

Finnish Council of Regulatory Impact Analysis, Annual review 2021

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Abstract

In 2021, the Finnish Council of Regulatory Impact Analysis issued a total of 45 statements on government proposals and one Union communication. During the year, the Council issued a record number of statements and thus gained a more comprehensive picture of the quality of law drafting. In addition to the most significant and extensive government proposals, the Council also issued statements on more concise government proposals.

The Council found that the shortcomings in the government proposals were very similar in 2021 as in previous years. The Council paid most attention to the comprehensibility and clarity of the proposals, to the sufficiency of quantitative assessment and description of costs and benefits, and to the shortcomings in describing the need to amend an act and the current situation. In addition, the Council found room for improvement in areas such as describing alternative solutions, setting objectives and assessing risks and uncertainties.

In 2021, the government proposals assessed by the Council were of slightly weaker quality than in previous years. This was also reflected in the average of the standard appraisals included in the Council's statements.

This annual review contains the Council's observations on the challenges related to impact assessments over a longer period of time. The Council is concerned about the quality of law drafting and pays particular attention to the management and planning of law drafting. The annual review also examines how law drafting and the Council's activities could be developed.

Keywords Economic impact, legislation, assessment, government proposals**ISBN PDF** 978-952-383-157-5**ISSN PDF**

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Lainsäädännön arviointineuvoston vuosikatsaus 2021

Valtioneuvoston kanslian julkaisuja 2022:15

Julkaisija Valtioneuvoston kanslia

Yhteisötekijä Valtioneuvoston kanslia

Kieli englanti

Sivumäärä

58

Tiivistelmä

Vuonna 2021 lainsäädännön arviointineuvosto antoi yhteensä 45 lausuntoa hallituksen esityksistä ja yhdestä U-kirjelmästä. Arviointineuvosto antoi vuoden aikana ennätysmäärän lausuntoja ja sai siten kattavamman kuvan lainvalmistelun laadusta. Arviointineuvosto antoi yhteiskunnallisesti merkittävimpien ja laajimpien hallitusten esitysten lisäksi lausuntoja myös suppeammista hallituksen esityksistä.

Arviointineuvoston havaintojen mukaan puutteet hallituksen esityksissä vuonna 2021 olivat hyvin samanlaisia kuin edellisvuosina. Lausunnoissa kiinnitettiin eniten huomiota esitysten ymmärrettävyyteen ja selkeyteen, määrällisen arvioinnin, kustannusten ja hyötyjen kuvaamisen riittävyyteen sekä kolmantena lain muutostarpeen ja nykytilan kuvaamisen puutteisiin. Lisäksi arviointineuvosto havaitsi parannettavaa muun muassa vaihtoehtoisten toteutustapojen kuvaamisessa, tavoitteiden asettelussa sekä riskien ja epävarmuuksien arvioinnissa.

Vuonna 2021 arviointineuvoston arvioimat hallituksen esitykset olivat laadultaan hieman heikkotasoisempia kuin aiempina vuosina. Tämä näkyi myös arviointineuvoston antamien lausuntojen standardilausumien keskiarvossa.

Tähän vuosikatsaukseen on koottu arviointineuvoston havaintoja vaikutusten arviointien haasteista pidemmältä aikaväliltä. Arviointineuvosto on huolissaan säädösvalmistelun laadusta ja kiinnittää erityistä huomiota lainvalmistelun johtamiseen ja suunnitteluun. Vuosikatsauksessa tarkastellaan myös sitä, miten arviointineuvoston toimintaa ja säädösvalmistelua voitaisiin kehittää.

Asiasanat taloudelliset vaikutukset, lainsäädäntö, arviointi, hallituksen esitykset

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58

Referat

År 2021 gav rådet för bedömning av lagstiftningen sammanlagt 45 utlåtanden om regeringens propositioner och en U-skrivelse. Rådet för bedömning av lagstiftningen gav rekordmånga utlåtanden under året och fick således en mera heltäckande bild av lagberedningens kvalitet. Rådet gav utöver de samhälleligt mest betydande och mer omfattande regeringspropositionerna också utlåtanden om mindre regeringspropositioner.

Enligt rådets observationer var bristerna i regeringens propositioner 2021 mycket likartade som under de föregående åren. I utlåtandena fästes mest uppmärksamhet vid att propositionerna är begripliga och tydliga, att den kvantitativa bedömningen, kostnads- och nyttobeskrivningen är tillräcklig samt för det tredje att det finns behov av ändringar i lagen och i beskrivningen av nuläget. Rådet nämnde också vad som kan förbättras bland annat i fråga om att beskriva alternativa genomförandesätt, ställa upp mål samt bedöma risker och osäkerhetsfaktorer.

De propositioner som rådet bedömde 2021 var av något sämre kvalitet än tidigare år. Det syns också i genomsnittet av de standardutlåtanden som rådet har avgett.

I denna årsöversikt finns en sammanställning av rådets observationer av de utmaningar som konsekvensbedömningarna medför på längre sikt. Rådet oroar sig för kvaliteten på lagberedningen och fäster särskild uppmärksamhet vid hur lagberedningen leds och planeras. I årsöversikten granskas också hur rådets verksamhet och lagberedningen kan utvecklas.

Nyckelord ekonomiska konsekvenser, lagstiftning, bedömning, regeringspropositioner

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PREFACE

Social development is guided by legislation, and the aim of individual legislative projects is to bring about changes in society and its various activities. The direction of the changes is determined by political actors: the Government and Parliament. Political actors are always forced to take decisions on the basis of incomplete information. However, decisions should be taken based on the best possible understanding of the impact of the proposed statutes, of whether the new or amended legislation will lead to the changes that are politically desirable and of what kind of undesirable side effects can be expected.

It is therefore an incontrovertible fact that, in order to strengthen the relevance and effectiveness of legislation, it is worth improving the quality of law drafting and, in particular, impact assessments. The Organisation for Economic Co-operation and Development (OECD) has also been encouraging Member States for years to invest in the quality and scope of impact assessments and in monitoring the preparation and quality of impact assessments. For quality control, the OECD has recommended the establishment of independent and impartial oversight bodies. With the establishment of the Council of Regulatory Impact Analysis six years ago, Finland launched a new function to improve the quality of legislative drafting and ensure the knowledge base for political decision-making. The ultimate purpose of the Council's work is to ensure the realisation of Parliament's right to information.

This annual review describes, based on the Council's six years of experience, the problems that ministries have in impact assessments and other quality of legislative drafting related to impact assessments, and recommends measures to remedy them. We also want to highlight successes, as we do in our statements.

The comments, criticisms and recommendations contained in the statements of the Council of Regulatory Impact Analysis are not addressed to the individual law-drafter, but to the ministry. The Council is aware of the attention paid over the years to the management of legislative drafting, but it continues to see problems in resource allocation, the support of law-drafters, scheduling and the management of the process. Shortcomings in management have many direct and indirect effects, and the situation may eventually lead to increasingly difficult shortages of skills and resources of the law drafting system, as well as negative effects extending beyond the Government. The management of law drafting is the responsibility of the political leadership and leading officials of ministries. In the Government, serious attention must now be paid to the management of law drafting, and new measures must be taken.

Helsinki, 28 March 2022

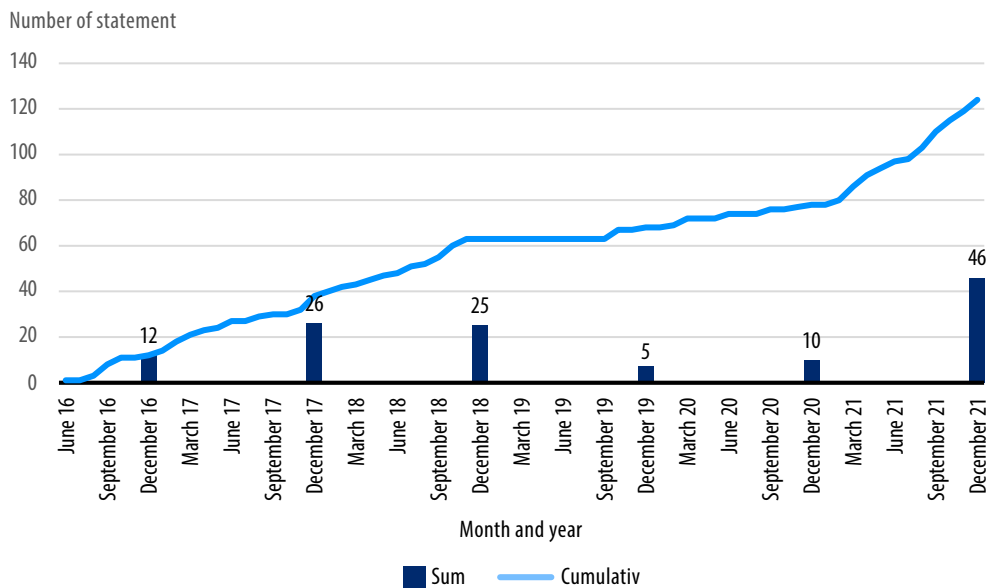
Leila Kostiainen
Chairperson

1 Activities in 2021

1.1 A change in rhythm altered the Council’s working methods and increased the number of statements

In early 2021, the Council of Regulatory Impact Analysis adjusted its working methods in order to allow the Council to deliver more statements than in previous years. The change in working methods was due to the fact that the Council did not receive enough statements to assess in 2020, so the number of statements was lower than planned that year. Apparently, the COVID-19 pandemic delayed the preparation of legislation not related to the management COVID-19. In early 2021, the Council wanted to ensure that it would have sufficient and steady work for the entire year, selecting nearly 50 new government proposals to be assessed. Following this change in rhythm, more proposals were submitted for assessment, and the Council issued statements steadily throughout the year. A record number of statements were made in 2021.

Figure 1. Total number of statements 2016–2021. There was a change of Government in 2019, so no draft government proposals were, naturally, submitted to the Council for assessment immediately before or immediately after the change of Government.



Notes: The number of statements in 2016 includes one prepared statement, which was not published because the ministry responsible took the proposal to Parliament before the statement could be published. The number of statements in 2017 includes two such statements.

The analysis of a larger number of statements also required changes in the Council's internal work. In the past, a presentation was made on each government proposal selected for assessment at a Council meeting. After the change in rhythm, almost all the proposals were dealt with without a prior presentation in a written procedure. This new procedure enabled more draft proposals to be processed during the year. In other words, the members of the Council examined the draft government proposals and the draft statements prepared by the secretariat of the Council independently. The Council commented on the draft statements and subsequently approved them by means of written procedure. However, the most significant projects were presented at Council meetings.

In the past, the Council of Regulatory Impact Analysis focused on evaluating government proposals of economic and social importance. This emphasis was dictated by limited resources. The Council has issued a statement on approximately 10% of government proposals each year, and it is therefore important that the selected proposals cover the most important legislative projects. In 2021, the Council also assessed smaller and medium-sized government proposals because of the large number of new proposals selected.

In autumn 2021, the Council again selected more than 20 new government proposals to be submitted to Parliament for assessment during the spring session of 2022. Experiences of the change in the rhythm of operations were positive, and it was decided to continue the model. The flow of statements remained steady throughout the year, but, on the other hand, the increased number of statements substantially increased the Council's workload.

The Council considers that the change in rhythm has not only increased the number of statements, but has also given the Council a more comprehensive picture of the level of legislative drafting. A broader knowledge base will enable the Council to better assess the quality of legislative drafting, which is one of the Council's core tasks.

1.2 The speed of legislative drafting also places the Council in a tight spot

The Council's change in rhythm initially caused tension in ministries' schedules, as a surprisingly large number of proposals were selected for evaluation at once. Indeed, the Council received a large number of requests to process proposals more quickly than in four weeks. However, the requests did not stop after the transitional period but have continued. The Council keeps the processing times of its statements under constant

review. In 2021, statements were processed in an average of 18 days, with a median processing time of 16 days.¹

In the Council's experience, the timetable of legislative drafting is very tight, which probably leads to the Council being asked to consider government proposals as quickly as possible. The Council is very concerned about the fact that the law-drafters have to prepare projects on too tight a schedule. According to the statistics of the Council, the proposals are also submitted to Parliament quite shortly after the Council issues its statement. In other words, the urgency continues after the Council gives its statement.

Due to the change in rhythm, more finance acts than usual were also reviewed in 2021. The timetable of finance acts is tight so that they can be submitted to Parliament within the time limit. In 2021, the Council reviewed 17 finance acts, which represented more than a third of all statements issued during the year. However, some of the finance acts were submitted to the Council well in advance, avoiding any time pressure. The Council has endeavoured to consider finance acts as quickly as possible, where appropriate.

The Council finds requests to expedite the statement process challenging, as the Council needs sufficient time to analyse the proposals comprehensively. The Council hopes that it will be given the opportunity to carry out its work within the time reserved. Careful examination of proposals and preparation of statements takes time.

1.3 Impact of the pandemic on the Council

In 2020, the coronavirus pandemic also marked the work of the Council, as the Council secretariat assisted the Prime Minister's Office with tasks related to the pandemic. In 2021, the situation returned to normal, but in spring 2021, the Council secretariat was involved in the preparations for lockdown measures linked to the pandemic. However, the tasks were fairly limited and did not significantly interfere with the Council's other work.

