

# REGULATORY SCRUTINY BOARD ANNUAL REPORT 2017

## WHO WE ARE AND WHAT WE DID IN 2017

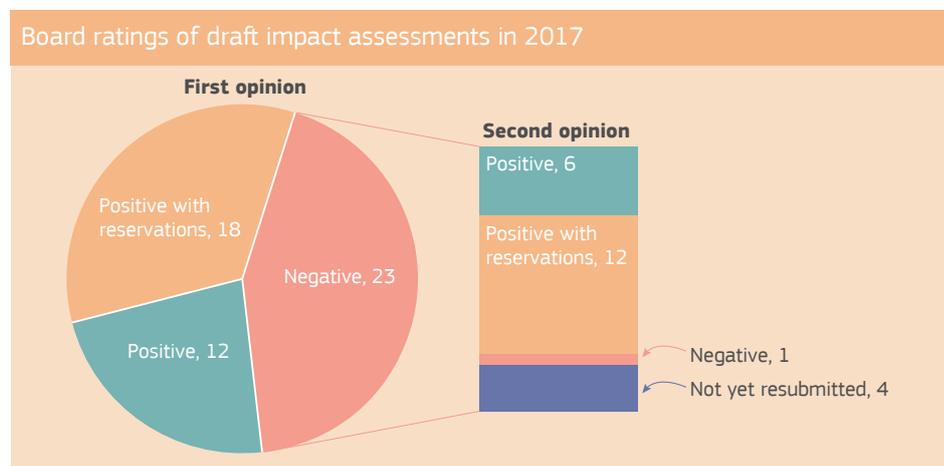
The Board is part of the process to provide evidence-based policies. It provides **quality assurance** of impact assessments, fitness checks and major evaluations to the political level of the Commission. It helps ensure that initiatives take due account of **evidence** and stakeholder groups' **views** before political decision-makers consider what action to take, if any.

Key features of the Board:

- Independent and reports to the President of the Commission
- 7 full-time members, internal and external
- The Board scrutinises all impact assessments and fitness checks and a selection of evaluations. In 2017 this amounted to 53 impact assessments and 17 separate fitness checks and evaluations.
- Regular outreach meetings with the European Institutions, national scrutiny bodies and regulatory watchdogs. The Board also held two methodology workshops and its first annual conference in March 2017. The second annual conference will be on 15 June 2018.

## POSITIVE AND NEGATIVE BOARD OPINIONS ON IMPACT ASSESSMENTS AND EVALUATIONS

In 2017, 43% of impact assessments and 41% of fitness checks and evaluations initially received negative opinions. For almost all impact assessments, services improved the reports enough to meet Board quality standards. Second opinions were nearly always positive, albeit often with reservations.



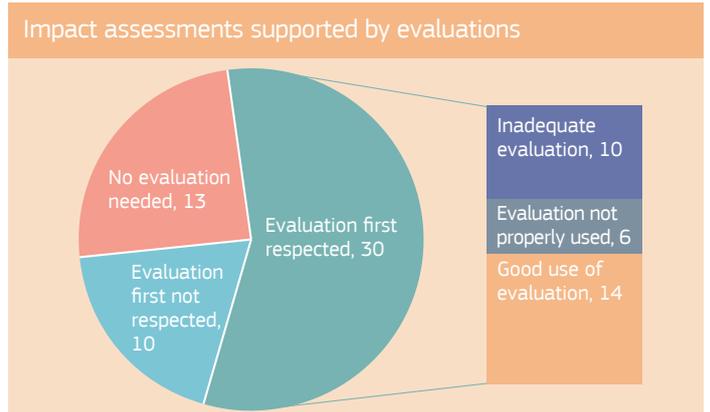
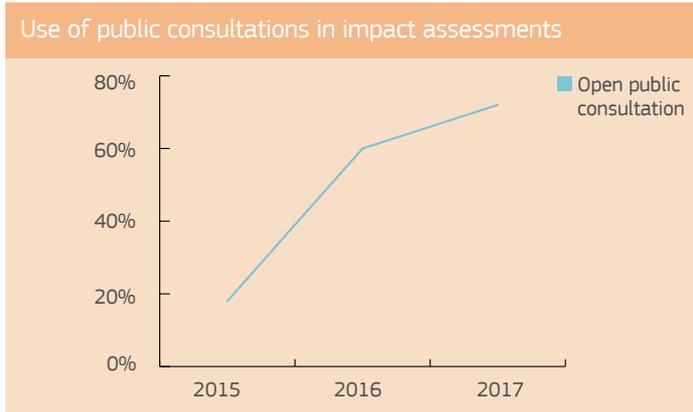
## IMPACT ASSESSMENTS HAVE IMPROVED AND ARE OF HIGHER QUALITY THAN EVALUATIONS

**More stakeholder consultations** were held in 2017. This was true for both open public consultations and additional consultations.

- 92% of the impact assessments were supported by an open public consultation;
- 89% had additional targeted consultations;
- 92% of the impact assessments reported on consultation findings.

Although the Board often found shortcomings in how services had integrated consultation findings, consultation practices have clearly evolved since 2015.

The **'Evaluate first'** principle is more often applied. In 2017, 75% of the impact assessments that aim to revise existing legislation were backed by an evaluation. This is up from about 50% in 2016. Evaluations of what exists should inform policymaking. The Board systematically reviews how impact assessments draw on evaluations. Overall, close to 75% of the time when the Board gave a negative opinion, there was either non-respect of the 'evaluate first' principle, an evaluation was inadequate, or evaluation results were not properly reflected in the impact assessment. The Board has reviewed 17 evaluations and has found the average quality to be lower than for impact assessments. This likely reflects a greater maturity of the impact assessment process.



## NEW THIS YEAR: QUANTIFICATION AND IMPROVED MONITORING OF QUALITY

**Quantification of costs and benefits** was one of the Board's priorities in 2017. Especially for REFIT initiatives, the need for simplification translated into more efforts to quantify costs. Quantification remains challenging and is not always feasible. It is often partial. Together with the Secretariat-General, the Board developed a standard quantification template to list relevant costs and benefits, classify them as direct or indirect, one-off or recurring, and identify the stakeholder groups to which they primarily apply. The Commission has requested services to use this quantification template from November 2017.

The Board has defined its key performance indicators. They rely on a **monitoring system of quality indicators** that helps the Board to consolidate views across all reports and deliver a quality overview of the entire body of impact assessments and evaluations, defining review components. By looking ex post across many files, the Board can take stock of quality improvements that followed interactions with the Board. On average, impact assessments and evaluations that receive positive Board opinions rate higher on all individual components. Negative opinions have prompted substantial quality improvements.

