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Forfás Response to OECD Report on Regulatory Reform in Ireland

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## PUT CONSUMERS ON TOP OF THE REFORM AGENDA

### Government should produce White Paper to prioritise and speed up reform – Action areas for Government identified

#### Forfás Response to OECD Report

The interests of consumers should be placed on top of the regulatory reform agenda, according to Forfás in its response to the just-published OECD Report on Regulatory Reform In Ireland.

Mr John Travers, CEO of Forfás, said *“Forfás has for a number of years been addressing issues of regulation and competition as essential instruments of national competitiveness. It was for this reason that Forfás proposed that the OECD undertake a comprehensive review of regulatory reform in Ireland building on a number of other reviews and seminal work conducted by OECD in this area. The OECD report gives a comprehensive account of the regulatory process in Ireland, recognises progress made, and points to the need for continued efforts, especially in competition, Government capacities, and consultation.”*

He added, *“In our view, Consumers should be placed at the top of the policy agenda. A fundamental shift towards the primacy of consumer rights in the operations of the market is required, and measures need to be taken to ensure this. Forfás strongly believes that this is the best way to ensure that the needs of the enterprise sector are taken into account, since all businesses are also consumers. Measures to improve the consultation process, allied with regulatory impact analysis, will be better able to demonstrate the effects of regulatory change on consumers and ensure that their interests are paramount.”*

Mr Travers welcomed the Taoiseach's announcement that a major national policy statement on regulatory reform would be prepared. Forfás had emphasised the need for this in a report published last year, ***Enterprise 2010: A New Strategy for the Promotion of Enterprise in Ireland***. *“The statement should be in the form of a White Paper, making a firm public commitment to competitive markets and to improvements in the way that Government regulates these markets. The OECD review has provided the basic material for this, together with the principles set out by the OECD and also by Forfás in previous documents,”* he said.

Forfás drew attention to nine priority actions for Government identified in the OECD review and indicated its intention to work closely with Government Departments on each of the actions, in order to further the interests of the enterprise sector.

The priority action areas identified are:

- The position of consumers at the top of the policy agenda.
- The preparation of an over-arching statement on regulatory reform: this should be in the form of a White Paper.

- In the case of judicial review there should be an examination of simpler ways to ensure that objections can be made to regulation and regulatory and administrative decisions.
- A strong programme of reform should be put in place for protected sectors.
- Full regulatory impact analysis should be introduced.
- A review of the effects of the legal system on regulatory reform and the costs and competitiveness of the economy as a whole should be conducted.
- A process of formalised consultation with affected parties should be put in place before new regulations are adopted.
- A rapid roll out of E-Government should be put in place to improve the quality of regulation.
- Formal arrangements should be put in place to achieve appropriate co-ordination between regulators and the Competition Authority.

Mr. Travers noted that the Taoiseach had already announced his intention that work should begin in the area of regulatory impact analysis and that action should be taken in the area of professional services, pharmacies and the licensed liquor trade. Forfás greatly welcomes the Government's early response in these fields.

A copy of the detailed Forfás response is attached.

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