



Ministry of
Finance

2023

QUALITATIVE

REPORT ON

THE IMPLEMENTATION

OF REGULATORY

IMPACT ASSESSMENT

(RIA) IN MONTENEGRO



Podgorica, April 2024

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EXECUTIVE SUMMARY

- In 2023, the Ministry of Finance issued a total of 368 opinions on proposed acts, along with accompanying Regulatory Impact Assessment (RIA) Reports, from the perspectives of business environment implications and effects on the state budget.
- Of the 368 acts observed, 74 (20.11%) relate to laws, 169 (45.92%) to by-laws, and 125 (33.97%) to other strategic documents, such as strategies, action plans, programmes, agreements, and information briefs.
- In the process of providing opinions on regulations, i.e. on the accompanying RIA Reports, the Ministry of Finance offers consistent support to the proposers of regulations by helping them find the most effective methods for thorough analysis concerning the aspects covered by the RIA. In this regard, it is important to note that the final opinions result from prior consultations and several iterations of correcting the RIA Reports. This underscores the full commitment and effective communication and cooperation between the Ministry of Finance staff and the proposers of the regulations.
- Based on the evaluation of the submitted responses for each area, a final score was assigned to each RIA separately. From the analysis performed, 306 RIAs, or 83.15%, received the grade of "quality work". A further 58 RIAs, or 15.76%, were graded as "average", while 4 RIAs, or 1.08%, were rated as "poorly performed".
- The quality of RIA has improved compared to the previous reporting period (2016-2022);
- In last year's report, it was stated that based on the analysis of RIAs conducted in 2022, 311 RIAs, or 82.49%, received the rating of "quality work". Furthermore, 64 RIAs, or 16.97%, were rated as "average", while 2 RIAs, or 0.53%, were given the rating of "poorly performed".
- Comparing the records from 2022 and 2023, there has been an improvement in the quality of RIAs in the following areas (steps in the RIA process): Defining Problems; Setting Objectives; Option Analysis; Impact Analysis; Fiscal Impact Assessment; Stakeholder Consultation; and Monitoring and Evaluation;
- The areas of RIA that require further improvement are: Setting Objectives, Option Analysis, Impact Analysis, Fiscal Impact Assessment, Stakeholder Consultation, and Monitoring and Evaluation;
- Notably, SIGMA monitors and reports on the Regulatory Impact Assessments (RIA). In the SIGMA Report from November 2021, which discusses policy creation and law drafting (specifically in the area of "Policy Development and Coordination", or evidence-based policy making), the improvement in the quality of RIAs in Montenegro was highlighted.
- The report on the quality of RIA implementation in Montenegro for 2023 will serve as input for further analyses conducted by SIGMA in this area.

➤➤➤ Proposed measures for enhancing RIA quality:

- The preparation of the RIA should commence prior to the regulation drafting process itself;
- While drafting regulations, it is crucial to conduct a thorough analysis and ensure the involvement of all members of the Working Group in considering the aspects covered by the RIA;
- In the process of analyzing the impact of regulations, it is necessary to adopt a more comprehensive approach to defining goals using SMART criteria;
- Enhance skills for evaluating alternative options (regulatory/non-regulatory) to achieve policy objectives;
- Conduct detailed analysis of laws that create conditions for the imposition of new obligations and expenses;
- Strengthen capacities for assessing the administrative costs that regulations may impose on the economy and citizens, to more comprehensively understand the implications of regulations (through the use of standard cost models, multi-criteria analysis, and cost-benefit analysis);
- Enhance the ability to assess the long-term fiscal implications of regulations, including three-year planning;
- Improve the part of the analysis related to consultations with stakeholders, making it mandatory to consider proposed solutions with economic associations;
- Enhance the Monitoring and Evaluation section of the analysis—pay particular attention to defining measurable indicators (both quantitative and qualitative) to ensure higher quality monitoring of the implementation of regulatory solutions;
- Establish monitoring of the application of RIAs during the drafting of secondary legislation for the previous period. Monitoring will involve comparing the database of secondary legislation submitted to the Ministry of Finance for opinion and the database of published secondary legislation. To this end, quarterly reporting on the application of RIA for secondary legal acts (decrees, decisions, rulebooks, and instructions) will be established.

➤➤➤ Further steps:

- Cooperation with SIGMA towards establishing full RIA:
 - › **new guidance** on how to prepare regulatory impact assessment (RIA) report;
 - › **new RIA template**;
 - › adopt the **new methodology** for full RIA;
 - › **strengthen the capacities** of the Ministry of Finance's Division for Regulatory Impact Assessment (for full RIA);
 - › **improve the quality** of annual qualitative reports on RIA.

