

# The Experience of the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu in Promoting Regulatory Impact Assessment (RIA)



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WTO TBT Committee  
Workshop on Good Regulatory Practice  
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# Presentation Outline

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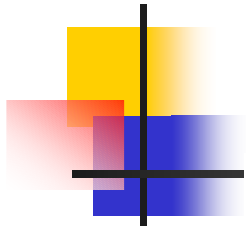
- Government Mandates and Incentive Programs for Promoting RIA
- Legal Basis for RIA
- Operational Flowchart for General Law Proposal
- The Assessment Checklist for Law Proposal
- Operational Flowchart for Significant Law Proposal
- A Case Study: Commodity Inspection Act
- Epilogue



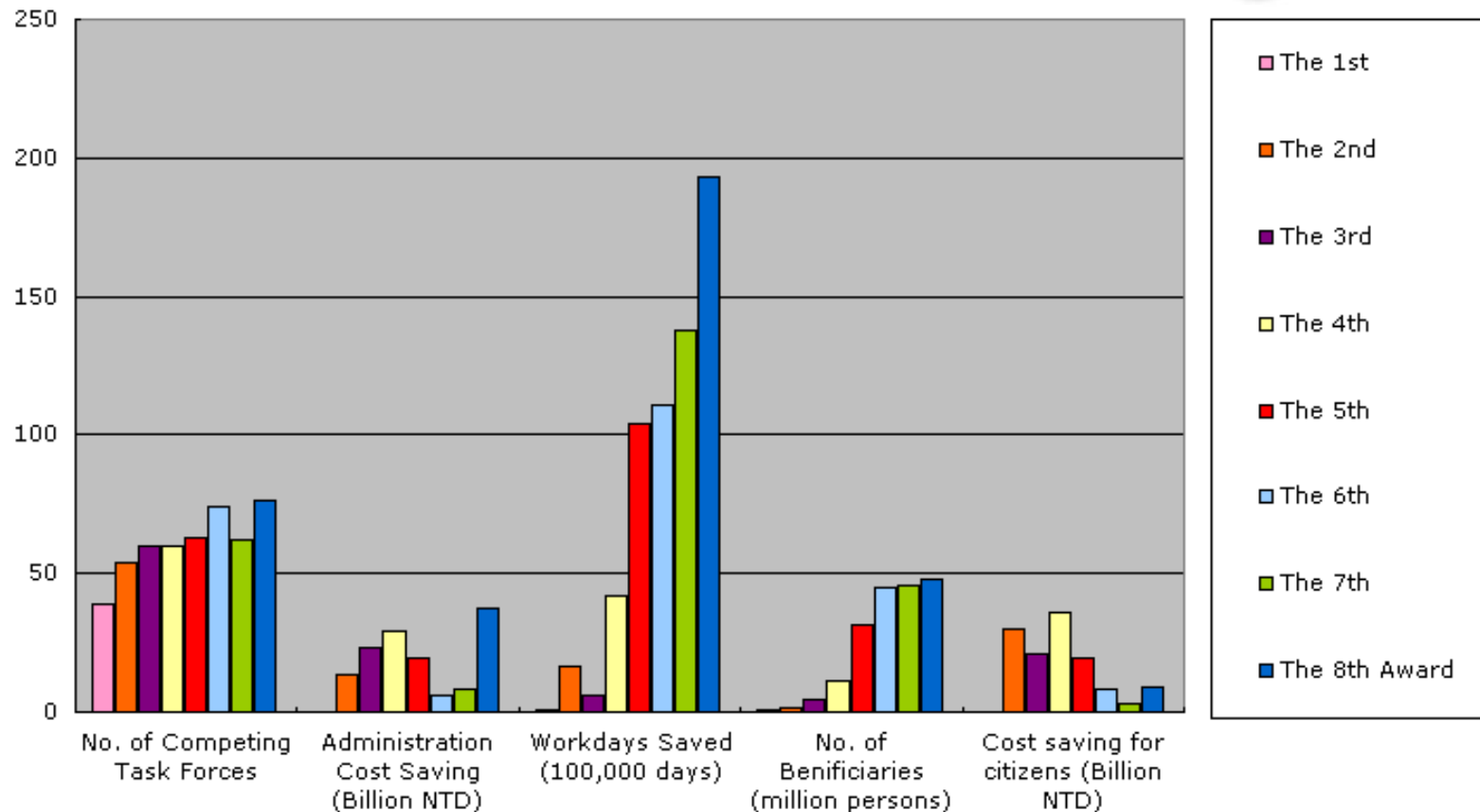
# Government Mandates and Incentive Programs for Promoting RIA (1/3)

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- Government Reform Guidelines passed by the Cabinet 1560th Meeting (Jan. 2, 2000)
- Administrative Reform Conference (Feb. 25-26, 2001)
- Innovative Service Mechanism Group under the Government Reform Committee convened by the leader of my Government (Oct. 25, 2001)
- Council of Organizational Reform (the Cabinet, 2002)  
[**Deregulation, Decentralization, Corporatization, Outsourcing**]
- Methods for implementing regulatory reform:
  - (1) Establishing an outside-in mechanism via hosting meetings with foreign chambers of commerce on a regular basis
  - (2) Enhancing a bottom-up mechanism via granting the **Golden Axe Awards**.



