

Entrepreneurship policy report summary

Title	Report of the Business Regulation Forum
Publish date	March 2007
Country and publisher	Ireland Business Regulation Forum (BRF)
Type of report	<p>The report is an action plan from the Business Regulation Forum. The Forum was set up to advice the Minister for Enterprise, Trade and Employment on regulations impact on business.</p> <p>The Forum investigated a burden reduction methodology called the Standard Cost Model (SCM), which is developed in the Netherlands. The method is used for measuring and reducing the administrative burden of regulations. The administrative burden of a regulation is the cost (in time and money) of supplying the information to Government or third parties required by the regulation.</p>
Main message	<p>The results of existing research in the Netherlands, Denmark and the UK suggest that administrative costs claim a significant proportion of GNP. This means that a successful programme to reduce administrative burdens could make a notable contribution to improving productivity and economic performance. Moreover, a burden reduction programme is potentially a 'win-win' in the sense that all parts of the economy stand to benefit to some extent from the programme provided that the simplification options do not undermine the purpose of the regulation and that costs are not shifted to the public sector.</p> <p>Therefore, the Forum recommends that an administrative burden reduction programme should be initiated in Ireland without delay.</p>
Governments policy targets/goals	
Definition (How are they quantified?)	
Focus/policy areas	Administrative burden of regulation.
Implemented/suggested policies	Most of the regulatory burdens on business are found in the following areas: tax; health & safety; environment; requests for statistical information; and employment & company law.
Key findings	<p>The Forum recommends that this burden reduction programme should have the following characteristics.</p> <ul style="list-style-type: none"> - It should focus on the five areas where regulation has been identified as most burdensome in Ireland: tax, health & safety, environmental regulation, requests for statistical information and employment & company law. - The Standard Cost Model from Holland should be used to measure the benefits achieved. - There should be a target, calculated as a percentage of GNP or expressed as an absolute amount, based on what has been achieved in other countries. The administrative burden of

	<p>regulations has been estimated at between 2 and 3 percent of GDP in a range of European countries.</p> <ul style="list-style-type: none">- There should also be a clear time-frame.- A strong political commitment will be necessary to ensure that the process is successful.- A central co-ordinating unit and oversight mechanism is required to manage and support the work and is set up for the duration of the project.- A small number of people should be assigned to the project in each relevant Government Department or agency to carry out the day-to-day simplification work.
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<http://www.forfas.ie/publications/forfas070425/business%20regulation%20forum%20report%20april%202007.pdf>