



# Impact Assessment Institute

The Institute for Impact Assessment and Scientific Advice on Legislation and Regulation

“Impartial Analysis for Policy Making”

## Concept Paper

A new organisation is founded, the “Impact Assessment Institute”, whose task is to contribute expert competencies to the EU legislative process by scrutinising prospective legislation and accompanying impact assessments. This organisation will contribute to smart regulation in the EU by providing impartial analysis of important legislation, becoming a sustainable element of the legislative system and thereby strengthening the assessment process.

Simon Godwin, August 2015

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## Impact Assessment Institute

### Rationale for a new approach on EU impact assessments

Impact assessments accompanying legislative and regulatory proposals are a fundamental part of smart regulation. Their objective is to deliver “policies and laws that bring the greatest possible benefits to people and businesses in the most effective way.” They are also a key source of information, utilised alongside other sources of evidence by interested stakeholders in influencing the form, content and level of the legislative proposal, the institutional negotiations, and the final legislative text.

Often the content of assessments and therefore the legislation itself is vigorously contested, even by the groups (e.g. civil society, industry, governments) expected to benefit the most. In consequence, differences of opinion hinder realisation of “the greatest possible benefits” or may prevent them altogether. A new approach should aim to contribute analysis to the legislative process in a way that strengthens the assessments and thereby secures wider support for the resulting policies. This can be achieved by employing additional competencies and analytical resources to the existing impact assessment procedure.

### Concept and Mission of the Impact Assessment Institute

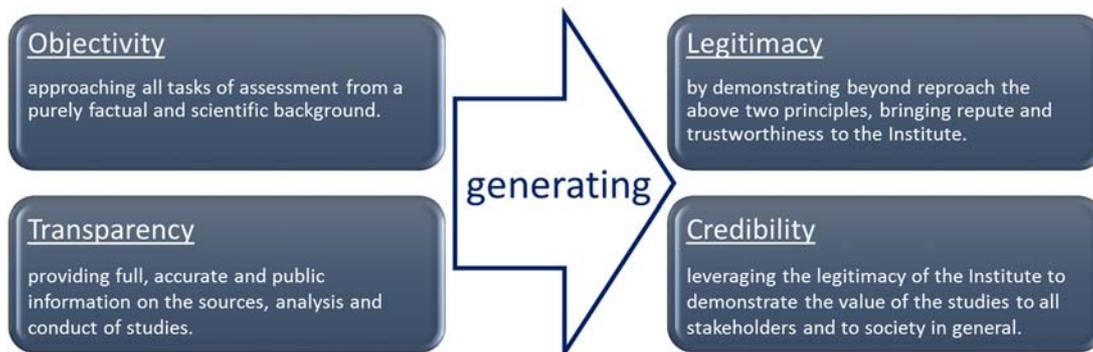
An independent investigative organisation is proposed, whose primary assignment is to scrutinise and report on the technical content of EU legislative proposals, in particular their impact assessments. Its processes are to be aligned with and, as far as possible, integrated into the legislative mechanisms of the EU, in order to act as a resource for all stakeholders in EU legislative promulgation, including the European Commission and other EU institutions, industry, consumers and civil society.

The following mission statement has been established, as an orientation for the Institute’s activities:

“To provide impartial, scientific and credible opinions to inform and scrutinise legislation, regulation and policy making.”

### Principles of operation

The Impact Assessment Institute is to operate according to the following guiding principles:



### Operations and procedures

Of critical importance at the Institute's establishment and in its further development is the maintenance of the four principles to ensure its credibility and enable the achievement of the mission. To underpin the correct and consistent accomplishment of the principles, dedicated procedures of operation are under development. These complement its statutes and define in detail how the Institute, its secretariat and governing bodies perform, validate, approve and communicate the Institute's work.

The Institute's main operations include the conduct of studies scrutinising EU policy and legislation, in particular impact assessments and their technical papers accompanying legislative proposals. Studies will be performed in-house or commissioned to external organisations. The Institute's role is to manage the conduct of studies and ensure the actual and perceived impartiality of the work.

### Funding model and budget

The Institute is to be funded by sponsors, whose primary entitlement lies in their right to select the impact assessments on which studies are to be performed. Sponsors will not hold the right to influence the content of the studies nor to be directly involved in their compilation, but they may provide expert information, alongside other stakeholders with relevant expertise. Sponsors may include industry, consumer representatives, NGOs, EU Member States and other Institutions.

A broad base of sponsorship covering many sectors and many types of organisation is necessary in order to strengthen the impartiality of the institute from particular interests. Subscriptions are to be weighted according to the size of sponsoring organisation. The scope of operations of the Institute will be determined by the total level of sponsorship received. A business plan is under development.

### Governance

The Institute is to be managed at arm's length from all stakeholders through a dedicated governance structure which is designed to establish and maintain its principles of operation. The key element of the governance is the board, whose main role is to oversee the correct application of the four principles and the procedures of operation. Members of the board are expected to be senior academics, former political leaders, former government officials and other senior stakeholders.

Relevant committees will be established to provide expert contributions and to ensure representation of sponsors. The Institute will be managed by a secretariat, initially comprising one person. Statutes of the Institute are to be compiled to define the governance structure and roles. The Institute will be constituted as a Foundation.

### Status and further action

The building blocks of the Institute, including its constitution as a Foundation, its statutes, procedures and its first studies are currently (August 2015) being developed. The critical next step will be to attract board members and sponsors, in order to underpin its proper operation and to sustain it as an ongoing entity. This paper serves as a brief overview of the concept in order to engender discussion with interested parties and potentially secure their involvement in the Institute's further development.