- After establishing the formal conditions for the implementation of full RIA, the following activities will be carried out in cooperation with the Human Resources Administration:
 - › formation of a new **Programme Council for the preparation, monitoring, and evaluation of the Specific Training Programme in the area of Regulatory Impact Assessment (RIA)**;
 - › **revise RIA Training Programme** across the two options on offer:
 1. sequential training (each trainee will be obliged to undergo all modules);
 2. training per specific area;
 - › **cycle 1 of Train the Trainer for full RIA** (officers from the RIA network);
 - › **cycle 2 of Train the Trainer for full RIA** (officers who completed Cycle 1);
 - › **preparation of a manual** for the training Programme, serving as a fundamental resource for lecturers during the training delivery. This activity is planned to be carried out in cooperation with a potential donor (UNDP).
- After adopting a new methodology for a full RIA, activities and opportunities for introducing an electronic RIA template will be considered, in cooperation with the Ministry of Public Administration;
- Establish cooperation with the Parliament to strengthen capacities for preparing RIAs during the enactment of laws and amendments;
- As part of implementing RIA at the local level, in cooperation with the Ministry of Public Administration, the Union of Municipalities and local governments the following activities are planned:
 - › **establish units** for RIA quality control, with potential donor support;
 - › **annual qualitative reporting** on regulatory impact assessment (RIA) implementation;
 - › **monitoring of RIA implementation** at the local level;
 - › **public availability** of RIAs at the local level.
- Establishment of a RIA Consultative Body, including representatives from the Ministry of Finance, the General Secretariat of the Government, the Ministry of Public Administration, the Secretariat for Legislation, the Parliament, and municipalities.);
- Introducing quarterly RIA monitoring of secondary legislation:
 1. Assessment of the use of RIA for secondary legislation for the previous period;
 2. Regular reporting on the use of RIA for secondary legislation.
- The following activities will be carried out through the existing **RIA network**:
 - › **enhance RIA** in a manner that ensures consultations with the network representative from the department proposing regulations are conducted before officially referring requests for opinions to the Ministry of Finance;
 - › **exchange of experiences** among network members both within and outside the institution;
 - › **networking** at the regional level through close cooperation with the Regional School of Public Administration (ReSPA);
 - › **attend training** for full RIA;

- › **take part in ReSPA Mobility Schemes¹** which will provide an opportunity for RIA network officials to visit and exchange experiences with relevant institutions in another ReSPA member state or an EU member state, allowing them to gain practical knowledge about certain success factors in the field of RIA.;
- › **take part in RIA-related events/meetings.**
- Securing expert support for the preparation of RIAs for complex laws that are scheduled to be enacted in the third and fourth quarters of the Government Work Programme

WHAT IS REGULATORY IMPACT ASSESSMENT?

Regulatory Impact Assessment (RIA) evaluates and measures the benefits, costs, and effects of new or amended regulations. It is regarded as a valuable regulatory tool that supplies empirical data and comprehensive analysis, enabling decision-makers to assess the consequences of their decisions and understand the available options.

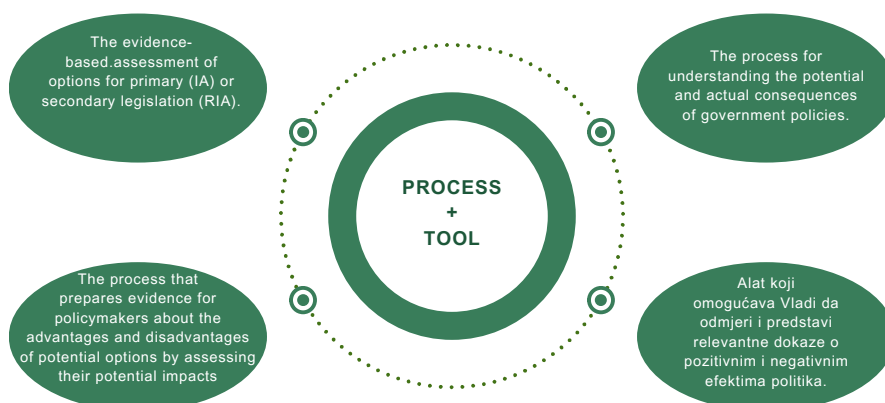
RIA is a multi-step process designed to analytically and systematically determine whether regulatory intervention is necessary and, if so, which regulatory option provides the best solution to the problem.

RIA Report includes seven sections:

- Defining the problem;
- Objectives;
- Options;
- Impact analysis;
- Fiscal impact assessment;
- Stakeholder consultations;
- Monitoring and evaluation.

The format of RIA reports specifies concrete questions that assist ministries in focusing on relevant information which should be included in each section of these reports.

Figure1 - RIA (process + tool)



¹ ReSPA Mobility Schemes are short-term interventions within the Western Balkans and EU Member States. (<https://www.respaweb.eu/120/pages/72/mobility-scheme-mechanism>)

RIA is a process that aids in the formulation of policies and regulations by the Government by providing the following:

- It offers an analytical framework to examine the reasons why modifications to existing practices are necessary, to consider various options for achieving objectives, and to understand the consequences of proposals;
- It helps to assess and present the likely costs, benefits, and associated risks of a proposal to society;
- It provides stakeholders outside of the government, who will be impacted by the proposal, with more detailed information about the implications of regulations. This allows for timely identification of any potential shortcomings in the proposed solutions.

RIA is designed to help decision-makers better understand the effects of regulations, enabling them to make more informed decisions. It also ensures that all stakeholders understand how the regulations will impact their lives or businesses.

RIA serves as a platform for communication with stakeholders, enabling the government to make better-informed decisions and policies.

