



Regulatory Reform in Poland

State of play

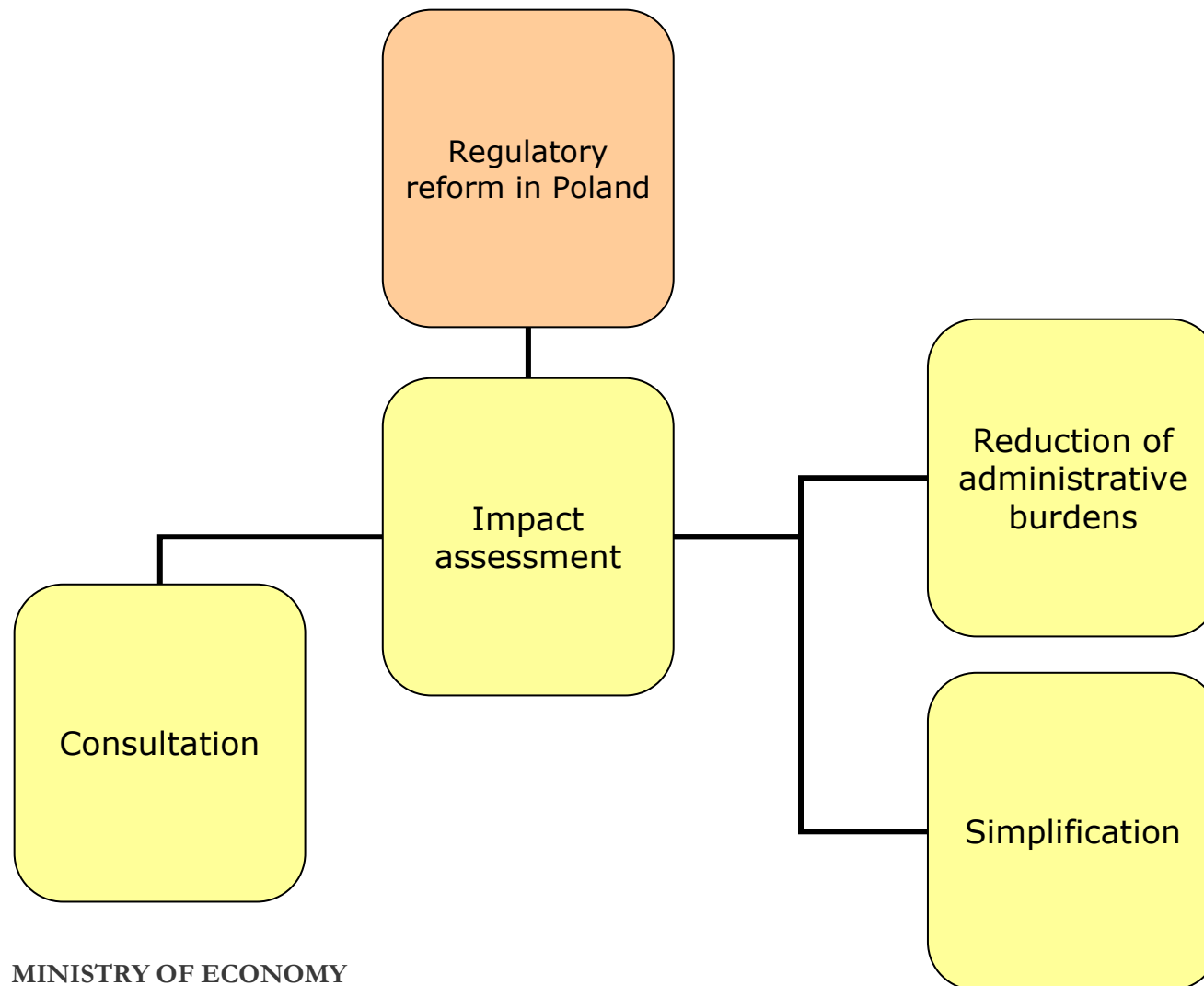
SCM network meeting

Warsaw 05.03.2010



MINISTRY OF ECONOMY
DEPARTMENT OF ECONOMIC REGULATIONS
REGULATORY REFORM UNIT

- The Ministry of Economy – Regulatory Reform Unit in the Department of Economic Regulations
 - Coordination of development Better Regulation policy, introducing modern economic regulations system, giving opinion on bill drafts effecting on entrepreneurs
- The Chancellery of the Prime Minister has the leading role in auditing regulatory impact assessments
 - The Chancellery of the President of the Council of Ministers has the leading role in auditing regulatory impact assessments.
 - The Chancellery is also authorised to give opinions on RIAs, in particular in terms of its scope and the scope of public consultation.
- The effective implementation of reform relies strongly also on the efficient operation of appropriate organisational structures within the other ministries





Regulatory
Reform

Impact assessment – what we have achieved

- Training courses for central administration officials (first stage – 2007)
 - Conducted in the Ministry of Economy for officials engaged in impact assessments preparation, especially cost and benefit analyses
 - Almost 600 officials participated



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Impact assessment – further activities

- Training courses for central administration officials (second stage 2010 – 2011)
 - Trainings courses for executives in central administration
 - Almost 3000 officials will receive trainings

- Additional action in case of impact assessment (Government Legislation Centre have new responsibility: enhanced control of IA conducted at a very early stage of the law preparation)