During the past year, Sitra examined the role of the Council of Regulatory Impact Analysis during the coronavirus pandemic and published a memorandum on the subject.² The memorandum pointed out that the Council had been seen as acting independently and impartially, but disqualification resulting from the secretariat's other temporary tasks with

¹ The figures include public holidays. In addition to public holidays, the averages and medians of the processing days are extended by the fact that the review includes proposals submitted just before and during the summer holidays, leading to processing times clearly longer than the average. In addition, ministries are informed of the draft statement to be issued 24 hours before its publication, so the processing dates are, in practice, a day shorter.

² [Lainsäädännön arviointineuvoston rooli korona-aikana \(Role of the Council of Regulatory Impact Analysis during the COVID-19 pandemic\)](#), Härkönen, Hanna-Riitta, Sitra 2021.

regard to one proposal that the Council would otherwise have chosen to examine raised concerns about the Council's independence and impartiality.

The Council has not further analysed the impact of the pandemic on law drafting and, in particular, on the preparation of impact assessments. However, it can be presumed that the pandemic has affected the resources and scheduling used in the preparation of ministries' law drafting projects in some way. For example, more urgent government proposals may have been prioritised and resources may have been transferred to the preparation of pandemic-related regulation. The Council is not aware of the underlying factors that have influenced the preparation of the law drafting projects of the draft government proposals analysed by the Council.

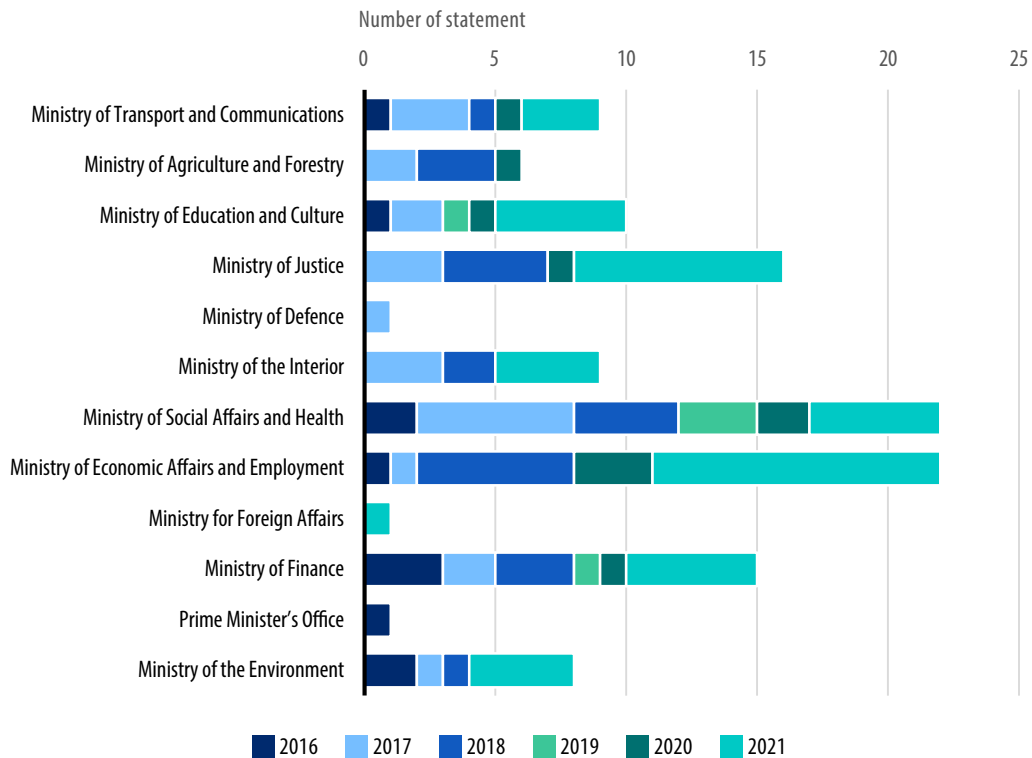
1.4 Statements in 2021

In 2021, the Finnish Council of Regulatory Impact Analysis issued 45 statements on government proposals and one statement on a Union communication. The statements of the Council covered nearly 20% of all government proposals submitted to Parliament in 2021. The total number of pages of the proposals analysed was just under 5,000 pages. In addition, the Council issued seven statements to parliamentary committees on government proposals submitted to Parliament, whose draft proposals the Council had already issued a statement on. This means that, in total, the Council issued 53 statements in 2021. Detailed information on the statements issued is described in Appendix 2.

1.5 Observations on government proposals and impact assessments

In the period 2016–2021, the Finnish Council of Regulatory Impact Analysis issued the most statements on proposals submitted by the Ministry of Economic Affairs and Employment, the Ministry of Social Affairs and Health, the Ministry of Justice and the Ministry of Finance. This is explained by the fact that these ministries prepare many government proposals. The Council issued the least statements on proposals by the Ministry for Foreign Affairs, the Prime Minister's Office and the Ministry of Defence, as these ministries engage in less law drafting. In 2021, the Council issued a statement on a draft proposal from the Ministry for Foreign Affairs for the first time. Figure 2 shows the statements issued by ministry in 2016–2021.

Figure 2. Statements issued by the Council of Regulatory Impact Analysis by ministry in 2016–2021.



In spring 2018, the Council adopted a set of standard appraisals to describe its opinion on the quality of the draft proposal. The standard appraisals make reference to the guidelines for impact assessment in legislative drafting (Ministry of Justice 2007). Each statement of the Council is accompanied by one of the following appraisals:

1. The Council finds that the draft government proposal meets the requirements of the guidelines for impact assessment in legislative drafting. The Council has only minor suggestions for additions to the draft proposal.
2. The Council finds that the draft government proposal to a large extent complies with the guidelines for impact assessment in legislative drafting. The Council recommends that the draft government proposal be supplemented in accordance with the Council's statement prior to its submission to Parliament.
3. The Council finds that the draft government proposal to some extent complies with the guidelines for impact assessment in legislative drafting and

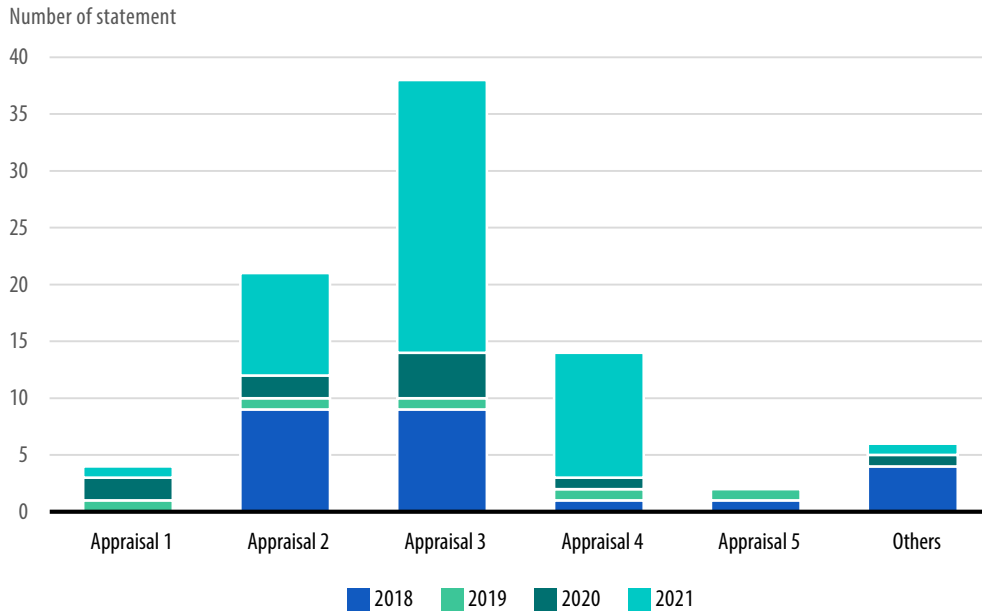
The Council recommends that the draft proposal be corrected in accordance with the Council's statement prior to its submission to Parliament.

4. The Council finds that the draft government proposal is deficient from the perspective of the guidelines for impact assessment in legislative drafting. The draft proposal must be corrected in accordance with the Council's statement prior to its submission to Parliament.
5. The Council finds that the draft proposal is highly deficient. The draft proposal is unlikely to provide a foundation for any sufficient and reasoned understanding of the proposal or its economic and social impacts. Unless the shortcomings are addressed, submission of the proposal to Parliament is discouraged.³

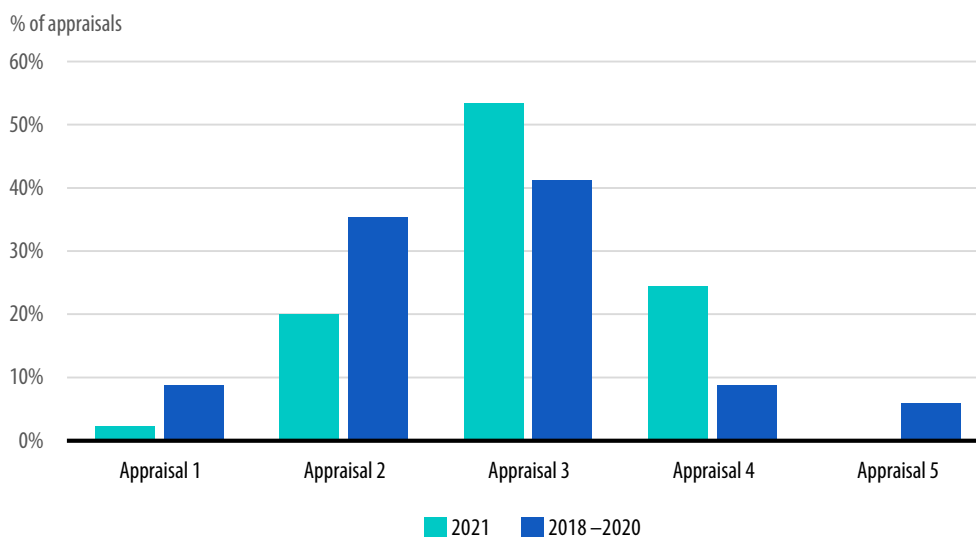
Figure 3 illustrates the distribution of standard appraisals issued by the Council in the period 2018–2021; appraisal 1 refers to the highest and appraisal 5 to the lowest standard. The category "Other" refers to proposals reviewed prior to the introduction of the standard appraisal system mid-way through 2018. Moreover, Union communications were not accompanied by a standard appraisal. The distribution of appraisals shows that the majority of the government proposals assessed by the Council received the middle appraisal. The second most common appraisal was #2, which is the second highest appraisal. The third most common appraisal given by the Council was the second lowest appraisal. In addition to these, some of the proposals analysed were also accompanied by the lowest or highest appraisal. Figure 3 also shows that the appraisals issued tend slightly towards the higher end of the scale; higher appraisals were, as a whole, issued slightly more often than the lowest ones.

³ The last sentence may be omitted in situations where it is practically impossible to withdraw the proposal.

Figure 3. Distribution of standard appraisals issued by the Council, 2018–2021



In the opinion of the Council, the quality of government proposals deteriorated slightly in 2021. As Figure 4 shows, almost a quarter of the proposals analysed received the second lowest appraisal in 2021. In previous years, the two lowest appraisal levels put together accounted for about one-seventh of the total number of appraisals in those years, so relatively more low appraisals were issued in 2021 than in previous years. However, the lowest appraisal was not issued at all in 2021. If a ministry were to be issued the lowest standard appraisal, the Chairperson of the Council would contact the minister concerned before the publication of the statement and ask whether the ministry wanted to withdraw its proposal. In 2021, the middle appraisal was also given proportionally more often than in the reference period. In turn, the share of the two highest appraisals decreased from the previous years; just under half (44%) of proposals received the highest or second highest appraisal in previous years, compared to slightly over one-fifth in 2021. In 2021, a proposal on a pension fund prepared by the Ministry of Finance was the only one to receive the highest appraisal.

Figure 4. Relative share of Council appraisals in 2021 and 2018–2020

Unlike in previous years, at the beginning of 2021, the Council selected a larger number of draft government proposals for analysis. In addition, the Council selected new proposals over the course of the year, drawing on the legislative plan for the plenary session term⁴. This change in rhythm may have contributed to ministries having less time to prepare the government's draft proposals. Some of the selected government proposals may have been prepared to a fairly large extent under the impression that the Council would not decide to issue a statement on the draft proposal. This may be the reason why the quality of proposals was slightly below normal. The Council draws attention to the fact that in 2021, the Council reviewed just under one-fifth of all draft government proposals. As a result, the Council has no knowledge of how impact assessments developed in the slightly over 80% of proposals it did not consider.