Although there is no universally accepted model for RIA, each assessment should include the following elements:

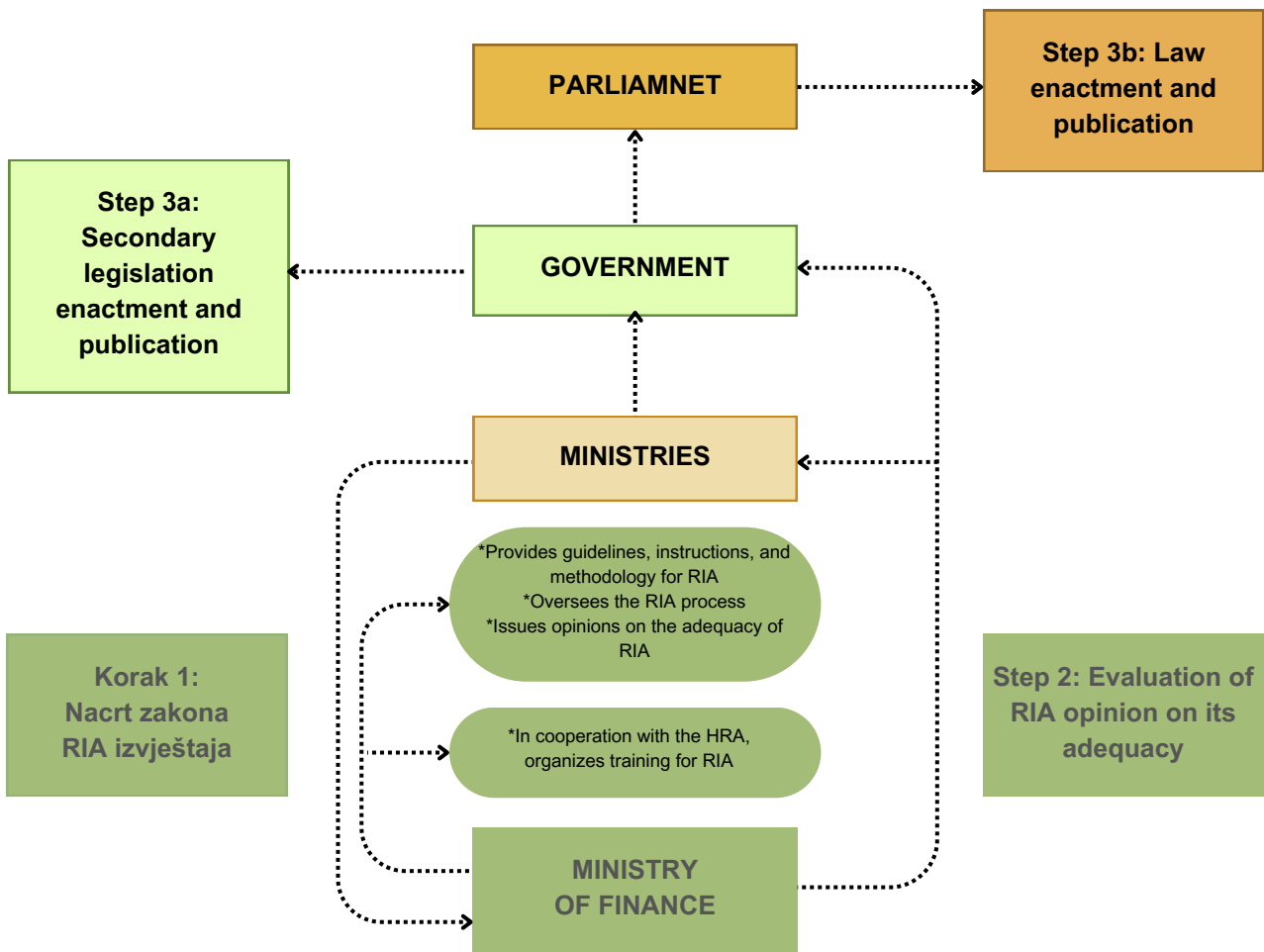
- clear identification of goals, causes, and consequences;
- structured consultations with stakeholders;
- consideration of regulatory options; and
- a detailed examination of impacts.

RIA – REGULATORY FRAMEWORK

The assessment of the impact of regulations was formally integrated into the Montenegrin regulatory framework on January 1, 2012. This requirement is stipulated by Articles 33 and 40 of the Government’s Rules of Procedure (Official Gazette of Montenegro, 062/18). Article 33 mandates that the proposer is to conduct a Regulatory Impact Assessment (RIA) during the preparation of laws and other regulations, in accordance with guidelines from the Ministry of Finance.

Furthermore, Article 40 stipulates that, along with the draft law, other regulation, or general act, the proposer must submit the RIA form, prepared in accordance with the Ministry of Finance’s guidelines. Additionally, the proposer must include the opinion of the Ministry of Finance on whether it is necessary to perform RIA or whether the RIA conducted by the proposer is adequate.

Figure 2 – Legislative drafting process



Since the formal adoption of RIA, the Ministry of Finance has issued over 4,000 opinions on proposed acts and accompanying reports analysing the impact of regulations, particularly concerning their implications for the business environment (Table 1).

Table 1 – Number of opinions by year

RIA	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Total	299	429	329	380	312	350	467	385	216	428	377	368	4.340

In recent years, by-laws have most frequently been submitted for opinion, as indicated in Table 2.