# The Golden Axe Awards



- ◆ Four categories of competition:  
Administration reengineering, Deregulation and innovation  
Attracting investments, Cross-agencies cooperation



# Government Mandates and Incentive Programs for Promoting RIA (2/3)

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- The Innovative Service Mechanism Group submitted a document concerning the establishment of Regulatory Impact Analysis (RIA). (2002)
- CEPD completed a research report entitled “A Feasibility Study on Administrative Organizations’ Implementation of RIA.” (2003)
- The resolution of the 1204th CEPD Commissioner Meeting: CEPD along with the Committee of Laws and Regulations (The Cabinet), Research, Development, and Evaluation Commission, etc. are to formulate the action plan for promoting RIA. (2005)



# Government Mandates and Incentive Programs for Promoting RIA (3/3)

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- The Planning Group for Formulating Concrete RIA Action Plan was established and the draft Action Plan for Promoting RIA Mechanism was completed. (May 2005)
- CEPD commissioned a best-practice case study with regards to the “Commodity Inspection Act” of the Bureau of Standards, Metrology & Inspection, MOEA. (Feb. 2006)
- Conference on Sustaining Our Economic Development (July, 2006)

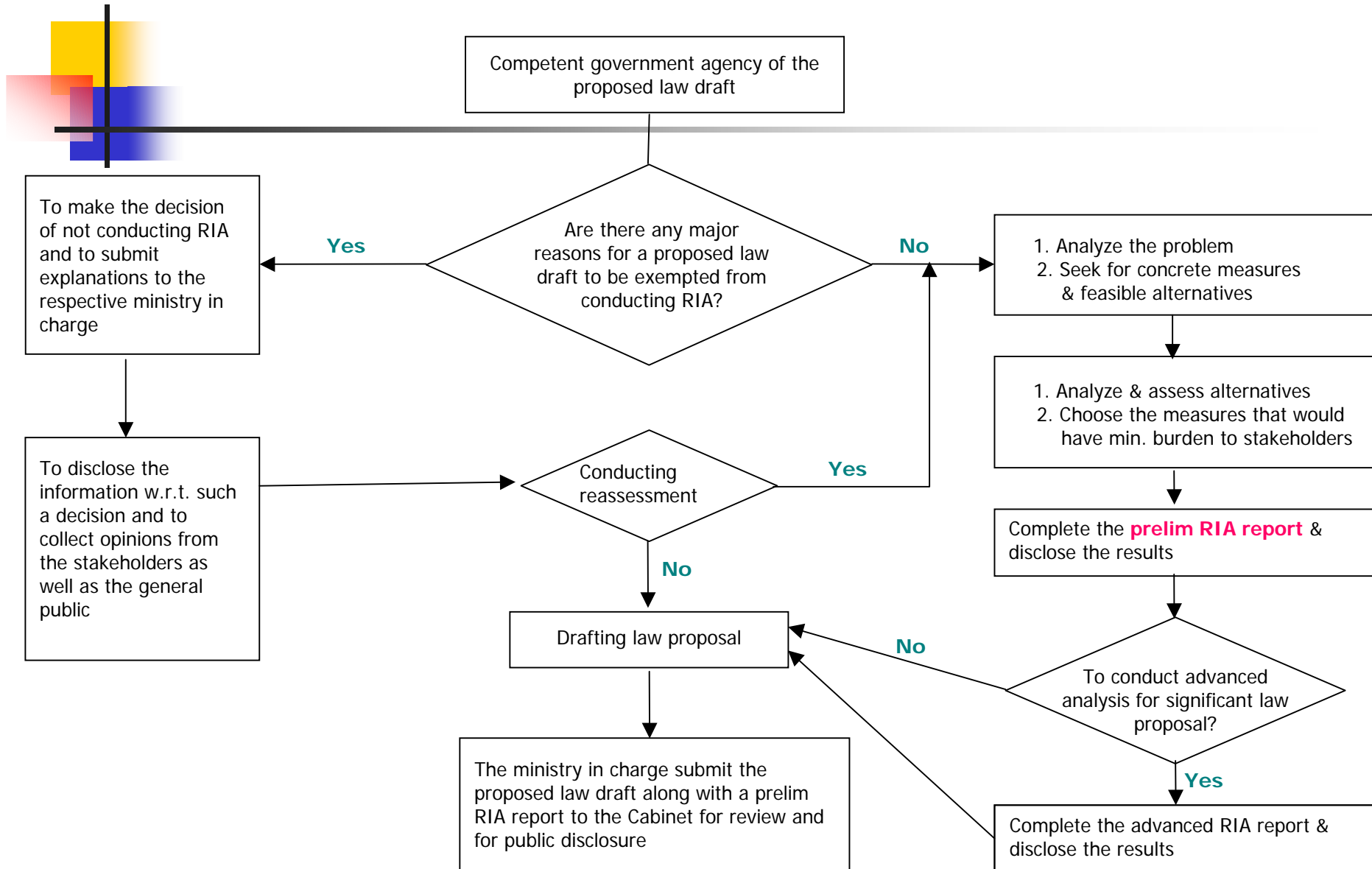


# The Legal Basis for RIA

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- Guidelines on Central Administrative Agencies' Legal Matters (1977, 2004)
- Administrative Appeals Act (1998, 2000)
- Administrative execution Act (1998, 2007)
- Administrative Litigation Act (1999 , 2007)
- Administrative Procedural Act (1999, 2001, 2005)
- Government Archive Act (1999 ,2002)
- Guidelines for Bills submitted by Cabinet Agencies for Review (2004)
- Freedom of Government Information Act (2005)
- Administrative Penalty Act (2006)
- Budget Act (Article 34)