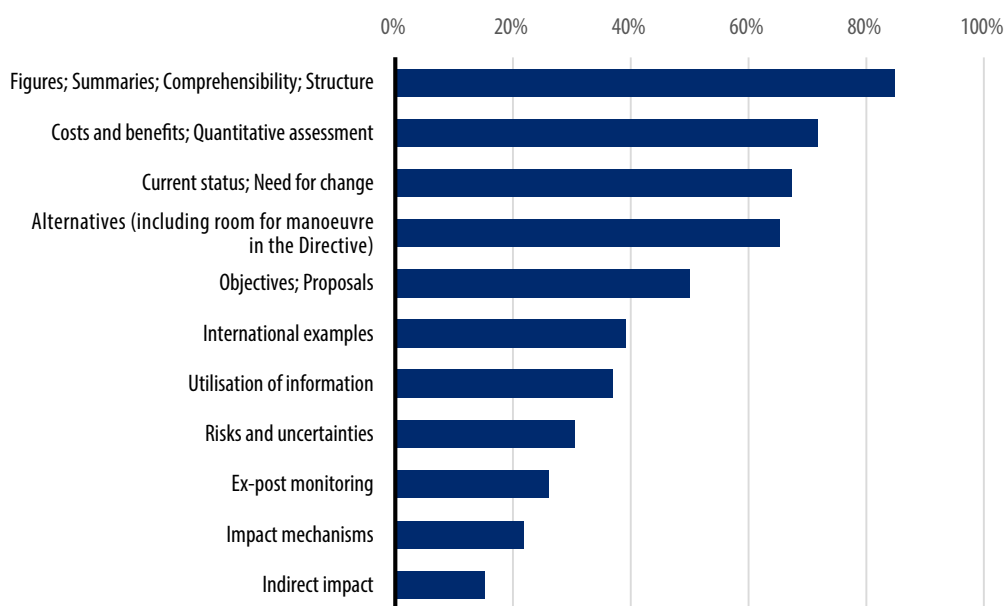
In 2021, the technical presentation of draft proposals and the clarity and comprehensibility of draft proposals were the most significant areas for improvement. Almost all draft proposals presented these technical issues. This means that the proposals were missing explanatory graphs and tables, the text lacked summaries, the source references were not appropriate or the structure of the text did not follow the impact assessment guidelines. In addition, there was room for improvement in the comprehensibility of draft proposals, which made it difficult for those unfamiliar with the subject to understand the key content. More than two-thirds of the draft proposals processed had shortcomings in quantitative estimates. In practice, this means that the

4 <https://valtioneuvosto.fi/lainsaadantosuunnitelma>

scale of the change, the number of target groups or the allocation of costs and benefits was not sufficiently understood. The third most common cause of comment by the Council were shortcomings in the description of the current situation, the reasons for the need for the amendment and what was to be amended. If the description of the current situation is very incomplete, it also makes it difficult to assess the change because the point of reference is unclear.

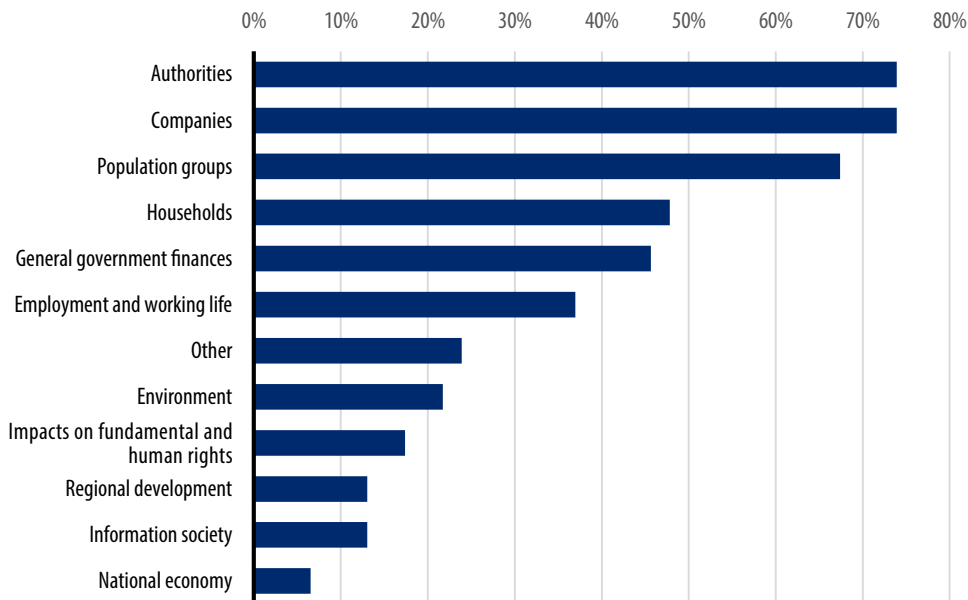
The fourth most common shortcoming was the description and evaluation of the alternatives, that is, how the objective could have been achieved through alternative means. This also includes comments on the application of EU-based proposals in national legislation. For proposals with an EU background, attention has sometimes been drawn to whether the national regulations go beyond the requirements of the Directives, and how this has been justified. The fifth largest number of comments was on the description of the objectives and key proposals. In half of the proposals, it remained unclear what the aim of the proposal was, or the description of the key proposals lacked specifics. In the opinion of the Council, referring to an item in the Government Programme is not sufficient as the objective of the proposal. In addition, shortcomings were identified in international examples and comparisons, in the description of risks and uncertainties, in the use of data, in follow-up monitoring, in the description of impact mechanisms and in the identification of indirect impacts. However, there was more variation in the occurrence of these shortcomings.

Figure 5. The most common areas for improvement in draft government proposals by angle of analysis in 2021



In the view of the Council, the main shortcomings in draft proposals have remained fairly similar throughout the Council's operation. However, the quantitative assessments have improved somewhat in recent years, although they still show shortcomings. Compared with previous years, technical deficiencies and observations on comprehensibility have been recorded more precisely, but their large number is surprising. On the other hand, technical deficiencies are difficult to compare with previous years, as statistics are now more accurate.

In 2021, the Council paid particular attention to the impact on public authorities, companies and different population groups (Figure 6). The most common areas for improvement are not surprising in themselves, as almost all legislative proposals have an impact on authorities, companies and different population groups. More than two-thirds of the draft proposals discussed had deficiencies in these categories. The deficiencies in the impact on the authorities were typically related to the description of resources and the organisation of activities. The description of costs and benefits had to be improved for companies and for the impact on different types of companies. Impacts on different population groups include, for example, impacts on children, youth, older people, people with disabilities, different genders and people with different socio-economic status. The effects are typically related to health, legal security, language and access to services – in other words, factors that are in various ways related to people's smooth everyday life. Draft proposals are generally able to describe the impact on the administration and the authorities quite well, but the impact on the users and customers of the services may be rather incomplete. For example, if reforms are made to healthcare, working life or social services, the administrative aspect is well recognised, but the assessment of the impact on the best interests of the child, the unemployed, older people or users of health services is lacking.

Figure 6. Most common development targets by area of impact in 2021

About half of draft proposals had shortcomings in the assessments of impacts on households and public finances. Observations on households and public finances were typically related to insufficient description of costs and benefits. In addition, the Council paid some attention to the fact that households and municipalities, for example, are not all the same, so proposals should examine the impact on different groups. Deficiencies in the assessment of impact on employment and working life were found in about one-third of the analysed draft proposals. More than one-fifth of draft proposals were concerned with environmental impact. From time to time, the Council also commented on the fundamental and human rights implications of draft proposals, as well as their impact on regional development, the information society and the national economy. It is natural that less attention has been paid to these types of impact, because not all proposals have an impact on the national economy, for example. Occasional comments have also been made on issues related to synergies, security, crime prevention and civil society in the category of other impacts.

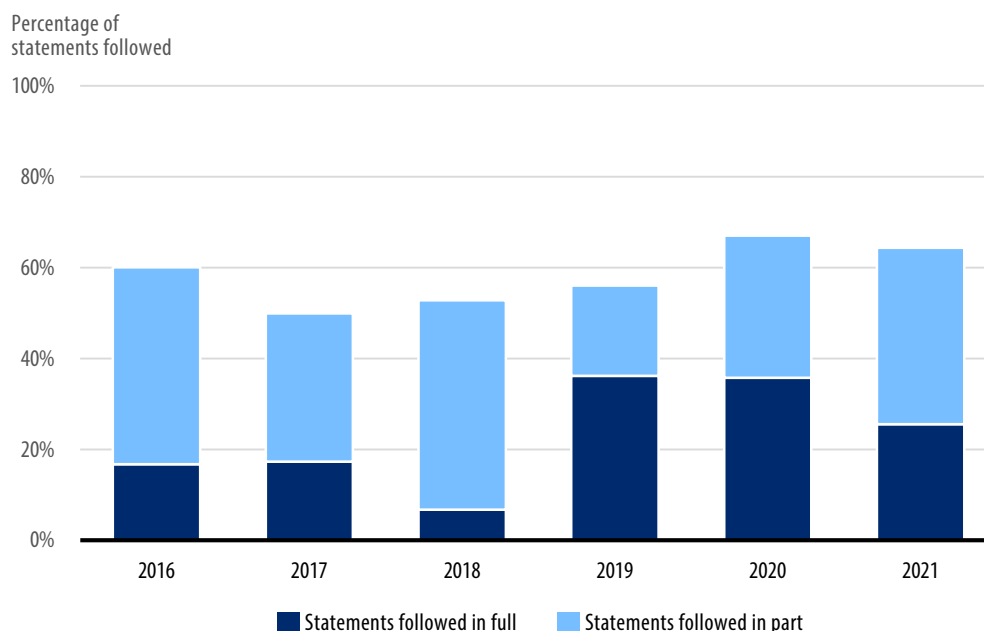
The Council monitors the effectiveness of its statements by examining how the recommendations made in those statements are followed. However, when examining the extent to which recommendations are followed, it should be noted that statements and the recommendations they contain are not fully consistent. The recommendation in the Council's statement may be very fundamental or, on the other hand, the recommendation may be technical in nature and of less importance. Technical deficiencies, such as the insertion of references and the rearrangement of texts, can be easily remedied in the

draft proposal. The situation is different if the statement of the Council recommends that a completely new impact assessment be carried out for missing relevant impact types. The number of recommendations in the statement may also contribute to how well the recommendations in the Council's statement are followed. If only a few recommendations of a technical nature are made in a statement to a well-prepared draft proposal, it is likely that the ministry will be able to amend the draft proposal very quickly. However, if the Council's statement on a draft proposal contains a substantial number of fundamental comments and the timetable for the ministry's law drafting project is tight, it will presumably be more difficult to follow the recommendations. For these reasons, the extent to which the recommendations are followed should be considered as an indicative measure of the effectiveness of the statements.

The Council may have made several recommendations for one type of impact, which should also be taken into consideration when examining Figures 5 and 6. For example, there may have been several recommendations for impact on companies in a single statement, and typically there may have been a number of slightly different types of comments on technical design and comprehensibility.

The Council has noted that draft proposals most often followed the recommendations set out on the front page of the summary of the Council's statement. This is regrettable, as the summary contains only a few key observations of the extensive statement.

The Council monitors the effectiveness of its statements by comparing government proposals submitted to Parliament with draft proposals submitted to the Council. In recent years, government proposals fully or partially followed some 50–60% of the recommendations made by the Council. In 2020, the share of statements followed increased. In 2021, slightly over 60% of the recommendations were followed, but there was a slight decrease from the previous year. It is noteworthy that the number of recommendations fully followed decreased. On the other hand, the year 2020 was somewhat exceptional due to the small number of statements. 2017 and 2018, during which quite many statements were issued, might be more appropriate benchmarks. Compared to these years, the percentage of recommendations followed increased slightly.

Figure 7. Following of recommendations included in the Council's statements 2016–2021*

* The data in the figure are based on the following number of statements: 2016 (N = 11); 2017 (N = 21); 2018 (N = 24); 2019 (N = 5); 2020 (N = 8); 2021 (N = 36).

1.6 Communications and interaction in Finland

The Council continued its interaction with the administration and stakeholders almost as in previous years. The year included, for example, administration training sessions, meetings of the RegWatchEurope network and meetings with ministries and stakeholders. The COVID-19 pandemic reduced communication somewhat, but not to any great extent. Appendix 1 provides a more detailed description of the Council's interactions in 2021.

The Council has considered it important to maintain dialogue with the administration, political decision-makers and other stakeholders. This enables discussing any difficulties in legislative drafting and impact assessment and obtaining feedback on the Council's work. The Chairperson of the Council also gave several interviews in the media. Presentations on the Council and training provided in ministries and various events on legislative drafting have also been considered important.

In addition to meetings and presentations, the Council communicates about its activities electronically. The Council regularly publishes its statements and the corresponding news items on its website in Finnish and Swedish. The news items are also published on the

Government's Twitter account. The website also contains a description of the Council's activities in Finnish sign language.

1.7 International activities

The COVID-19 pandemic affected the work of RegWatchEurope, the European network of councils of regulatory impact analysis, in 2021 in that all meetings and workshops took place online. Otherwise, operations continued normally. There were two meetings of the board, two meetings at the secretariat level and four workshops. The chairpersons of the member states of RegWatchEurope met with Commission Vice-President Maros Šefčovič in September 2021. The discussions covered, among other things, the plans of the Council and Parliament of the European Union to systematically adopt principles of better regulation and how EU legislation could be implemented more effectively in the Member States.

The RegWatchEurope workshops discussed many topical issues and made many convergent findings about legislative drafting and the role of the councils. For example, in proposals on EU-based regulation, going beyond minimum regulation without proper justification seemed to be a common problem in every country. The workshops also discussed how to adequately take megatrends, such as climate change, cybersecurity, digitalisation and urbanisation, into account in impact assessments. In this respect, the Council of Regulatory Impact Analysis is in a better position than many other similar councils operating in Europe, as the broad focus of the Finnish Council forces a broad perspective of analysis. An exchange of views on the ex-post evaluation of regulatory costs concluded that regulatory cost monitoring is a rather narrow approach to the ex-post evaluation of regulation. Broader ex-post evaluation is still needed. At the end of the year, discussions were held on how to improve the credibility, legitimacy and importance of councils of regulatory impact analysis. Some supporting elements were found: independence and impartiality of the councils, the ability of the councils to assess proposals as early as possible, informal advice and guidance alongside statements, sufficient resources, support from policy makers and high-level expertise of the councils. Self-evaluation of the effectiveness of the councils' work was seen as difficult, and external evaluations were therefore considered important.