Table 2 – Breakdown of opinions by category – laws, secondary legislation, other documents

RIA	Laws	By-laws	Other	Total
2016	82	120	110	312
2017	125	110	115	350
2018	102	221	144	467
2019	75	162	148	385
2020	34	104	78	216
2021	87	214	127	428
2022	79	191	107	377
2023	74	169	125	368
Total	658	1.291	954	2.903

The Regulatory Impact Assessment (RIA) Manual provides useful tips, methodological guidance, and organisational instructions for ministries at each stage of the assessment process. It also establishes fundamental principles for deciding on the depth of analysis and identifies specific exceptions where an RIA is not required. Such exceptions include the Draft Budget Law, laws addressing the consequences of emergency situations, and legislation concerning national security. For a better understanding of the RIA process, the Instruction on the Preparation of the Report on the Conducted Regulatory Impact Assessment (Official Gazette of Montenegro, 09/12) is also utilised. This instruction includes the RIA Report template as an integral part.

Committed to strengthening the institutional capacities of relevant departments, primarily focusing on developing skills for conducting economic and financial analyses using the Standard Cost Model, the Ministry of Finance has delivered the following:

Figure3 – An overview of trainings conducted over the period 2018-2023



Committed to strengthening the institutional capacities of relevant departments, primarily focusing on developing skills for conducting economic and financial analyses using the Standard Cost Model, the Ministry of Finance has delivered the following:

Trainings to enhance the skills necessary for conducting regulatory impact analyses have been carried out in cooperation with several organisations: ReSPA in 2018, UNDP in 2019, OECD/SIGMA in 2019, Union of Municipalities in 2019, Human Resource Administration in 2018, 2019, 2020, 2021, 2022, and 2023.

The legal foundation for conducting these analyses at the local level is established under Article 71 of the Law on Local Self-Government (Official Gazette of Montenegro, 002/18) mandating local government bodies to prepare and assess the impact of decisions and other regulations enacted by the Council and the Mayor.

To support the quality and thorough preparation of these assessments by local self-governments, the Ministry of Finance issued detailed guidelines in October 2020 through an Instruction on the preparation and assessment of the impact of decisions and other regulations of local self-government bodies (Official Gazette of Montenegro, 105/20). This instruction notably incorporates a gender dimension, thereby broadening the scope and enhancing the inclusivity of the analyses. To strengthen the capabilities of local staff, during 2023, six training sessions were organized, including: Bar with 11 employees participating, Cetinje with 13 employees, Tivat with 10 employees, Pljevlja with 8 employees, Berane and Andrijevica with 6 employees, and Bijelo Polje with 10 employees.

From the inception of the training programme to the end of 2023, a database of all officials trained at both the state and local levels has been prepared (Table 3).

Table 3 – An overview of trainings delivered by institution and by municipality

INSTITUTION		MUNICIPALITY	
MINISTRY OF SUSTAINABLE DEVELOPMENT & TOURISM	16	NIKŠIĆ	14
MINISTRY OF ECONOMIC DEVELOPMENT	15	HERCEG NOVI	13
MINISTRY OF TRANSPORT AND MARITIME AFFAIRS	13	CETINJE	13
MINISTRY OF PUBLIC ADMINISTRATION	13	BAR	11
MINISTRY OF JUSTICE, HUMAN AND MINORITY RIGHTS	12	BIJELO POLJE	10
MINISTRY OF AGRICULTURE, FORESTRY & WATER MANAGEMENT	11	TIVAT	10
MINISTRY OF FINANCE AND SOCIAL WELFARE	9	BUDVA	9
MINISTRY OF ECOLOGY, SOCIAL PLANNING AND URBANISM	9	PLJEVLJA	8
MINISTRY OF INTERNAL AFFAIRS	8	KOTOR	8
MINISTRY OF EDUCATION, SCIENCE, CULTURE AND SPORT	6	TUZI	6
MINISTRY OF FOREIGN AFFAIRS	4	ANDRIJEVICA	4
MINISTRY OF EDUCATION	4	BERANE	2
MINISTRY OF CAPITAL INVESTMENTS	4	ZETA	2
MINISTRY OF HEALTH	2		
MINISTRY OF AGRICULTURE AND RURAL DEVELOPMENT	2		
<u>TOTAL:128</u>		<u>TOTAL:110</u>	

