-world measures** of the impact of better regulation policies (objective)
4. Limited number of important indicators of **economic outcome** – role of causal chains

## **Survey of regulators**

**Percentage of regulators who think that IA has the following effect:**

- [1] Makes policy formulation more transparent
- [2] Speeds up / delays policy implementation
- [3] Reduces conflict at the stage of policy formulation
- [4] Reduces conflict at the stage of policy implementation
- [5] Be more likely to represent the preferences of citizens
- [6] Final policy decision will be more likely to achieve goals
- [7] Final policy decision be more likely to represent a consensus among affected entities
- [8] Final policy decision be more likely to create open markets



# Survey of citizens and firms

- [1] % of citizens who think that their views are taken on board in the development of single market policy in the EU
- [2] % of firms who think that the quality of regulation in the EU (including both EU and domestic rules) has improved over the last three years
- [3] % of firms who think that participation in EU-level consultation makes an impact on the final decision
- [4] % of firms who think that EU policy has an impact in opening markets, making it easier to compete, and generating competition in the professions
- [5] % of firms who think that in last three years restrictions and obstacles to their business have disappeared altogether or significantly reduced
- [6] % of firms who think that regulatory changes at the EU level are predictable

# The Five Real-World measures of better regulation policy

- [1] Estimate of total regulatory costs delivered by regulations for which impact assessments (IAs) were prepared in year xxxx / Estimate of total regulatory benefits delivered by regulations for which IAs were prepared in year xxxx
- [2] Net benefits delivered by regulations for which IAs were prepared in year t / Net benefits delivered by regulations for which IAs were prepared in year t-1
- [3] Total cost reduction resulting from simplification
- [4] Annual rate of reduction in the total administrative burdens stemming from EU legislation
- [5] Cost of administrative procedures eliminated in year t / Cost of administrative procedures eliminated in year t-1

## System 3: external evaluation

*“All policies can be evaluated, and better regulation is no exception”*

---

- no matter how sophisticated, indicators are just a component of quality assurance
  - the latter requires strategic and operational management, specific structures, and dedicated tools
  - one important element is external evaluation
  - indicators must be complemented by interviews, case studies, etc.
  - external evaluation should be done by think tanks, academics, and stakeholders - notion of pluralistic evaluation
-