While there was less participation in the OECD in 2021 than normal due to the coronavirus pandemic, RegWatchEurope continues to have close contact with the OECD experts on regulatory policy. One of the themes of RegWatchEurope's workshops were the findings

of the OECD Regulatory Policy Outlook⁵ on the functioning of institutions such as councils and the strengthening of the relevance, legitimacy and credibility of the councils. According to the OECD, the councils have a crucial role to play in promoting informed decision-making, a broad view of legislative drafting and, more generally, the quality of regulation. The OECD estimates that, in addition to economic aspects, impact assessments must take consider social aspects (such as poverty, equality and innovation).

5 OECD (2021), *OECD Regulatory Policy Outlook 2021*, OECD Publishing, Paris, <https://doi.org/10.1787/38b0fdb1-en>.

2 Observations of the Council of Regulatory Impact Analysis for the 2019–2022 term

The term of the Council of Regulatory Impact Analysis will expire in April 2022. This annual review is the last of the Council for the 2019–2022 term. This chapter presents general observations on the quality of law drafting and the activities of the Council in the entire 2019–2022 term.

The ultimate objective of the Council of Regulatory Impact Analysis is to improve the quality of legislative drafting. The main task of the Council is to assess the quality of the impact assessments of government proposals. The impact assessments of a government proposal are linked to other parts of the government proposal, such as the clarity of the objectives, the general comprehensibility of the government proposal and the presentation of alternatives. A key observation throughout the term is that the Council has repeatedly had to address points in government proposals that are not directly related to impact assessment, but that are essential for the comprehensibility of the impact assessments.

2.1 Management and planning of law drafting

The Council considers it important that the legislative project is well planned from the outset. Law drafting is a long process in which early choices influence the direction of the project. It is therefore important that the objectives of the proposal, the alternative means of implementation, as well as the benefits and costs, are genuinely and seriously weighed up at an early stage. In this case, the preparation is based on careful consideration and the best means of promoting the objectives are selected. Changing the basic ideas of the project at a later stage may be challenging or even impossible. Early impact assessment is also important for projects with an EU background, in order to identify the relevant guidelines for the effects of projects that are relevant to Finland even before the Commission's proposal is issued.

Statements of the Council of Regulatory Impact Analysis should not be seen as a hindrance to legislative drafting but as an essential part of monitoring and improving

the quality of drafting. The Council's statements provide information on the quality of law drafting. The change in rhythm of the Council of Regulatory Impact has contributed to the stabilisation of the place of Council as part of the law drafting process. Due to the change in rhythm, people have become familiar with the Council's process in an increasing number of projects.

Nevertheless, the Council is often asked to expedite the statement procedure even though the procedure has largely been carried out more quickly than the standard four-week processing period. Legislative drafting by ministries still faces major challenges in terms of adapting the timetables so that the Council's statement is an established part of the drafting process. Law-drafters occasionally find it difficult to adapt the statement process of the Council to the timetable of the law drafting project, even though the Council has informed the ministry well in advance, even a year or two earlier prior to submittal to Parliament, of the selection of the proposal for consideration.

The Council of Regulatory Impact Analysis reviews how its statements have been followed in the final government proposals. The Council has paid particular attention to the degree of compliance with statements for many years. From time to time, parliamentary committees have also asked to hear the Council on the basis of its statements. There are government proposals that take very little account of the findings of the Council's statements. It is noteworthy that in many cases the government proposal is submitted to Parliament very soon after the publication of the Council's statement.

It is difficult, if not impossible, to follow the statement of the Council of Regulatory Impact Analysis if the timetable for the law drafting project is too tight. The purpose of the Council's statement is to improve the quality of the government proposal and to support Parliament's decision-making. If the statement is not followed, the purpose of the statement is not fulfilled.

The Council of Regulatory Impact Analysis considers it a matter of principle how the management of legislative drafting supports the process planning and scheduling of law drafting. Urgency is a permanent element in society, as well as in law drafting. The Council does not consider urgency a valid reason for ministries to repeatedly disregard the statements of the Council of Regulatory Impact Analysis in the law drafting. Fortunately, there are also positive examples of how carefully statements have been followed in the drafting of legislation. For example, the government proposal for an act on the Sallatunturi National Park (HE 104/2021) takes good account of the observations made in the Council's statement (VN/3045/2021). In addition, the government proposal to Parliament for acts on the legal status of foreigners collecting natural products and amending Section 6 of the Act on the Grey Economy Information Unit (HE 104/2021) is a good example of following the recommendations of the Council's statement (VN/2691/2020-02).

The Council considers that disregarding the Council's statements is done not only due to urgency in the legislative drafting, but also due to the untimeliness of submission of the government proposal to the Council and the management of the legislative process in ministries. Ministries should schedule the submission of draft government proposals to the Council late enough that the proposal is sufficiently ready, but early enough that the ministries are able to take into account the feedback given in the statement. In practice, this means that ministries have sufficient time to carefully review the statement and to modify or commission impact assessments of the draft government proposal.

The process of legislative drafting must be better planned and managed, both by leading officials in ministries and by political leadership. This is partly made possible by better planning of law drafting projects, process management, adequate project scheduling and securing sufficient resources for law drafting and the necessary expertise for impact assessment. Recurring urgency in legislative drafting projects suggests that project resourcing and scheduling are not always in order. The Council of Regulatory Impact Analysis pays particular attention to this issue.

The leadership of ministries must ensure that sufficient time and resources are available for legislative drafting, taking into account the observations made in the Council's statements. The Council of Regulatory Impact Analysis cannot fulfil its purpose if the Council's statements are disregarded in the legislative drafting process. In this case, the quality of government proposals will not improve either. The Council is concerned and calls on ministries to take concrete steps to remedy this situation.

2.2 Assessment of the alternative means of implementation

During its past term, the Council drew attention to the fact that many of the draft proposals were incomplete in assessing alternative means of implementation. The evaluation of alternatives is an essential part of good legislative drafting.

According to the guidelines for drafting government proposals, a government proposal also includes a section on alternatives and their impact. According to the guidelines, the alternatives described are the main alternatives for the implementation of the objectives that were considered at the start of or during the drafting, and compare their estimated

impact. It is recommended that attention be paid to describing the means used in the statements and other consultations.⁶

When describing the alternatives, it is important to justify, on the basis of the estimated impacts of the options, why it is judged that the alternative means would not achieve the objectives of the proposal as well as the option chosen for the proposal. If necessary, the option of doing nothing is also taken into account in the comparison of alternatives.

Deficiencies in the assessment of alternative means of implementation may be due to the fact that policy guidance for law drafting projects is not always timely in terms of the requirements for good drafting practice. Poorly timed guidance undermines the assessment of alternative implementation methods in law drafting and the presentation of alternatives in government proposals. If the Government Programme specifies exact, very detailed means of solving the problem, the means locked down in the Government Programme make it difficult to assess other alternative implementation methods in law drafting. A policy on the way forward at an early stage of the law drafting process may also contribute to the fact that the government proposal does not adequately assess, or does not at all evaluate, alternative implementation methods to solve the problem.

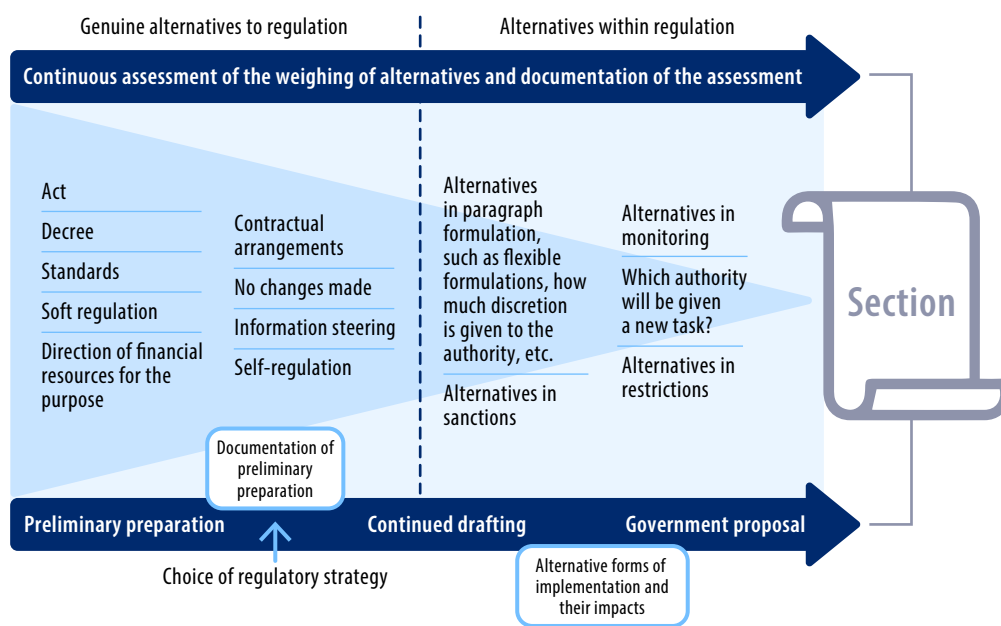
The Council has stated that the justification or impact assessments used on the basis of the Government Programme or other policy are usually not available from public sources. It is difficult for an external party to understand afterwards how and why a policy was formed, whether the chosen way forward is a justified way to achieve the goal, or whether the decision-making was based on knowledge. Badly timed political guidance limits good law drafting and the ability of officials to propose a justified way of solving the problem.

The assessment of alternative means of implementation is a broad concept. Alternatives to regulation can mean genuine alternatives to regulation, that is, deciding between legislation and other means of guidance. Legislation has been chosen as the regulatory strategy in a government proposal. In this case, the government proposal may also present as assessed alternatives other considered instruments, but also alternatives within the legislative framework. For example, depending on the subject of regulation, detailed or flexible paragraph formulations or, for example, different means of sanctioning may be an option within the legislative framework.

⁶ Guidelines for drafting government proposals, Ministry of Justice.

Figure 8 below illustrates the scope of the concept of alternative means of implementation. The figure illustrates how the actual alternatives to regulation are assessed at the initial stage of a legislative project. As the project progresses, a more detailed regulatory strategy is formulated by weighing genuine alternatives to regulation. Subsequently, the assessment of alternative means of implementation is condensed in the assessment of alternatives within the chosen regulatory strategy. For example, a project would choose legislation as a regulatory strategy. The options can then be assessed within the legislative framework. It is also essential that the weighing of options is carried out and the results of the assessment are documented.

Figure 8. Assessment of the alternative means of implementation in law drafting.



The guidelines for impact assessment of legislative proposals state that legal regulation is not always the only possible way to implement social reforms. In some cases, information, education, self-regulation by industry or social conditioning, for example, may be more effective than legislation in achieving societal goals. Identifying and evaluating the impacts of different options will also improve the opportunities for regulatory target groups, stakeholders and others to participate in the drafting. The assessment of the

impacts of the alternative means allows decision-makers to have sufficient and reliable information on the different options and their consequences.⁷

The Council finds the deficiencies in the assessment of alternative means of implementation problematic. The assessment of the alternatives provides information on the preferable option to achieve the objective. When a draft proposal has an extensive knowledge base and open assessment of alternatives, this also contributes to regulatory acceptability. Alternatively, the draft proposal may refer to other open material of the legislative project, which contains a more detailed assessment of the alternatives. The evaluation of alternatives also plays an important role for future legislative drafting and the ex-post evaluation of legislation. If it is subsequently found that the regulatory solution adopted was not the best way to solve the problem, the alternatives previously assessed can be utilised.

It is important that alternative means of regulation are genuinely and seriously explored and discussed during the regulatory process. Only then can the identification of alternatives effectively benefit law-drafters and improve the quality of regulation. A genuine and varied analysis of the alternatives will also benefit policymakers, who will then be able to ensure that the legislative proposal is based on careful consideration. The opportunities of stakeholders to assess the legislative proposal also improve if the explanatory memorandum of the proposal informs about the regulatory alternatives.

2.3 Purposes of the act

During the past term, the Council has also repeatedly paid attention to how draft government proposals describe the purposes of the act. The purposes of the act are not always clearly stated. Draft government proposals may even describe the enactment of the act as the purpose of the act in itself. Some proposals failed to state the purposes of the act.

The purpose of the act should indicate what the act is intended to affect or promote, or what problem is to be solved by enacting the act. An act is only one means to achieve an objective, and the means in itself cannot be the purpose of the act. According to the guidelines for drafting government proposals, the objectives must be set out in the government proposal in such concrete terms that the significance of the act as a means of achieving the objectives can be understood. The means of achieving the objectives are presented in the section of the government proposal on key suggestions, which outlines

⁷ Impact assessment of legislative proposals. Publications of the Ministry of Justice 2007:6. p. 7.

what the proposal proposes in order to achieve the objectives and why the proposal is a justified means of achieving the objectives.⁸

The objectives of the act are relevant for impact assessments, because without a clear objective, the effects of the act cannot be properly assessed. Impact assessments should indicate the impact on society of achieving the objective. Insufficiently or too broadly described objectives of the act are one of the reasons why the effects of the act fail to materialise as expected. If the objectives and means of the act are disproportionate, the objectives of the act cannot be achieved in full. For example, if a very limited and minor legislative amendment describes the objective of the act as the promotion of employment or children's rights, the fight against crime, etc., it is clear that a minor legislative amendment will not bring about very great changes that would achieve the stated objective.