# Operational Flowchart for General Law Proposal







## Content Guidelines for a Prelim RIA Report

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- What is the Contending Issue of the Proposed Law?
- Provide the Background Information
- Set the Objectives and Targets to be Achieved
- To Identify the Possible Alternative Measures
- To Conduct the Impact Analysis
- Clear Description of the Consultation Process
- Choose the Policy Measure to be Implemented



## The Assessment Checklist for Law Proposal (1/2)

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1. Describing Issues of the Proposed Law
  - (1) Related issues being involved
  - (2) Any reasons for being exempted from this checklist assessment procedure
2. Providing the Background Information
  - (3) The current legal environment
  - (4) The possible agencies, industries, people being impacted by the proposed law in terms of costs, obligations and rights, as well as change in welfare
3. Formulating the Problem
  - (5) Is the matter a set government policy or a legal obligation for amendment?
  - (6) Any difficulties or obstacles occurred in the current social or market mechanism?
  - (7) Any difficulties or obstacles occurred in current government institutions or legal operations?
  - (8) Other causes?
4. Setting the Targets to be Achieved
  - (9) Clear delineation for the scope of the problem and the linkage with the matter to be resolved
5. Identifying the Possible Alternative Measures
  - (10) Maintaining the status quo
  - (11) Possible extrajudicial alternatives
  - (12) Possible judicial alternatives
  - (13) Other measures
  - (14) List of Prelim-formulated alternatives



## The Assessment Checklist for Law Proposal (2/2)

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### 6. Conducting **Regulatory Feasibility Assessment (RFA)**

(15) If SMEs are involved, it is to conduct the Regulatory Feasibility Assessment for them.

### 7. Engaging in Public Consultation Process

(16) whether or not consultation documents are well prepared and public opinions are being solicited?