Chart 1 – Breakdown of training participants by gender

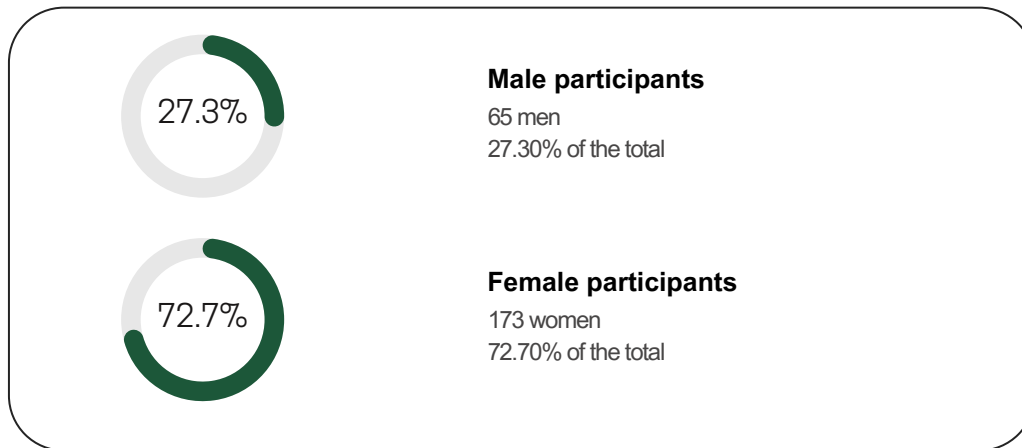
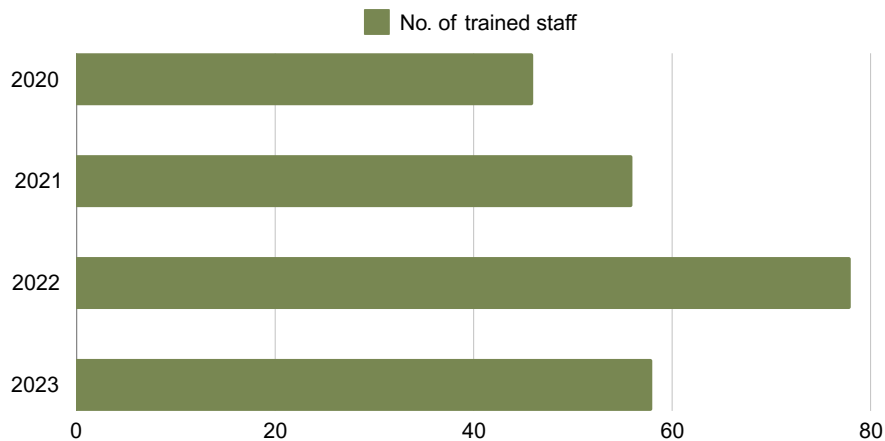


Chart 2 – An overview of the number of trained staff over the period 2020-2023



From the total of 238 trained staff, 46 were trained in 2020, 56 in 2021, 78 in 2022, and 58 employees were trained in 2023.

Additionally, the Ministry of Finance has published all Regulatory Impact Assessments (RIAs) on its website, starting from 2012 ([Regulatory Impact Assessment \(RIA\) – Ministry of Finance \(www.gov.me\)](http://www.gov.me)).

RIA NETWORK

The RIA network represents a framework that aims to provide coordination in the process of preparing Regulatory Impact Assessment (RIA) Reports according to established quality standards.

The goal is to facilitate the exchange of opinions and experiences through the network, thereby enhancing the quality of the prepared RIAs and improving the understanding of the consequences that problems may have on the functioning of the administration for all regulatory solutions.

This network also enables the efficient exchange of significant information for conducting better-quality analyses of the effects of regulations, both within and between institutions.

The RIA network comprises officers who have undergone RIA training, as well as those who have been involved in the preparation of the RIA Reports and have demonstrated proficiency as effective RIA practitioners.

By establishing the network, the following activities will be carried out:

- **Improvement of RIAs** by ensuring that before official requests for opinions are referred to the Ministry of Finance, consultations are conducted with network representatives from the departments proposing a regulation;
- **Exchange of experiences** by network members both within their institutions and with external institutions;
- **Networking** regionally involving close cooperation with the Regional School of Public Administration (ReSPA);
- **Participation in trainings** for full RIA;
- **Participation in ReSPA Mobility Schemes** which will provide opportunities for officials in the RIA network to visit and exchange experiences with relevant institutions in other ReSPA member states or EU countries, acquiring practical knowledge about certain success factors in the area of RIA;
- **Participation in meetings/events** connected with RIA.