A clear and sufficiently precise objective of the act will also contribute to the implementation of ex-post evaluations. Ideally, the objectives of the act can be used to describe and give concrete expression to the factual and legal situation that the legislative proposal is expected to bring about. This requires that the legislative process pays attention to the assessment setting in order to make a genuine assessment of the achievement of the objectives.

2.4 Focusing on the essentials

During its term, the Council has also paid attention to the comprehensibility of draft government proposals and the description of relevant issues. The comprehensibility of draft proposals is important in order to obtain, for example, a sufficient grasp and understanding of the purpose, object, manner of implementation, measures and effects of the regulation for decision-making and application of the act.

The Council considers it good practice for draft proposals to present the relevant issues in a concise manner and to refer to any existing reports and studies. In this way, the draft proposal will remain a clear and coherent whole, but the information used as its basis will be available for further consideration. From time to time, the Council has had to call attention to the fact that the draft proposal does not set out clearly the information on the basis of which the draft proposal has been prepared. The draft proposal may lack meaningful references to research information or the draft proposal's impact assessments present a claim without further justification. For example, it is not clear from the claim

⁸ Guidelines for drafting government proposals, Ministry of Justice.

whether it is based on information obtained during the drafting by officials, on a scientific study or on some other source.

The Council has paid some attention to the fact that the impact assessment sections of some draft proposals also include texts that are not impact assessments, such as a description of the current situation or existing regulations, the objectives of the act or the text of how the act should be applied. For the sake of comprehensibility, impact assessment sections should focus only on the impact of the draft proposal. The Council considers it important that impact assessment focuses purely on the types of impact relevant to the draft proposal. In this way, the draft proposal remains a succinct and comprehensible whole.

The Council has also drawn attention to the fact that the impact assessment section does not necessarily describe the uncertainties or justify the absence of relevant impact assessments. Naturally, a government proposal does not always have an impact of all existing types of impact, and it is not always necessary to justify the absence of such assessments. However, if the draft proposal fails to present the relevant impacts, for example due to the complexity of their assessment or other reasons, stating the reasons for the uncertainties and shortcomings related to the impact assessment would increase the comprehensibility of the draft proposal. The absence of ex-ante impact assessments can then be supplemented with a more detailed impact assessment through ex-post evaluation. It is important to know why it has not been possible to assess any relevant impact and how, despite this, the impact will be monitored and evaluated at a later stage.

In addition, the Council has drawn attention to the fact that economic impact assessments are often described broadly in verbal terms. An aggregate description of the essential costs and benefits of the draft presentation in table format would increase comprehensibility. The table should also distinguish between direct and indirect impacts. In addition, the economic impacts do not adequately describe the impacts through the ranges.

2.5 Deficiencies in consultation

In the course of the past term, the Council also had to draw attention to shortcomings in the consultation of legislative drafting projects. A major shortcoming in the consultation process is, for example, neglecting to carry out any formal consultation round in the legislative drafting project. The Council considers the lack of a consultation round as poor legislative drafting practice. Consultations and the consultation round process of the legislative drafting project provide relevant information from stakeholders on the effects of the proposed changes. Consultation is an activity closely supporting impact assessment.

2.6 Ex-post evaluation

Ex-post evaluation has also been a theme to which the Council has drawn attention on several occasions during its term. In 2019, the Council sponsored an initiative to implement a system⁹ of ex-post evaluation of legislation, accompanied by a background note¹⁰. The specific considerations set out in the background note remain relevant and the background note justifies the general objectives of ex-post evaluation and its importance for the impact assessment of legal acts.

The Council welcomes the fact that the development of ex-post evaluation of legislation has progressed in the Government. The Ministry of Justice has a project for the development of ex-post evaluation of legislation in the Government, the aim of which is to develop and harmonise ex-post evaluation of the impact of legislation in the Government¹¹. In the summer of 2021, the Government's cooperation group for the development of law drafting requested a statement on the development of ex-post evaluations of legislation. In addition, a report on the current state of practicality and ex-post evaluations of acts and related development proposals was published in April 2021 with VN-TEAS funding¹².

However, during its past term, the Council continued to draw attention in its statements to the occasional shortcomings in the descriptions of draft proposals on the organisation of the implementation of acts and the monitoring of their impacts. In particular, the importance of the implementation of acts and impact monitoring is emphasised if there is a high degree of uncertainty in the preliminary impact assessments of the draft government proposal or if, due to various challenges, the relevant types of impacts could not be adequately assessed. In such a situation, it is important to examine the realisation of the objectives of the act and the realised effects through monitoring of the implementation of the act and ex-post evaluation of the impacts.

9 Initiative of the Council of Regulatory Impact Analysis to the Prime Minister's Office to create a system for ex-post evaluation of legislation on 27 March 2019.

10 Background note to the initiative of the Council of Regulatory Impact Analysis of 27 March 2019.

11 Project number OM041:00/2021

12 Ex-post Evaluation of Regulation: State-of-the-art Analysis and Recommendations. Rantala, Järvikangas, Pitzén, Kautto, Ahonen, Uusikylä, Jaakkola, Saarela, Aaltonen & Carling. 2021.

3 Performance, effectiveness and risk factors

3.1 Inputs and costs

In 2021, the Finnish Council of Regulatory Impact Analysis held a total of 12 meetings (21 January, 11 February, 11 March, 29 April, 20 May, 10 June, 26 August, 23 September, 14 October, 4 November, 25 November and 16 December). Until August, the meetings took the form of video conferences, followed by three meetings in person, which could also be attended by video conferencing. Due to the deterioration COVID-19 situation, the last two meetings of the year were organised as video conferences. The meeting attendance rate among Council members was 93%.

The Council's workload in 2021 was exceptionally high due to the change in rhythm. A record number of statements were issued, which required the Council to push itself, especially as the members of the Council work in it alongside their own duties. The draft government proposals and draft statements are studied outside the meetings, so independent perusal is emphasised in the Council's work.

The costs arising from the Council consist primarily of the salaries of its secretariat. The secretariat consists of two senior ministerial advisers, and in August 2021 a senior specialist started working in the secretariat. A planning officer has assisted the secretariat and the Council in various assignments and practical matters. A trainee assisted in the compilation of data for three months, especially for the annual review.

The Prime Minister's Office handles the communication of the Council's statements and provides IT support. In addition, the Prime Minister's Office provides facilities for meetings. Meeting catering costs remained relatively low in 2021, as the coronavirus pandemic led to meetings being held mainly in the form of video conferences. No travel expenses were incurred at all.

The annual fees paid were EUR 8,800 for the Council members and the specialist, EUR 11,000 for the vice-chairpersons and EUR 17,600 for the chairperson. The basis for the fee is a monthly fee, which is paid for 11 months.

3.2 Self-assessment by the Council

The Council also monitors the outputs, quality and effectiveness of its own activities. The Council conducted a self-assessment survey in spring 2022 for the members of the Council. On the basis of the self-assessment survey, an external evaluation of the Council's activities and effectiveness was deemed necessary. On the whole, the Council was pleased with its activities.

3.2.1 Productivity and efficiency

In 2021, the Council selected a total of 71 government proposals for evaluation. From the previous year, 25 draft government proposals had been postponed to 2021. Forty-seven of the new proposals selected were received for evaluation in 2021.

The Council had selected for evaluation a government proposal to amend the Auditing Act (Working group preparing for the introduction of a light audit, project number TEM007: 00/2019), which did not reach the Council for evaluation as it did not progress in the ministry. In addition, the Council cancelled the analysis of the draft government proposal on amending the Debt Collection Act in December (project number OM001: 00/2021). The cancellation of the analysis was due to the fact that the Council was at the same time analysing several large draft government proposals, and would have been unable to process the proposal to amend the Debt Collection Act within the four-week timeframe.

The Council's change in rhythm speeded up the discussion of statements, allowing for a larger number of statements than in previous years. However, the relatively large number of statements was based not only on changes in internal working methods, but simply on an increase in the number of draft proposals selected.

3.2.2 Effectiveness

By changing the rhythm and increasing the resources of the secretariat, the Council has been able to improve its effectiveness, as it has been able to issue more statements than in previous years. A record number of statements were issued and the processing times remained under four weeks.

The effectiveness of the Council can be measured by assessing how well the final government proposals followed the Council's statement. The Council measures the

degree of compliance with the statements, and the findings for 2021 are presented in the preceding paragraphs.

The monitoring of the degree of compliance with the Council's statements establishes the impact of the Council on the individual government proposal. Urgency in legislative drafting and its impact on the way in which the Council's statements are followed in ministries have been described above. The effectiveness of the Council in individual statements is also affected by the actual ability of the ministry officials' drafting to follow the Council's statement in the law drafting project.

The broader effectiveness of the Council can be assessed by examining the preliminary impact of the Council's activities on the legislative drafting of ministries. The main effect of the Council is that it is likely to improve the quality of government proposals and their impact assessment by enabling ministries to anticipate the possibility of analysis and prepare in advance. When the risk of being analysed is known, impact assessments are carried out more carefully. Changing the rhythm of the Council and stabilising the increase in the number of statements is likely to increase the Council's ex-ante impact on the legislative process.

Another purpose of the Council is that its statements are followed by ministries and that lessons are learned on what kind of impact assessments are expected. In this case, the Council's activities can be expected to influence the legislative drafting culture. In its statements, the Council has also sought to highlight positive findings from impact assessments, so that good practice in impact assessments would also become established in other ministries.

Measuring the Council's effectiveness on the legislative drafting culture is challenging. Obtaining a more accurate picture of the Council's effectiveness would require sufficiently objective and scientific study. The study should possibly assess the quality of government proposals during the period prior to the establishment of the Council and compare them with the draft government proposals submitted throughout the existence of the Council and also with the quality of the draft government proposals analysed by the Council. A comparison would require a sufficient control group to assess whether the existence of the Council has affected the quality of draft government proposals. Naturally, other societal variables, such as other measures that have improved or degraded the quality of drafting, should also be taken into account in the assessment. The Council considers it important that the Council's work and effectiveness be evaluated regularly, for example each term, by an external body.

The effectiveness of the Council can also be examined from the perspective of what observations the Council raises about the development targets and shortcomings

of legislative drafting and how society reacts to those development targets and shortcomings. For example, the Council previously made an initiative to develop ex-post evaluations of legislation, and the matter has progressed in the Government.

3.2.3 Quality

The quality of the Council's work can be examined by assessing the consistency of the analyses in Council's statements. It is the opinion of the Council that its statements are fairly consistent and pay equal attention to the same issues. However, statements must take into account the special characteristics of draft government proposals, and not all draft proposals are fully comparable. In order to obtain a reliable evaluation, an external assessment of the quality of statements should be commissioned.

The Council has considered its very diverse range of expertise as a guarantee of the quality of its work. The different skills and backgrounds of the members of the Council ensure that statements consider different perspectives and take a broad view of issues from a wide range of perspectives.

During 2021, the Council drew attention to the layout of the statements. The statement template was restructured and the layout harmonised and made more accessible.

3.3 Risks

The Council has identified some risks for the activities of the Council.

The fact that the Prime Minister's Office may assign other tasks to the secretariat has been seen as a risk to independence and impartiality of the Council. In 2021, Sitra examined the role of the Council of Regulatory Impact Analysis during the coronavirus pandemic and published a memorandum on the subject.¹³ The memorandum pointed out that the Council was seen as acting independently and impartially but, according to Sitra's memorandum, disqualification resulting from the secretariat's other temporary tasks with regard to one proposal that the Council would otherwise have chosen to examine raised concerns about the Council's independence and impartiality. The temporary tasks of the Council secretariat were exceptional and due to the coronavirus situation. The increase in the secretariat's resources made the realisation of this risk in the future less likely. In the

¹³ [Lainsäädännön arviointineuvoston rooli korona-aikana \(Role of the Council of Regulatory Impact Analysis during the COVID-19 pandemic\)](#), Härkönen, Hanna-Riitta, Sitra 2021.

future, it will be easier to ensure that any other exceptional tasks are allocated within the secretariat in such a way that there is always a permanent representative of the secretariat available to support the Council's activities.

The Council has identified as a risk the fact that, from time to time, there have been various requests for the Council to provide more concrete advice on the implementation of impact assessments for a single legislative preparation project or contribute to the planning of ministries' impact assessments. In this, the Council sees a risk of compromising its independence and impartiality. The Council is a regulatory oversight body. If the Council were involved in the preparation and planning of impact assessments, it could not objectively assess the completed impact assessments. The Council assesses completed impact assessments and has an independent and impartial role. Its duties do not include producing new, broader or better impact assessments for the legislative project under assessment. The Council does consider it of the utmost importance to have sufficient support and knowledge for the planning and commissioning of impact assessments in legislative drafting, but the independent and impartial status of the Council would not allow for such action.

The Council sees the time constraints imposed by legislative drafting as one of the risks to its activities. The Council is often asked to issue its statement as soon as possible so that the Council's statement will not delay the drafting. There is often not enough time reserved by ministries to go over the Council's statement. Too tight a timetable for legislative drafting runs the risk that the Council will not be able to fulfil its purpose of improving the quality of legislative drafting and impact assessments.

The members of the Council work in the Council alongside their own duties. The increase in the number of statements at times leads to a cumulation of workload to the point that the members of the Council are dissatisfied with their ability to adequately carry out their duties. However, they do not wish to reduce the number of statements. This means that the development of the Council's internal working methods will continue in the future.