- Principles of Consultations Carried out upon Preparation of Government Documents
 - Handbook prepared by Ministry of Economy experts
 - Contains consultation methodology
 - Component of Impact Assessment system
 - Resolution of Council of Ministers – obligation to comply with the handbook

- New project – system of on-line consultations by 2012
 - Facilitated and improved process of giving an opinion on legal acts by administration and enterprises
 - Better transparency in legislative process thanks to greater engagement of social partners
 - Support for Impact Assessment preparation

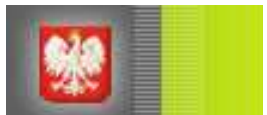


- Reduction of the red tape by cutting the unnecessary administrative burdens
- Better *impact assessment* of the new regulations
- Screening of the law in search of obsolete or unnecessary regulations
- Removal of the *gold plating* regulations
- Removing the barriers while maintaining essential protections by eliminating:
 - unnecessary permits,
 - licenses and
 - concessions





- Amendments to the sixteen acts of the *Package for the Entrepreneurship* which already came into force:
 - 1st stage of the amendment of the Act on freedom of economic activity
 - Act amending the Accounting Act
 - Act amending the Tax Ordinance
 - Act amending the Act on chambers of commerce
 - Act amending the Act – Foreign Exchange Law and the Civil Code
 - Act amending the Code of Commercial Companies
 - Act amending the Code of Criminal Procedure
 - Act amending the Bankruptcy and Rehabilitation Law (consumer bankruptcy)
 - Act on Public-Private Partnership (PPP)
 - 2nd stage of the amendment of the Act on freedom of economic activity
 - Act amending the Act on the Polish Agency for Enterprise Development
 - Act amending the Act on special economic zones
 - Act on certain forms of supporting innovative activity
 - Act on packed products
 - Act amending the Labour Code
 - Act on graduate traineeship



- Continuation of the changes proposed in the *Package for the Entrepreneurship*
 - Eighteen Acts still in the pipeline
 - The common goal of increasing the *ease of doing business* in Poland
- Simplification of the regulations having the strongest impact on the SMEs. *Think Small First* approach
- Deregulation Statute – comprehensive approach to the simplification and removal of the barriers and burdens in the legislation (more on the next page)



- Horizontal implementation – one act of law will change many existing acts
- Preparation required a thorough screening of the law in search of obsolete or unnecessary regulations
 - 205 acts of law were examined,
 - almost 250 changes were proposed to almost a hundred of acts
- Designed to:
 - limit the administrative control over setting up businesses and conducting business activity,
 - reduce the number of procedures and administrative obligations imposed on entrepreneurs,
 - facilitate the access to the so-called “free lancers” professions
- The project of the statute on the stage of approval by the Council of Ministers.



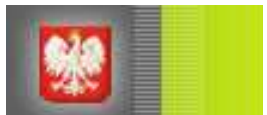


- Working contacts with the Doing Business team and OECD Regulatory Policy Committee
- Analysis of the Doing Business indicators
- OECD simplification review ongoing
- Letter of intent between World Bank and Ministry signed in 2009
- Future agreement on the Poland - Doing Business reform memorandum project, and simplification review by the OECD





- Key instrument of increasing the quality of regulation in economy
- Application of the Standard Cost Model (SCM)
- Reduction in two stages
- The first stage:
 - 7 areas of law
 - 25% reduction in the specified areas of law by the end of 2010
- The second stage:
 - Reduction in the other areas of economic law





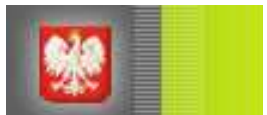
The seven areas of reduction:

- Environment
- Land use planning
- Social security
- Economic activity
- Hallmarking law
- Travel services
- Labour law





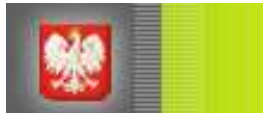
- Deciding the scope of the project - creating a list of priority legal acts for further measurement and reduction, consulted with stakeholders
- Measurement of the administrative costs within the priority legal acts using the SCM methodology of analysis of administrative costs
- Working out together with the stakeholders concrete reduction suggestions - institutional, technical and financial - that would allow the Government to prepare amendment proposals
- Evaluation of the results of sector analysis and starting the baseline measurement covering Polish legal acts
- Setting the reduction target and presenting a road map to achieve this target





- What we have achieved:
 - 50 acts of law were explored
 - 700 information obligations were identified
 - Plans for reduction in the specified areas
 - Report on the state of advancement in the field of the reduction of administrative burdens in the seven law areas of priority

- Further actions:
 - coordination of the reduction process
 - fast reduction of needless rules (until the end of 2010)
 - OECD report on the reduction and simplification in Poland

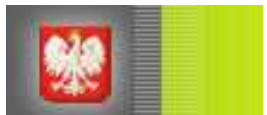




Comprehensive identification of information obligations (IO)
in the remaining areas of economic law

- What we have achieved:
 - Almost 500 acts of law were explored
 - More than 6000 IO were identified

- Further actions :
 - IO mapping
 - setting up the global reduction target (the date and percentage)
 - inter-ministerial coordination
 - reduction of needless rules





- „Better law“ Regulatory Reform Program for the years 2010 – 2011 already in the consultation phase:
 - Much more focus on the new approach towards evidence based policy
 - Strengthening of the RIA system
 - Standardisation of the RIA procedures
 - Much more focus on the SMEs
 - On-line consultations
 - New challenges in the reduction of IOs
 - New simplification ideas



Thank you for your attention

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