Figure 4 – An overview of RIA staff at the central level

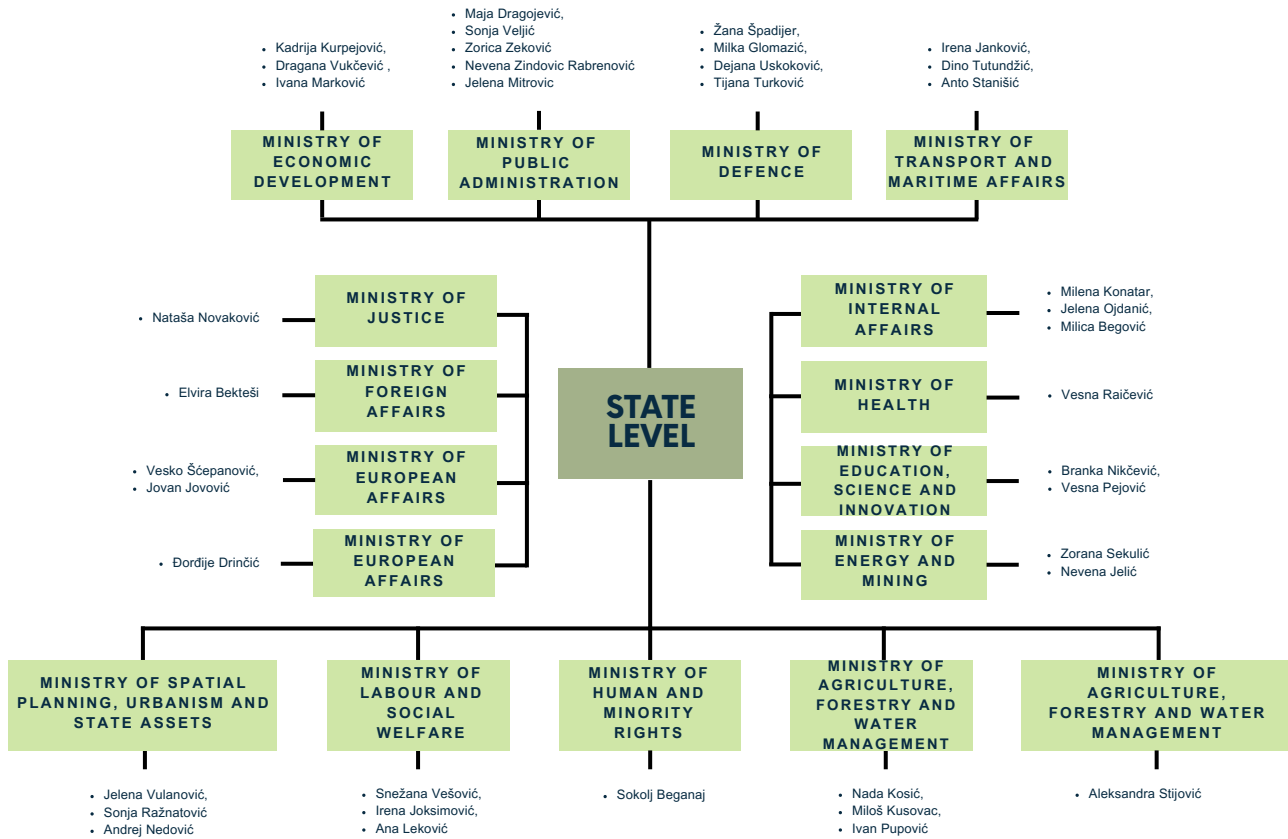
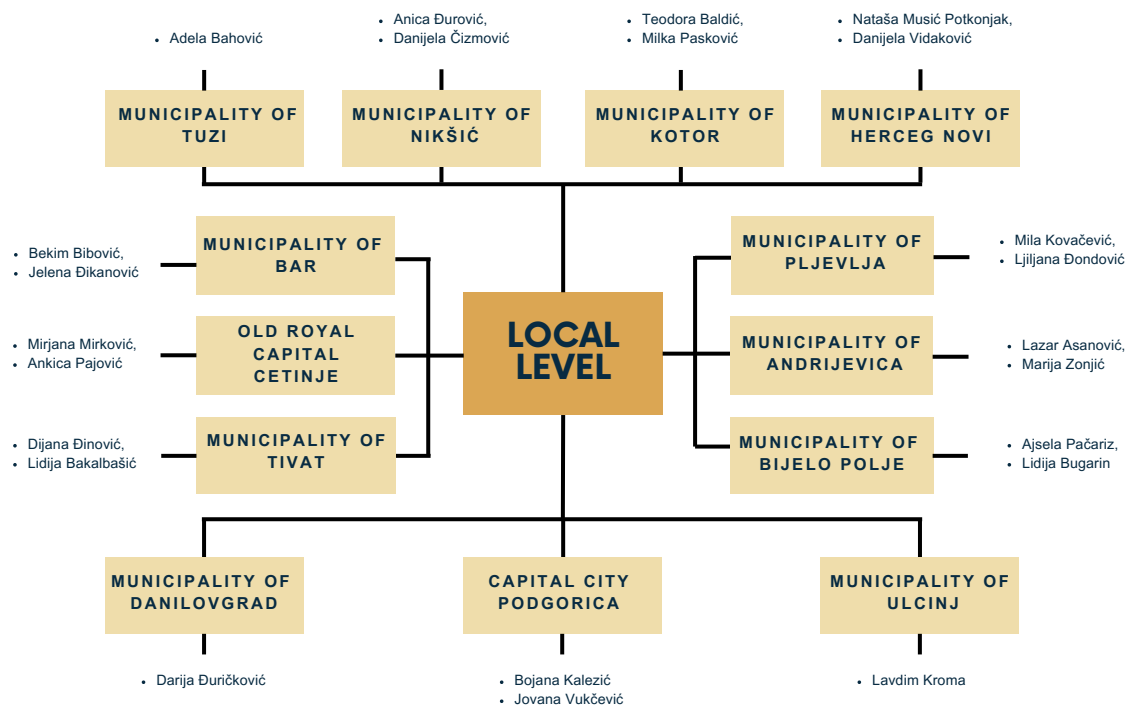


Figure 5 - An overview of RIA staff at the local level



RIA – INSTITUTIONAL FRAMEWORK

The Division for Regulatory Impact Assessment (RIA) within the Directorate for Financial System and Policy Coordination of the Ministry of Finance plays a key role in quality control of the RIAs prepared by ministries, administrative authorities, and other state bodies.