Furthermore, one of the risks in the activities of the Council is the proportionality of the workload and the remuneration of the chairperson and Council members. If the remuneration for the workload is not proportionate, there may be a risk of difficulties in attracting members to the Council and committing members to the time-consuming position.

4 Looking ahead

The term of the Council will expire in April 2022. The new Council will continue the operations and development of the Council. The Council strives to issue 30–50 statements each year, with the aim of ensuring and increasing the effectiveness of the Council in the future as well. The Council considers that, in the future, it would be important to legislate on the role of the Council and to establish the post of secretary-general in the Council secretariat. The Council considers that the effectiveness of its activities and the more specific reasons for the quality of the impact assessments of government proposals should be examined by means of a separate study or investigation.

In addition to developing its own activities, the Council also considers it important to develop legislative drafting in the Government. The Council considers that the more precise reasons for disregarding the Council's statements in the final government proposals should be investigated. The information obtained through the investigation could be used to tackle the root causes that prevent ministries from following the Council's statements.

4.1 Development of the Council's activities

4.1.1 The role of the Council of Regulatory Impact Analysis should be laid down by law

A government decree has been adopted on the Council of Regulatory Impact Analysis.¹⁴ In order to ensure the continuity of the established operations of the Council of Regulatory Impact Analysis, the role and tasks of the Council should be laid down by law. This would safeguard the independent status, effectiveness and continuity of the Council and ensure measurement of the quality of legislative drafting in the future.

It would also provide an appropriate opportunity to review the modus operandi of the Council and its coordination with drafting. For example, it should be considered whether, in the future, the Council could issue a second statement on the same government

¹⁴ [Government Decree on the Council of Regulatory Impact Analysis 1735/2015](#).

proposal in situations where the Council has had to issue the lowest appraisal on a draft government proposal.

The rule of law has deteriorated in a few EU countries. Experience in recent years has confirmed that established authorities and their bodies are an essential part of safeguarding democratic rule of law. The Council of Regulatory Impact Analysis can be seen as an institution monitoring the quality of legislative drafting. The Legislative Council is mentioned in the chapter on the rule of law situation in Finland in the European Commission's 2020 Rule of Law Report¹⁵, which identifies impact assessments as part of Finland's particularly inclusive implementation of legislation.

At the moment, there is no political or other pressure or threat on the Council of Regulatory Impact Analysis that could undermine the Council's capacity to act. Preparedness and risk management require prior action in order to ensure continuity of operations. For example, there are political pressures on the continuity of the operations of the Norwegian equivalent of the Finnish Council of Regulatory Impact Analysis. In Finland, it is good to assess the role of the Council at a time when the Council is not under external pressure.

From time to time, the Council has to issue very critical statements on government proposals. It is important that reliable information on government proposals is obtained to support parliamentary decision-making. In addition, the rest of society, such as various organisations and individuals, have the right to monitor the operations of the supreme decision-making bodies. It is important that the Council's independent and impartial role continue to be safeguarded in the future, irrespective of the political climate.

Laying down the status of the Council of Regulatory Impact Analysis in law would support the development of the quality of legislative drafting and Parliament's right to information, and would promote society's confidence in legislative drafting. The role of the Council as an institution supporting an open society and the rule of law should be strengthened by providing for the Council at the legislative level. Furthermore, it would strengthen the independent and impartial role of the Council.

¹⁵ European Commission (2020) Commission Staff Working Document. Rule of Law Report 2020. Chapter on the Rule of law situation in Finland. Accompanying the document. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. The rule of law situation in the European Union.

4.1.2 The post of secretary-general for the Council of Regulatory Impact Analysis

As a result of the Council's change in rhythm at the beginning of 2021, the number of statements has increased considerably. Through the large volume of statements, the work of the Council gains impact, and the Council has set itself the target of delivering 30–50 statements each year on draft government proposals.

According to the Government decree on the Council, the Council is independent and impartial, and there has been no outside influence from the Prime Minister's Office or political actors in practice. In order to safeguard the independence of the Council, it is important that the chairperson of the Council be able to direct the Council and the preparation and consideration of its statements independently and impartially. The chairperson of the Council has been appointed by the Government. The remuneration for the task is EUR 1,600 per month for 11 months a year. Based on experience, the current operational management of the Council secretariat takes up to half of the overall working time of the chairperson. This does not correspond to the remuneration for the task and is not possible alongside full-time work.

The secretariat of the Council, which is responsible for the practical drafting work in support of the Council, is located in the Prime Minister's Office. There used to be two specialists in the secretariat. In 2021, the secretariat was reinforced with a third drafter. The main task of the Council secretaries is to prepare proposals for the Council's statements and, after discussion in the Council, to finalise them.

In a situation in which the number of statements delivered by the Council has increased considerably, in fact multiplied, there is a need for a stronger and more structured resourcing of the integrated management of statement preparation in order to maintain the consistency of statements and the views and positions expressed therein. On the other hand, the day-to-day and operational work of the chairperson should be reduced and, at the same time, the Council should be further strengthened by the creation of the post of secretary-general of the secretariat. The secretary-general's role would be to act as secretary to the Council, to prepare statements and otherwise to support the work of the Council. The secretary-general would also steer the activities of the other secretaries, support them and ensure the consistency of the statement procedure. The secretary-general would also be responsible for the activities of the secretariat and for the planning and development of its activities.

The OECD recommends to its member countries a wide range of measures to improve the quality of regulation and legislation. One way is to set up independent external oversight bodies to assess the quality of regulation. This could be done from the perspective of the quality of impact assessments of legislation in general or the assessment of the

regulatory burden in more detail. The OECD recommends that the authority of the regulatory oversight body should be set forth in mandate, such as a statute or executive order¹⁶. According to the OECD, the oversight bodies should be adequately resourced and independent from political decision-making and governance. On the other hand, the distance from practical legislative drafting should not be too great. The post of secretary-general would strengthen the Council and ensure its adequate resources.

4.1.3 The effectiveness of the Council of Regulatory Impact Analysis should be examined

The Council considers it important to assess the effectiveness of its activities. In order to be able to assess its effectiveness reliably, an external study on effectiveness should be carried out. The Council considers it equally important to examine the reasons for the quality deficiencies in the impact assessments presented in government proposals.

4.2 Developing legislative drafting

4.2.1 Development landscape of legislative policy

The Council considers it important to actively and continuously develop legislative drafting in the Government. For its part, the Council monitors the direction of the development of legislative drafting in the Government and may, if necessary, take initiatives to improve the quality of legislative drafting.

During the past Council term, various legislative drafting development projects were under way in the Government. For example, the aim of the Action Plan for Better Regulation is to improve the quality, planning and transparency of the Government's legislative drafting through various measures. Separate projects summarised below have been set up in order to implement the objectives of the action plan. The duration of the action plan is 2020–2023, but some of the related projects may be extended. The steering group for the action plan is the cooperation group for the development of law drafting (LAKE cooperation group) set up by the Ministry of Justice.

The task of the LAKE cooperation group is to ensure cooperation between ministries in the development of legislative drafting. The tasks of the LAKE cooperation group

16 OECD (2012): Recommendation of the Council on Regulatory Policy and Governance, <https://www.oecd.org/gov/regulatory-policy/49990817.pdf>

include promoting the implementation of the Government Programme's objectives on the quality of legislative drafting projects, compliance with the principles of legislative drafting guidelines and good legislative drafting procedures, and the dissemination of good practices in legislative drafting, as well as reporting to the permanent secretaries' meeting on the challenges identified in the coordination and quality of legislative drafting and making suggestions for the development of the Government's legislative drafting. In order to prepare its various cases, the LAKE cooperation group has set up three sub-groups on competence development in law drafting, on the utilisation of technology and digitalisation in law drafting, and on impact assessment.

In June 2021, the LAKE cooperation group launched a project related to the Action Plan for Better Regulation to develop and harmonise ex-post evaluation of legislation in the Government. In September 2021, the cooperation group organised a public consultation round on how to develop ex-post evaluation. The project is based on the initiative of the Council of Regulatory Impact Analysis to create an ex-post evaluation system, as well as on reports published in recent years on the development of ex-post evaluations of legislation in Finland. A report on the current state of practicality and ex-post evaluation of regulation and related development proposals was published in April 2021 with VN-TEAS funding. Aalto University also carried out a related study in 2019.

The Ministry of Justice has set up a government network of expertise in impact assessment for a term from 18 December 2020 to 31 March 2023. The establishment of the network of expertise is linked to the Action Plan for Better Regulation and it cooperates with the impact assessment subgroup of the LAKE cooperation group. The aim of the network is to strengthen inter-ministerial cooperation and to support law-drafters in identifying and assessing impacts. The main task of the network is to ensure that a contact person is available in each ministry, through whom the drafter can obtain further information on the needs of the impact assessment in matters related to the ministry's field of activity.

In addition, the Government is currently preparing guidelines for the impact assessment of new legislative proposals. The aim of the new guidelines is to improve impact assessments of legislative proposals. The project is based on the Action Plan for Better Regulation and is led by the LAKE cooperation group. All ministries participate in the work of the cooperation group, and a permanent expert from the Council secretariat is also involved.

The Action Plan for Better Regulation sets out two actions to improve the use of technology and digitalisation in legislative drafting. The first relates to the development of the knowledge base for legislative drafting by improving the usability of the material supporting legislative drafting. The second action relates to development projects

to improve the usability of the Finlex database and to develop the automation of the preamble and reference texts. Other separately decided development projects can also be initiated in connection with the utilisation of digitalisation.

The Action Plan for Better Regulation will improve the quality of legislative drafting by developing indicators on the quality of legislative drafting. In connection with this, a VN TEAS project will be implemented to prepare the ground for the possible introduction of quality indicators for the legislative drafting process. The project will be completed in December 2022. The first part of the project will prepare a proposal for quality indicators or an analytical framework for the legislative drafting process based on a research study. The second part of the project will create a proposal using the indicators set out in the first part, gathering data based on indicators to analyse and assess the current quality of the legislative drafting process.

In addition, the Ministry of Economic Affairs and Employment is chairing the working group on streamlining legislation with a term from 10 February 2020 to 31 March 2023. The working group cooperates with the LAKE cooperation group and may also collaborate with the Council of Regulatory Impact Analysis and its secretariat, as well as with the EU Secretariat. The tasks of the working group are to steer the expansion of the 'One in, One out' pilot in the Government, to support and coordinate the streamlining of the regulation of enterprises and to support and promote the implementation of the Government Programme's measures to streamline the regulation of companies. In addition to these, the working group is tasked with discussing initiatives to streamline regulation at EU level.

The Council considers it important to take measures to improve and promote the quality of legislative drafting. Improving the quality of the various areas of legislative drafting will also contribute to improving the quality of impact assessments. Impact assessments are an integral part of the entire legislative process, so improving the quality of impact assessments also requires the various stages of the legislative process to function properly. During its term, the Council has highlighted the challenges influencing impact assessment that arise more generally in law drafting. These challenges include, for example, recurring urgency in legislative drafting, as well as shortcomings in presenting the objectives, means and effects of the act and in describing and evaluating alternative implementation methods. If there are challenges in organising, managing and resourcing law drafting, it does not help to have, for example, guidelines of high quality for impact assessments and ex-post evaluations. The smooth application of guidelines and operating practices requires sufficient time resources and ensuring expertise in the regulatory drafting project.

4.2.2 Improving how Council recommendations are followed

The Council considers it worrying if the observations and recommendations made in its statements are disregarded in the final government proposals. It would be good to examine more precisely the reasons why the recommendations of the statements are not always followed in ministries. The Council considers it important to gain a better understanding of what could be improved in the legislative process in order for the Council's statements to be followed. One way could be for the Council, after giving its statement, to discuss with the ministry how the statement will be taken into account.

4.2.3 Arrangement of impact assessment in the Government

The Council considers it a good practice to have a network of expertise in impact assessment. Cooperation between ministries in developing and carrying out impact assessments is important. It is good that the Government has contact persons, through whom the drafter can obtain further information on the needs of the impact assessment in matters related to the ministry's field of activity. In addition, the updating of the guidelines for regulatory impact assessments and the promotion of their visibility among the law-drafters are to be welcomed.

Regulatory impact assessment is currently the responsibility of each ministry. There is no comprehensive information available on the resources, workload and scheduling pressures of ministries' law-drafters, but presumably there may be differences between ministries in the culture of regulatory drafting and the resourcing of projects.

Impact assessments cannot be carried out with good quality if there is a lack of the required time or expertise. There should be more teamwork with shared responsibilities in legislative drafting. The Council considers that impact assessments should not only be the responsibility of the individual law-drafters, but that, as a general rule, impact assessments should be carried out by several specialists in ministries. On the other hand, there may be situations in which the application of many methods in impact assessment requires special expertise in the field, so the drafters should receive help from other ministries or, for example, from universities or research institutes outside the Government.

The Council considers that it would be useful to gather information in the Government on how the preparation of impact assessments and the organisation of support are coordinated in different ministries. The information could be used to gain insight into good practice in ministries in order to improve impact assessments.

5 Finnish Council of Regulatory Impact Analysis

5.1 Tasks and composition of the Council of Regulatory Impact Analysis

The Government Decree on the Finnish Council of Regulatory Impact Analysis (1735/2015) entered into force at the start of February 2016. The Council is tasked with carrying out analysis of the impact assessments of draft government proposals. The Council is an impartial and independent body. Administratively, the Council is based in the Prime Minister's Office.

