



**Regione Umbria**  
Assemblea legislativa



### **The Mission of the CALRE Working Group on “Impact Assessment and Evaluation”**

The CALRE Plenary Assembly that took place in Milan on 23-24 October 2015, decided to set up a new working group on the theme of *“Impact Assessment and Evaluation - Evidence based policy-making: tools and resources for assessing impact and evaluating effects of public interventions in the framework of better regulation”*.

In last few years, at European level, a growing awareness of the importance of impact assessment and evaluation of public policies as valid instruments for better regulation has spread.

*Impact assessment* is a set of logical steps to be followed when technical staff prepares policy proposals. It is a process that offers evidence for political decision-makers on the advantages and disadvantages of policy options, by assessing their potential impacts. The systematic use of these techniques increases transparency and rationality of the policy-making process. We can call this group of techniques “ex ante evaluation”. Everybody recognizes that this kind of analysis is very important to improve the quality of the legislation.

However, it is very reductive to talk about better (or smart) regulation without looking at the other side of the coin: the “ex post evaluation”. Better regulation is about the whole policy cycle: from designing the piece of new legislation, (to do this well, impact assessment is necessary), to monitoring the implementation and understanding how well a specific intervention is working, in order to draw conclusions on whether that intervention continues to be justified, or should be modified. Implementing existing legislation properly, and amending it in the light of experience, is as important as the new legislation itself. This is the objective of the program evaluation: learning from the past in order to build future more effective policies.

The “Evaluate First” principle makes sure any policy decisions take into due account the lessons from past action. Lessons learned from evaluation should be available, and fed into Impact Assessment work from the very beginning.

There are many documents which explain what better regulation is, and how it should be applied in the day to day practices of officials preparing new initiatives and proposals, or managing existing policies and legislation. For instance, the latest [Better Regulation Guidelines \(2015\)](#) contains guidance on how Commission services conduct impact assessments. These are accompanied by a [toolbox](#) which provides complementary guidance for Commission staff on specific impact assessment elements.

There are also many documents which describe ex post evaluation methods and advocate some important standards that should guide public administrations. The [Guidance Document on Monitoring and Evaluation \(2014\)](#), prepared by Evaluation Unit of the Directorate-General for Regional and Urban Policy to help member States and Regions to evaluate European Cohesion Fund, is particularly important.

It is not the first time that the European Commission, European Parliament and National Authorities prepare documents which contain rules, recommendations and suggestions on these topics: impact assessment and evaluation. There were many also in the past. Unfortunately, many of them are obsolete. Some of them had poor implementation and did not produce useful evidence for the policymaking. The

exceptions are very few. If nothing changes now, nothing is going to change in the future, and also the recently published documents will continue to be wishful thinking.

This is why it is very important that Regional Parliaments play an active role in promoting and using the impact assessment and evaluation tools, to verify the impact of European policies on their territories. They can promote the change we need.

Accordingly, the mission of the CALRE working group on *“Impact Assessment and Evaluation - Evidence based policy-making: tools and resources for assessing impact and evaluating effects of public interventions in the framework of better regulation”* is to raise awareness, among the CALRE Parliaments, on the importance of public policy evaluation and of verifying the impact of EU public policies on territories.

The CALRE Working Group has the following objectives.

- **Build an enduring alliance for evidence based policy-making**

There are some very interesting experiences of organizations and networks who seek to increase government effectiveness through the use of rigorous evidence about what works. One of them is the **Coalition for Evidence-based Policy (USA)**. The Coalition is a nonprofit, nonpartisan organization. Since 2001, their work with politicians and Congressional and Executive Branch officials has helped advance important evidence-based reforms and supported institutional innovations. For instance, in November 2014, Rep. Paul Ryan (R-Wisc.) and Sen. Patty Murray (D-Wash.) introduced a bill that would establish an Evidence-based policy commission of 15 appointed members. Since you cannot have evidence-based policy without good data to back it up, the commission would initially survey the types of federal data that are already available to inform policymaking. It would then produce recommendations related to data the government needs but doesn't have—more specifically, asking whether, and how to create a clearinghouse that would facilitate linkages between existing federal datasets that can help answer critical questions. A similar organization is operating in the UK: the **Alliance for Useful Evidence**. The Big Lottery Fund, the Economic and Social Research Council (ESRC) and Nesta have come together in partnership, to create this network. By championing the need for useful evidence, the Alliance provides a focal point for improving and extending the use of social research and evidence in the UK.

The CALRE Working Group has the objective of learning from those and other experiences, and laying the foundations for a new network dedicated to the use of impact assessment and ex post evaluation in Regional Parliaments.

- **Define good practices in impact assessment and program evaluation: the use of evaluation clauses**

On 15 December 2015, the European Commission endorsed a new Inter-institutional Agreement (IIA) on Better Law-Making with the European Parliament and Council to improve the quality and the results of European legislation. In this document the three institutions **agree to systematically consider the use of evaluation clauses in legislation** and take account of the time needed for implementation and to gather evidence on results and impacts. Moreover, the three institutions will consider whether to limit the application of certain legislation to a fixed period of time (sunset clause).

Italian Regional Parliaments have acquired some experience in this respect, although practice is not evenly diffused, and initiatives are not yet systematic. **One of the most effective recent developments is the CAPIRe project, established by the Italian Conference of Regional Parliaments.** CAPIRe seeks to disseminate the policy evaluation culture, building on the capacities of regional administration in carrying out evaluations and promoting the use of evaluation clauses in legislative texts. Other countries have surely realized similar projects and experiences (OECD, 2009)<sup>1</sup>.

---

<sup>1</sup> OECD, Reviews of Regulatory Reform: Italy Better Regulation to Strengthen Market Dynamics, 2009.

The CALRE Working Group has the objective of comparing different practices and approaches adopted in Europe to assess ex ante and evaluate ex post the impact of the policies and finding common elements in those experiences.

- **Find a way to fulfill the need to know the (potential) impact of policy: the experimental approach.**

There is a way to evaluate the (potential) impact of a future law or policy: the use of pilot projects and randomized controlled trials (RCTs). RCT is a type of scientific (often medical) experiment, where the people being studied are randomly allocated to one or the other of two different treatments under study. **Some have called this approach, applied in a system of better regulation, “Experimental Legislation”.** *“Experimental legislation is a broad term encompassing not only statutes, but also new temporary regulations with a circumscribed scope. These laws and regulations, exempting from, or derogating existing legal requirements, are designed to try out novel legal approaches or to regulate new products or services, or to gather more information about them. Experimental rules are implemented in a part of the country or to a group of citizens (sample group), while the remaining legal subjects (control group) are bound by the previously existing legislation. Experimental regulations are submitted to a periodic or final evaluation, after which the legislator should decide on whether the experiment should be extended to a larger part of the population, generalized and converted into a permanent legislative act, or terminated”* (Ranchordas S., 2015<sup>2</sup>).

The CALRE Working Group has the objective of examining some experiences of randomized controlled trials and understanding the potential applications of this innovative approach to assess the impact of the future legislation.

---

<sup>2</sup> Sofia Ranchordás, Innovation-Friendly Regulation: The Sunset of Regulation, the Sunrise of Innovation, 55 *Jurimetrics J.* 201–224 (2015)