The Division's responsibilities include:

- Coordinating and implementing policies and procedures necessary for the effective execution of RIAs;
- Analysing RIA reports prepared by ministries, state administration authorities, and other state bodies in the process of proposing laws and other regulations, and providing opinions on their relevance and compliance with the RIA standards;
- Giving opinions regarding the impact of laws and other regulations on the business environment and citizens;
- Providing assistance and expert opinions to ensure that RIA reports comprehensively represent all effects of new regulations on citizens, the economy, and the state;
- Facilitating communication with international and domestic organisations in this field with the aim of improving the situation and introducing innovations;
- Ensuring conditions for increasing transparency in the RIA process.

In addition to assessing the quality of prepared RIAs, the Ministry of Finance also provides opinions from the perspective of the impact of regulations on the business environment and the budget, known as Business Impact Assessment (BIA) and Fiscal Impact Assessment (FIA).

The RIA Division examines the impact on the business environment, while the Budget Directorate examines the impact of regulations on the budget, and a joint opinion is issued based on these assessments.

Furthermore, it has been identified that other directorates within the Ministry of Finance are involved in preparing opinions in specific cases, such as the Directorate for Tax and Customs System when tax policy is involved, the Directorate for Local Government Finance and Salary Policy concerning local self-government units, the Directorate for Managing IPA Structures in relation to EU financial support, and the Directorate for Central Harmonization and Development of Internal Controls for regulations related to companies where the state holds a majority stake.

RIA THROUGH THE LENSES OF SIGMA

The SIGMA report evaluates the situation and advancements in enhancing the quality of public administration. Given the ongoing accession negotiations, SIGMA undertakes regular monitoring across the region.

This Report spans from July 2017 to July 2021, with data collection occurring between February and May 2021. It was published in November 2021.

The report assesses several key areas: Strategic framework of public administration reform; Policy development and coordination; Public service and human resource management; Accountability; Service delivery; Public financial management. The quality of RIA is examined under "Policy development and coordination", emphasizing evidence-based policy making.

In the section dedicated to policy making and law drafting, there is a notable highlight on the improvement in the quality of RIA. The indicator value for "Evidence-based policy making" has increased to 3, up from a score of 2 in the 2017 assessment. The primary reason for this enhanced rating is the relative improvement in the quality of the analyses in the sampled RIAs.

Table 4 – Evaluation of RIA according to the SIGMA report (November 2021)

Indicator 2.10.1– Evidence-based policy making		
This indicator measures the functioning of evidence-based policy making. It assesses the legal requirements and practice regarding the use of basic consultative processes, budgetary impact assessment and impact assessment. Moreover, it assesses the availability of training and guidance documents for impact assessment, the establishment of the quality control function, and the quality of analysis supporting the approval of draft laws.		
Overall 2021 indicator value (↑ since 2017)	0	1 2 3 4 5
	Points 2021	Change from 2017
1. Regulation and use of basic analytical tools and techniques to assess the potential impact of draft new laws	2/2	=
2. Regulation and use of budgetary impact assessment prior to approval of policies	3/3	+2
3. Regulation and use of Regulatory Impact Assessments	2/3	=
4. Availability of guidance documents on impact assessment	2/2	=
5. Quality control of impact assessment	2/3	=
6. Quality of analysis in impact assessment	7/15	+4
Total	18/28	+6

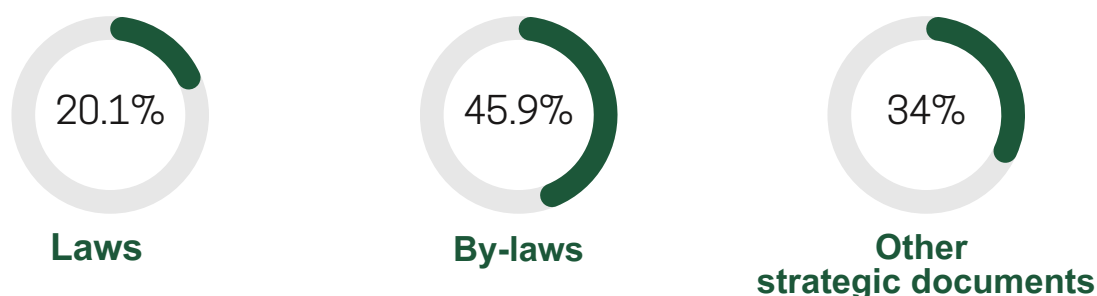
Source: Monitoring Report, The Principles of Public Administration, November 2021

RIA IMPLEMENTATION IN MONTENEGRO IN 2023

In 2023, the Ministry of Finance issued a total of 368 opinions on proposed acts, along with accompanying reports analysing the impact of regulations.