Under the Decree, the Council has the following duties:

1. to issue statements on the impact assessments included in draft government proposals;
2. to issue statements also on the impact assessments of other draft legislation;
3. to submit initiatives towards improving the quality of law drafting and in particular the quality and performance of impact assessments;
4. to benchmark the impacts of legislation against assessments;
5. to monitor the development of the quality of impact assessments and to assess the effectiveness of its own operations; and
6. to submit an annual review of its operations to the Prime Minister's Office.

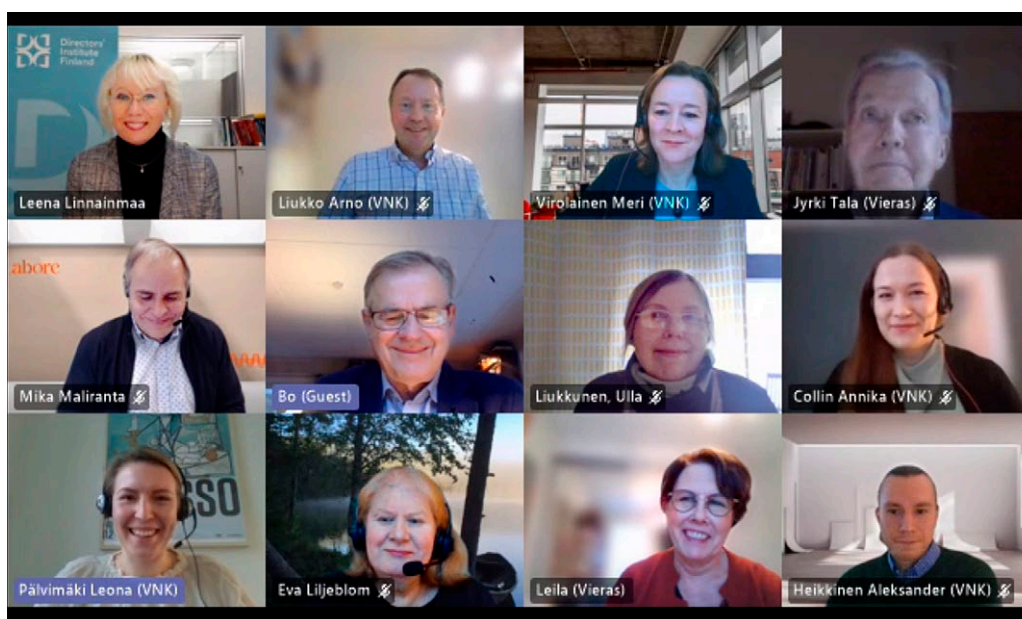
The Council consists of a chairperson, two vice-chairpersons and a maximum of six other members.¹⁷ The chairperson and other members of the Council are appointed by the Government for a term of office of three years. The Council must possess expertise in both law drafting and the various impact areas assessed. The Council selects two vice-chairpersons from among its members. The Prime Minister's Office appoints the Council secretaries and possible permanent experts. The Council has three full-time secretaries who are assigned to the Office's Government Session Unit.

¹⁷ The duties, composition and appointment of the Council are reviewed in more detail in the Government decree explanatory memorandum (21 December 2015).

The government plenary session appointed the chairperson and members of the Council of Regulatory Impact Analysis for the first term in April 2016. Since 2017, the Council has been chaired by Leila Kostiainen, LL.M.

On 21 March 2019, the government plenary session appointed the Council for its second term running from 15 April 2019 to 14 April 2022. Leila Kostiainen continued as chairperson of the Council. Secretary General Leena Linnainmaa and Professor Jyrki Tala have served as the vice-chairpersons. The other members are Senior Adviser Bo Harald, Professor Eva Liljebloom, Professor Ulla Liukkunen and Professor Mika Maliranta. Senior Government Adviser Arno Liukko serves as the Council's permanent expert appointed by the Prime Minister's Office. Senior Ministerial Advisers Antti Moisio and Meri Virolainen have worked in the Council's secretariat. Senior Specialist Annika Collin started as the third secretary on 9 August 2021. Coordinator Leona Pälvimäki has worked as an administrative assistant and Aleksander Heikkinen, B.Soc.Sc., was a trainee at the unit starting from 1 October 2021.

Figure 9. Photograph of a video conference of the Council, 20 January 2022



5.2 Issuance of statements on draft government proposals

A key duty of the Finnish Council of Regulatory Impact Analysis is to issue statements on draft government proposals. The Council scrutinises proposals only after the consultation round but before they are submitted to the Government for adoption. The Council

selects independently the draft government proposals taken under consideration. For example, the Government's legislative programme and legislative plans are utilised in the selection. While the emphasis in selection is on economic and social significance, the Council also strives for equal coverage of ministries as well as randomness. The Council typically focuses on law-drafting projects of broader than average scope, such as key Government projects or legislation that is otherwise of considerable significance to society. Nonetheless, the Council aims to issue statements on draft government proposals of all scopes, meaning that less extensive projects are also subjected to analysis.

The Council analyses the degree of assessment of the impacts of draft legislation. The Council bases its work on guidelines for impact assessment of legislative proposals and on guidelines for drafting government proposals.¹⁸ In this analysis, the Council adopts a holistic perspective, taking into account economic, environmental and social impacts as well as impacts on the authorities in equal measure. Social impacts involve matters such as due process, gender equality or service availability. The Council pays attention to the impacts of legislative projects on fundamental and human rights. In addition, the Council reviews also the other sections of each draft proposal's rationale: the current situation, main proposals, alternative solutions and the implementation plan. The Council examines the consistency of the draft proposal and the quality of its drafting. The criteria employed by the Council parallel the recommendations issued by the OECD.

The work of the Council takes place near the end of the legislative drafting process. The Council is, therefore, not involved in the drafting work of the draft proposal. Weighing in on the constitutionality of draft proposals is also excluded from the Council's ambit.

When the Council decides to take a certain government proposal under consideration, the relevant ministry is immediately informed. The ministry is asked to provide the Council with as finalised a version as possible of the relevant proposal. In other words, the Council undertakes its analysis at the final stage before decision-making. The Council thus defers its comments until after the end of the regular consultation round. The four weeks or so reserved for the Council to prepare its analysis start to run once the government proposal has been received by the Registry. The ministry should also reserve time for making possible corrections after the statement has been issued. Statements are published once they have been adopted by the Council.

The Council's statements are public and are published on the Council's website [Council of Regulatory Impact Analysis – Prime Minister's Office \(vnk.fi\)](#). News of statements are also published on the Council's website, and they are announced on Twitter. The website moreover contains a list of the draft government proposals already selected for analysis.

18 <https://julkaisut.valtioneuvosto.fi/handle/10024/76082> and <http://helo.finlex.fi/>

Appendices

Appendix 1 Presentations, meetings and other activities of the Finnish Council of Regulatory Impact Analysis, its chairpersons and secretariat

| Date | Event/Body | Role/Purpose | Participants |
|-------------|--|---|-------------------------------------|
| 19 January | Tehy union, effects of the health and social services reform | Introduction | Kostiainen |
| 22 January | OECD video seminar: "Effective and innovation-friendly rulemaking in the Fourth Industrial Revolution" | Participation in the seminar | Kostiainen Moisio Virolainen |
| 27 January | LAKE subgroup on the development of impact assessment | Presentation of the work plan of the network of expertise in impact assessment | Moisio |
| 5 February | Consultation of Parliament's Committee for the Future: Impact assessment and development objectives in Finnish legislative drafting. Publication of the parliamentary Audit Committee 1/2020. (Publication in Finnish.) | Presentation of a statement at the committee hearing | Moisio |
| 9 February | Consultation of Parliament's Environment Committee on improving impact assessment | Presentation of a statement at the committee hearing | Virolainen |
| 11 February | Financing and Management Forum of the Association of Finnish Local and Regional Authorities (RAFO) | Panel discussion on "The future of local government finances – decentralised administration?" | Moisio |
| 17 February | Webinar of the Forum for Environmental Information: "Synergies and interfaces in legislative projects in preparation" | Comments on the seminar's proposals from the perspective of the Council of Regulatory Impact Analysis | Moisio Kostiainen, participation |
| 18 February | Law drafting lessons | Presentation of impact assessments and the Council | Virolainen |
| 19 February | Parliament's Legal Affairs Committee | Consultation | Kostiainen |
| 22 February | Seminar of Industrial Employees TP | Participation | Kostiainen |

| Date | Event/Body | Role/Purpose | Participants |
|-------------|--|---|--|
| 26 February | Parliament's Social Affairs and Health Committee | Consultation | Kostiainen |
| 8 March | LAKE seminar | Address | Kostiainen |
| 10 March | RWE-OECD seminar | Participation | Kostiainen |
| 12 March | Economic seminar of the six largest cities: Municipal economy in the grip of the health and social services reform | Presentation with the title: "City investments: an international perspective and the Finnish health and social services reform" | Moisio |
| 15 March | Morning coffee session for law-drafters on impact assessment of legislative proposals | Presentation on the establishment of a network of expertise in impact assessment | Moisio Kostiainen, participation |
| 15 March | RegWatchEurope workshop: "Scrutiny of transposed EU legislation: methodology, requirements, challenges" | Participation in the seminar | Virolainen |
| 15 March | Meeting of the Council of Regulatory Impact Analysis and leading officials of the Ministry of the Environment | Discussion | Kostiainen Linnainmaa Moisio Virolainen |
| 16 March | RegWatchEurope secretariat meeting | Participation in the meeting | Virolainen |
| 16 March | Meeting of the STTK health and social services reform team | Introduction on the effects of the health and social services reform | Kostiainen |
| 17 March | SILE, silent agents in legislative drafting | Address | Kostiainen |
| 24 March | Municipal social and health care reform days of the Association of Finnish Local and Regional Authorities | Participation (in panel discussion) | Kostiainen |
| 12 April | Presentation of the Australian law-drafting system (Satu Pentikäinen, Senior Advisor/ Ministry of Finance) | Discussion | Harald Kostiainen Moisio Tala Virolainen |
| 13 April | Sitra's interview on the role of the Council during the pandemic | Interview | Kostiainen |
| 19 April | Sitra's interview on the role of the Council during the pandemic | Interviews with the Secretariat | Virolainen Moisio |

| Date | Event/Body | Role/Purpose | Participants |
|----------|---|--|------------------------------------|
| 22 April | Discussion at the Ministry of Finance on municipal finances and the reform of health and social services | Discussion | Moisio |
| 6 May | Yle, Marja Sannikka, Quality of legislative drafting | Interview | Kostiainen |
| 6 May | Fourth annual conference of the Commission's Regulatory Scrutiny Board | Participation in the conference | Moisio Virolainen |
| 10 May | Network of expertise in impact assessment, ex-post evaluation | Address | Kostiainen |
| 10 May | Sitra-commissioned interview on the role of the Council during the pandemic | Giving an interview | Moisio |
| 19 May | Government introductory course in legislative drafting: Impact assessment as part of the legislative drafting process | Providing training for ministry officials | Moisio Virolainen |
| 21 May | Meeting of the legislative drafting development group | Giving a presentation on the Council's 2020 annual review | Virolainen |
| 26 May | Hearing on the reform of the impact assessment guidelines for legislative drafting | Chairperson's address at the hearing | Kostiainen Moisio Virolainen |
| 31 May | Hearing on the revision of the impact assessment guidelines – financial implications | Participation in the hearing | Moisio Virolainen |
| 1 June | RegWatchEurope workshop: "Regulatory Oversight and Strategic Foresight" | Participation in the workshop | Kostiainen Virolainen |
| 2 June | Meeting of the Board of RegWatchEurope | Participation in the meeting | Kostiainen Virolainen |
| 8 June | Meeting of the performance audit network of the National Audit Office. | Presentation: "Developing legislative impact assessments – the functioning of the Council and other recent projects" | Moisio |
| 8 June | Hearing on the revision of the impact assessment guidelines – environmental impact | Participation in the hearing | Virolainen |
| 11 June | Ministry of Finance's financial system survey, interview | Giving an interview | Moisio |

| Date | Event/Body | Role/Purpose | Participants |
|--------------|--|--|---|
| 17 June | Permanent Secretary Kirsi Varhila, the Council's statements | Discussion | Kostiainen |
| 24 June | Hearing on the revision of the impact assessment guidelines – effects on humans | Participation in the hearing | Kostiainen Virolainen |
| 2 September | Meeting of the impact assessment network of the Ministry of the Environment on ex-post evaluation | Giving a presentation | Virolainen |
| 9 September | Swedish Regeringskansliet's report on the development of legislative impact assessment in Finland, interview | Giving an interview | Moisio |
| 10 September | Meeting of the legislative drafting development group | Presentation of the current status of the Council's EU project | Virolainen |
| 14 September | Erkka Railo, Mustread, quality of law drafting | Interview | Kostiainen |
| 14 September | RegWatchEurope workshop: "Follow-up of costs" | Participation in the workshop | Collin Virolainen |
| 15 September | RegWatchEurope secretariat meeting | Participation in the meeting | Collin Virolainen |
| 14 September | Seminar of the Ministry of Finance on the segregation development in municipalities. | Participation in a panel discussion | Moisio |
| 17 September | RWE meeting with Vice-President Šefčovič of the EU Commission, Brussels | Discussion | Kostiainen |
| 13 September | Meeting of the Finnish Evaluation Society: methodology workshop | Giving a presentation on the Council | Virolainen |
| 27 Sept. | Permanent secretaries' meeting, topical news from the Council | Introduction | Kostiainen |
| 8 October | Meeting with State Secretary Haapajärvi on strengthening the role of the Council | Discussion | Kostiainen |
| 21 October | Meeting with Permanent Secretary Timonen on strengthening the role of the Council | Discussion | Kostiainen |
| October | Interview with members of the Council by the Confederation of Finnish Industries | Interviews with the Council | Harald Kostiainen Linnainmaa Maliranta |

| Date | Event/Body | Role/Purpose | Participants |
|-------------|---|---|--|
| 19 November | Parliament's Administration Committee | Consultation | Kostiainen |
| 26 November | Updating Democracy by Sitra, release | Comment | Kostiainen |
| 30 November | RegWatchEurope workshop: "OECD's Regulatory Policy Outlook" | Participation in the workshop | Kostiainen Collin Heikkinen Pälvimäki Virolainen |
| 1 December | Meeting of the Board of RegWatchEurope | Participation in the meeting | Kostiainen Virolainen |
| 2 December | European Commission's video conference on better regulation | Participation in the conference | Kostiainen Virolainen |
| 13 December | Government introductory course in legislative drafting: Impact assessment as part of the legislative drafting process | Providing training for ministry officials | Moisio Virolainen |