(17) Active opinion consultation

(18) Records for the consultation process

### 8. Undertaking policy assessment

(19) Compilation of the public opinions and records of consultation

(20) Conducting CBA for each possible alternatives

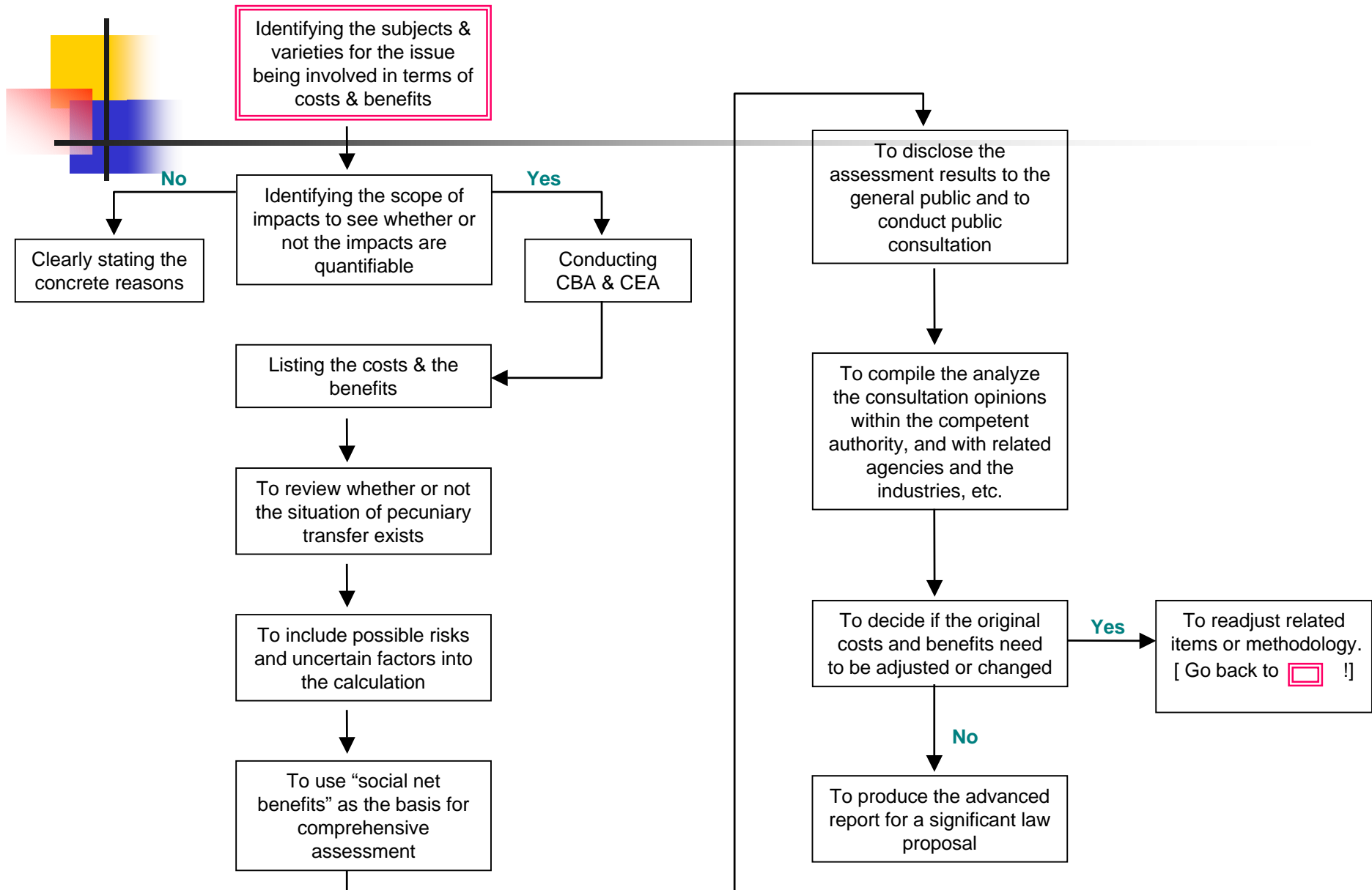
### 9. Choosing the Policy Measure to be Implemented

(21) The concrete contents for the chosen measure

(22) The reason for the particular choice

(23) Whether or not to conduct the advanced analysis

# Operational Flowchart for Significant Law Proposal





## A Case Study – Amendment of the Commodity Inspection Act (1/4)

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- Participating agencies:
  - Committee of Laws and Regulations, The Cabinet
  - Council for Economic Planning and Development (CEPD)
  - Research, Development, and Evaluation Commission
  - Bureau of Standards, Metrology, and Inspection, MOEA
  
- 6 meetings (3 hours long) + 175 men hour
  
- 17 proposed amendments are reviewed via the aforementioned process
- 2 of the 17 proposed amendments are dropped after the process
- 3 of the 17 proposed amendments are chosen as materials for writing a demonstrating RIA report



## A Case Study – Amendment of the Commodity Inspection Act (2/4)

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- To amend Article 12 of the Act so that the commodity inspection mark could be placed on qualified commodities according to the special characteristics of the goods

[Note: Article 12 of the Act states that the obligatory inspection applicant shall place the commodity inspection mark on commodity's body.]



To amend the law !



## A Case Study – Amendment of the Commodity Inspection Act (3/4)

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- To amend Article 14 of the Act so that the management system is to be in conformity with the requirements being prescribed by the BSMI

[Note: Article 14 of the Act states that in order to upgrade the management of commodity or service in terms of quality, environment, safety or health, the BSMI may implement certification system in connection with products or management authority. .... ]



To amend the law !



## A Case Study – Amendment of the Commodity Inspection Act (4/4)

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- Regarding seal-up disqualified commodities to be stored at a designated place

[Note: Article 50 of the Act states that The BSMI may proceed to ... seal up the suspect commodity and place it under the custody of the representative ... or to request the representative ... to store the suspect commodity at a designated place. .... ]

⇒ To maintain the status quo !



# Checklist Forum [June 27, 2006]



- APEC-OECD Integrated Checklist on Regulatory Reform

# RIA Workshop [October 1, 2007]





# Epilogue

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- Awareness raising and capacity building program
- Cross-agency coordination and cooperation
- Accumulation of know-how with a designed institutional arrangement



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Regulatory Impact Assessment (RIA)

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Thank you very much for your kind attention!

Merci beaucoup pour votre attention!

¡Gracias mucho por su atención!

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