

# Regulatory Policy at the Crossroads Towards a New Policy Agenda

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# Political actions to create a sustainable commitment to regulatory reform (1)

## 1. Political commitment

### ➤ **German Coalition Treaty** (2005, 2009)

Commitment to reduce administrative burdens and to establish the Normenkontrollrat (NKR)

### ➤ **Government programme** on the reduction of bureaucracy and better legislation

- Reduction of the stock of administrative burdens (Reduction target of 25% by 2011)
- Assessing administrative burdens in all new regulations (ex-ante procedure)

**Bound to the  
respective  
legislative  
period**

# Political actions to create a sustainable commitment to regulatory reform (2)

## 2. Institutional framing

### (Act on the Establishment of the NKR)

- The NKR is a permanent and independent body
- The mandat of its members (5 years) is not linked to the legislative period (4 years)

## 3. Procedural integration in the law-making process

### (Joint Rules of Procedure)

- Every impact assessment has to include a calculation of administrative costs
- Every proposal has to be reviewed by the NKR

Ensuring  
continuity

# Enshrining regulatory quality oversight within existing national institutional framework

## 1. The review process has to be institutionalised

- By law and binding rules of procedure
- Guidelines on applicable methodology
- Training of civil servants in the ministries

## 2. The independent body has to be an integral part of the institutional framework

- NKR takes part in the inter-ministerial coordination process like a federal ministry
- Formal opinion of NKR is attached to the cabinet draft and is passed to the Bundestag and the Bundesrat (parliamentary chambers)

- Constitutional meeting on 19 September 2006
- 8 Members (appointed by President Koehler)
- Statutory Mandate<sup>1)</sup>:
  - „The NKR has the task of supporting the Federal Government in reducing the costs of bureaucracy caused by legislation through the application, monitoring and further development of a standardised measurement of the costs of bureaucracy on the Basis of a Standard Cost Model.“
- 1544 draft proposals have been assessed so far by the NKR (ex-ante procedure)
- NKR is supporting the Government by reducing the existing administrative costs of 25 % until 2011
- Advise on request of the Government (e.g. ELENA-electronical salary and income certificate)

<sup>1)</sup> Sec 1 para 2 of the Act on the Establishment of the NKR

# The main lessons from implementation

## 1. Governmental commitment on a high level

- Federal Chancellor and Ministers have to commit to the importance to strengthen regulatory quality

## 2. Easily applicable methodology

- E.g. Standard Cost Model

## 3. Clear procedure, no exceptions

- Permanent and consistent calculation of administrative costs in all new proposals

## 4. Trustful cooperation

- Cooperation of the ministries with the NKR at an early stage
- Suggestions of the NKR are largely incorporated by the ministries before the final NKR-opinion is adopted

# Conclusion

- 1. NKR is by now a well established advisory and assessment board**
- 2. NKR plays a double role: supervisor and consultant**
- 3. NKR managed to allay governments and parliaments fear that the NKR would engage in a political manner**
- 4. The gaining confidence in the NKR has led to the extention of its mandate (e.g. compliance costs)**