Appendix 2 Statements and standard appraisals issued by the Finnish Council of Regulatory Impact Analysis in 2021

| Name of draft proposal | Government proposal/Union communication No. | Ministry responsible | Draft proposal received from ministry | Statement issued, date | Processing time, working days | Number of pages in draft proposal | Standard appraisal |
|--|---|---|---------------------------------------|------------------------|-------------------------------|-----------------------------------|--------------------|
| Government proposal for an act amending the Waste Act | HE 40/2021 vp | Ministry of the Environment | 25 January 2021 | 15 February 2021 | 16 | 279 | 2 |
| Government proposal to Parliament for an act on government support for the development of entrepreneurial activity 2021–2028 | HE 46/2021 | Ministry of Economic Affairs and Employment | 12 February 2021 | 22 February 2021 | 7 | 60 | 4 |
| Government proposal to Parliament for an act on the prevention and compensation of damage caused by protected species | HE 154/2021 | Ministry of the Environment | 17 February 2021 | 3 March 2021 | 11 | 56 | 3 |
| Government proposal to Parliament for acts amending the act on the promotion of the use of biofuels in transport and certain other acts | HE 48/2021 | Ministry of Economic Affairs and Employment | 18 February 2021 | 15 March 2021 | 18 | 69 | 3 |
| Government proposal on amending the Gene Technology Act | HE 49/2021 vp | Ministry of Social Affairs and Health | 1 March 2021 | 9 March 2021 | 7 | 29 | 3 |
| Government proposal to Parliament for an act on the legal status of foreigners collecting natural products and for an act amending Section 6 of the Act on the Grey Economy Information Unit | HE 42/2021 | Ministry of Economic Affairs and Employment | 02 March 2021 | 16 March 2021 | 11 | 33 | 2 |
| Government proposal for an act on the procurement of clean and energy-efficient vehicles for road transport | HE 70/2021 | Ministry of Transport and Communications | 8 March 2021 | 29 March 2021 | 16 | 61 | 2 |
| Government proposal for an act on the Ombudsman for the Elderly | HE 82/2021 | Ministry of Justice | 9 March 2021 | 25 March 2021 | 13 | 30 | 3 |
| Government proposal to Parliament for an act on the basis of the availability of government services and location of units and functions | HE 62/2021 | Ministry of Finance | 12 March 2021 | 9 April 2021 | 21 | 35 | 3 |

| Name of draft proposal | Government proposal/Union communication No. | Ministry responsible | Draft proposal received from ministry | Statement issued, date | Processing time, working days | Number of pages in draft proposal | Standard appraisal |
|---|---|---|---------------------------------------|------------------------|-------------------------------|-----------------------------------|--------------------|
| Government proposal to Parliament for acts amending the Act on Occupational Safety and Health Enforcement and Cooperation on Occupational Safety and Health at Workplaces, the Act on the Conformity of Certain Technical Devices to Relevant Requirements and Section 13 of the Act on the income information system | HE 94/2021 | Ministry of Social Affairs and Health | 16 March 2021 | 1 April 2021 | 13 | 63 | 4 |
| Government proposal for legislation implementing the Open Data Directive | HE 74/2021 | Ministry of Finance | 18 March 2021 | 14 April 2021 | 20 | 78 | 3 |
| Government proposal to Parliament for an Act on the Service Centre for Continuous Learning and Employment and related acts | HE 76/2021 | Ministry of Education and Culture | 1 April 2021 | 27 April 2021 | 19 | 82 | 3 |
| Government proposal to Parliament for an act amending the Act on temporary expenditure support for enterprises | HE 79/2021 | Ministry of Economic Affairs and Employment | 27 April 2021 | 29 April 2021 | 3 | 14 | 4 |
| Government proposal to Parliament for acts amending the Health Insurance Act, the Employment Contracts Act and the Act on Early Childhood Education and Care and related acts | HE 129/2021 | Ministry of Social Affairs and Health | 30 April 2021 | 28 May 2021 | 21 | 306 | 2 |
| Government proposal to Parliament for acts temporarily amending the Basic Education Act and the Act on European Schooling Helsinki | HE 93/2021 | Ministry of Education and Culture | 30 April 2021 | 6 May 2021 | 5 | 41 | 3 |
| Government proposal for an act on Salla National Park | HE 104/2021 | Ministry of the Environment | 6 May 2021 | 21 May 2021 | 12 | 17 | 3 |
| Government proposal to Parliament for acts amending the Lotteries Act and certain related acts | HE 135/2021 | Ministry of the Interior | 7 May 2021 | 2 June 2021 | 19 | 202 | 2 |

| Name of draft proposal | Government proposal/Union communication No. | Ministry responsible | Draft proposal received from ministry | Statement issued, date | Processing time, working days | Number of pages in draft proposal | Standard appraisal |
|---|---|---|---------------------------------------|------------------------|-------------------------------|-----------------------------------|--------------------|
| Government proposal to Parliament for acts amending the Act on credit information, Section 86 of the Act on payment services and Section 4a of the Criminal Records Act | | Ministry of Justice | 12 May 2021 | 9 June 2021 | 21 | 119 | 3 |
| Government proposal to Parliament for an act amending Section 1 of the Money Collection Act | HE 124/2021 | Ministry of the Interior | 26 May 2021 | 23 June 2021 | 21 | 181 | 3 |
| Government proposal on amending the Child Welfare Act | HE 170/2021 | Ministry of Social Affairs and Health | 15 June 2021 | 1 July 2021 | 13 | 50 | 4 |
| Government proposal to Parliament for acts amending the Act on the transport system and roads and Section 24 of the Act on railways | HE 138/2021 | Ministry of Transport and Communications | 17 June 2021 | 6 August 2021 | 37 | 84 | 3 |
| Government proposal to Parliament for acts amending the Act on the Bank and Payment Accounts Control System and the Act on the Financial Intelligence Unit | HE 163/2021 | Ministry of the Interior | 18 June 2021 | 16 August 2021 | 42 | 286 | 4 |
| Government proposal to Parliament for an act amending the Act on the Financing of Education and Culture and related acts | HE 147/2021 | Ministry of Education and Culture | 29 June 2021 | 27 August 2021 | 44 | 89 | 4 |
| Government proposal for the Act on Co-operation within Undertakings and related acts | HE 159/2021 | Ministry of Economic Affairs and Employment | 1 July 2021 | 6 September 2021 | 48 | 227 | 3 |
| Government proposal to Parliament for an Act on the recruitment support experiment and related acts | HE 160/2021 | Ministry of Economic Affairs and Employment | 8 July 2021 | 25 August 2021 | 35 | 54 | 2 |
| Government proposal to Parliament for acts amending sections 3 and 5 of the Aliens Act and the Act on the processing of personal data in immigration administration | HE 122/2021 | Ministry for Foreign Affairs | 30 July 2021 | 30 August 2021 | 22 | 68 | 3 |

| Name of draft proposal | Government proposal/Union communication No. | Ministry responsible | Draft proposal received from ministry | Statement issued, date | Processing time, working days | Number of pages in draft proposal | Standard appraisal |
|---|---|---|---------------------------------------|------------------------|-------------------------------|-----------------------------------|--------------------|
| Government proposal for the Act on parenthood and certain related acts | HE 132/2021 | Ministry of Justice | 10 August 2021 | 6 September 2021 | 20 | 150 | 4 |
| Government proposal to Parliament for an Act on electrification support for energy-intensive enterprises | | Ministry of Economic Affairs and Employment | 27 August 2021 | 16 September 2021 | 15 | 47 | 3 |
| Government proposal to Parliament for an act amending the Student Welfare Act | HE 165/2021 | Ministry of Education and Culture | 31 August 2021 | 20 September 2021 | 15 | 37 | 3 |
| Government proposal to Parliament for an act amending Section 12 of the Act on the Reception of Persons Applying for International Protection and on the Identification of and Assistance to Victims of Trafficking in Human Beings | HE 162/2021 | Ministry of the Interior | 2 September 2021 | 15 September 2021 | 10 | 22 | 3 |
| Government proposal to Parliament for acts amending the Consumer Protection Act and Section 4 of the Sale of Goods Act | HE 180/2021 | Ministry of Justice | 6 September 2021 | 28 September 2021 | 17 | 127 | 3 |
| Government proposal to Parliament for an act amending the Act on Vocational Education and Training | HE 191/2021 | Ministry of Education and Culture | 6 September 2021 | 21 September 2021 | 12 | 22 | 4 |
| Government proposal to Parliament for legislation on the reform of the service process for jobseekers and on certain conditions for receiving unemployment benefit | HE 167/2021 | Ministry of Economic Affairs and Employment | 15 September 2021 | 4 October 2021 | 14 | 178 | 3 |
| Government proposal to Parliament for an Act on the Transport of Dangerous Goods and related acts | HE 220/2021 | Ministry of Transport and Communications | 22 September 2021 | 11 October 2021 | 14 | 333 | 2 |
| Government proposal to Parliament for legislation on the processing of customer data and the service platform of the employment and economic administration | HE 225/2021 | Ministry of Economic Affairs and Employment | 24 September 2021 | 14 October 2021 | 15 | 115 | 4 |

| Name of draft proposal | Government proposal/Union communication No. | Ministry responsible | Draft proposal received from ministry | Statement issued, date | Processing time, working days | Number of pages in draft proposal | Standard appraisal |
|---|---|---|---------------------------------------|------------------------|-------------------------------|-----------------------------------|--------------------|
| Government proposal to Parliament for acts amending the Act on the conditions of entry and residence of third-country nationals on the basis of study, practical training and volunteering and related acts | HE 232/2021 | Ministry of Economic Affairs and Employment | 29 September 2021 | 27 October 2021 | 21 | 98 | 4 |
| Government proposal to Parliament for acts amending the Act on the taxation of certain cross-border hybrid arrangements and sections 9 and 10 of the Act on income tax | HE 204/2021 | Ministry of Finance | 7 October 2021 | 22 October 2021 | 12 | 41 | 3 |
| Government's Union communication to Parliament on a proposal for a directive of the European Parliament and of the Council on consumer credit (U 38/2021) | | Ministry of Justice | 12 October 2021 | 8 November 2021 | 20 | 13 | other |
| Government proposal to Parliament for an act amending the Social Welfare Act and the Act on Supporting the Functional Capacity of the Older Population and on Social and Health Services for Older Persons and certain related acts | HE 231/2021 | Ministry of Social Affairs and Health | 15 October 2021 | 11 November 2021 | 20 | 145 | 2 |
| Government proposal to Parliament for an act amending the Restructuring of Enterprises Act and the Act on the Adjustment of the Debts of a Private Individual and related acts | HE 238/2021 | Ministry of Justice | 25 October 2021 | 15 November 2021 | 16 | 188 | 3 |
| Government proposal to Parliament for acts amending the Act on Preventing Money Laundering and Terrorist Financing and the Act on the Financial Supervisory Authority | HE 236/2021 | Ministry of Finance | 1 November 2021 | 24 November 2021 | 18 | 96 | 3 |
| Government proposal for an act on the positive credit information register and certain related acts | | Ministry of Justice | 9 November 2021 | 10 December 2021 | 24 | 119 | 2 |

| Name of draft proposal | Government proposal/Union communication No. | Ministry responsible | Draft proposal received from ministry | Statement issued, date | Processing time, working days | Number of pages in draft proposal | Standard appraisal |
|--|---|---|---------------------------------------|------------------------|-------------------------------|-----------------------------------|--------------------|
| Government proposal to Parliament for acts amending the Consumer Protection Act and the Act on certain powers of the consumer protection authorities | | Ministry of Justice | 18 November 2021 | 13 December 2021 | 18 | 96 | 3 |
| Government proposal to Parliament to extend the validity of the legislation on the organisation of the local government experiment on employment | | Ministry of Economic Affairs and Employment | 23 November 2021 | 9 December 2021 | 13 | 28 | 4 |
| Government proposal to Parliament for an act amending the Act on the State Pension Fund | HE 1/2022 | Ministry of Finance | 30 November 2021 | 15 December 2021 | 12 | 27 | 1 |
| Government proposal to Parliament for the Nature Conservation Act and amending certain related acts | | Ministry of the Environment | 3 December 2021 | 23 December 2021 | 15 | 452 | 3 |

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