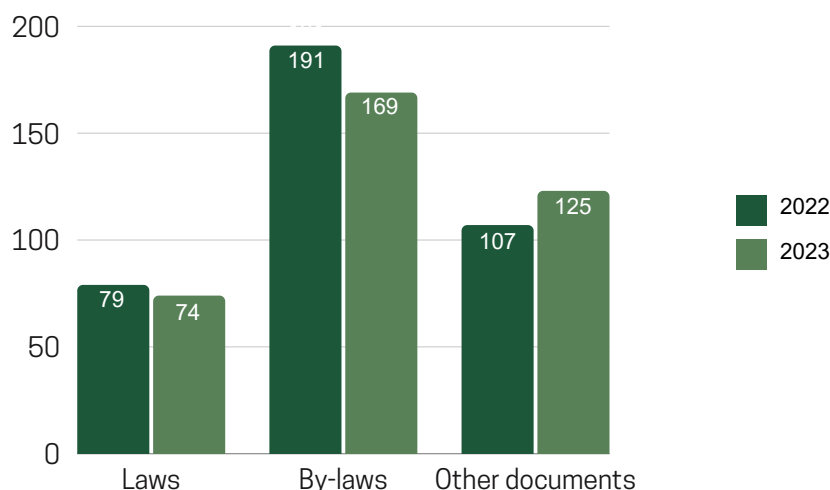
Out of these 368 acts, 74 (20.11%) pertained to laws, 169 (45.92%) related to secondary legislation, and 125 (33.97%) concerned other strategic documents such as strategies, action plans, programmes, agreements, and information briefs.

Chart 3 – Breakdown of legislation drafted in 2023



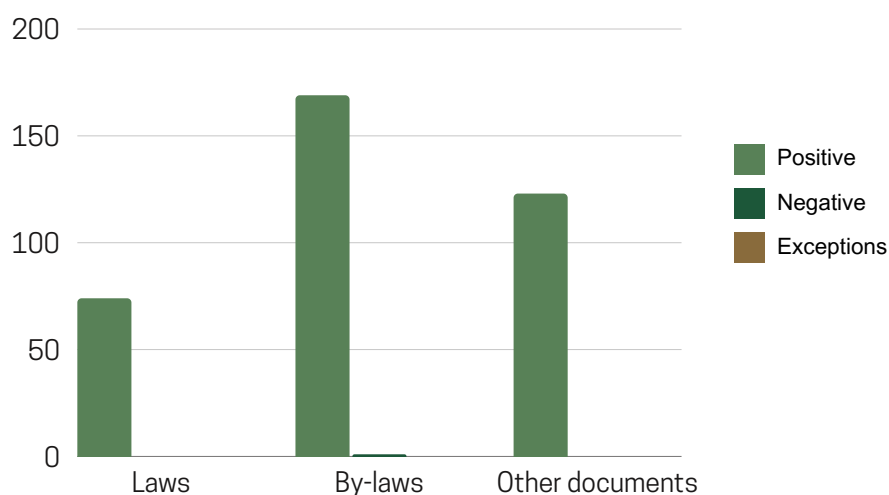
Compared to 2022, fewer laws (by 5) and by-laws (by 22) were submitted to the Ministry of Finance in 2023. However, there was an increase in the submission of other types of documents, with 18 more documents such as strategies, action plans, programmes, agreements, and information briefs submitted, with agreements being the most common.

Chart 4 – Comparative overview 2022-2023



Out of the 74 laws reviewed in 2023, all 74 (100%) received a positive opinion from the Ministry of Finance. Among the 169 by-laws considered, 168 (99.41%) received positive opinions, and only 1 act (0.59%) was assessed negatively. Additionally, all 123 other documents submitted received positive opinions, amounting to 100% approval in this category.

Chart 5 – Ministry of Finance’s opinions on the documents received in 2023



The Ministry of Finance consistently supports proposers of legislative acts through the process of providing opinions on regulations, or more specifically RIAs. This support assists proposers of regulations in enhancing the quality of their analyses on aspects covered by the RIA. It is crucial to emphasize that the final opinions are the culmination of prior consultations and several iterations of corrections to the RIA report. This process demonstrates the full commitment and effective communication and cooperation between Ministry of Finance officials and the proposers of the regulations.

Following are the findings regarding the number of opinions by institution, divided into laws, by-laws, and other documents for the year 2023.

Table5 – Breakdown of opinions issued by institution

	Laws			By-laws			Other documents			Total
	pos.	neg.	exc.	pos.	neg.	exc.	pos.	neg.	exc.	
Ministry of Public Administration	2	-	-	6	-	-	1	-	-	9
Ministry of Justice	12	-	-	4	-	-	2	-	-	18
Ministry of Ecology, Spatial Planning and Urbanism	3	-	-	34	1 ²	-	6	-	-	44
Ministry of Economic Development	7	-	-	6	-	-	18	-	-	31
Ministry of Finance	17	-	-	13	-	-	10	-	-	40
Ministry of Culture	-	-	-	3	-	-	4	-	-	7
Ministry of Defence	-	-	-	7	-	-	30	-	-	37
Ministry of Labour and Social Welfare	6	-	-	3	-	-	1	-	-	10
Ministry of Health	3	-	-	7	-	-	4	-	-	14
Ministry of European Affairs	-	-	-	24	-	-	13	-	-	37
Ministry of Agriculture, Forestry and Water Management	1	-	-	8	-	-	9	-	-	18
Ministry of Internal Affairs	7	-	-	4	-	-	5	-	-	16
Ministry of Education	-	-	-	2	-	-	1	-	-	3
Ministry of Foreign Affairs	4	-	-	14	-	-	2	-	-	20
Ministry of Transport and Maritime Affairs	4	-	-	1	-	-	-	-	-	5
Ministry of Tourism, Ecology, Sustainable Development and Northern Region Development	3	-	-	2	-	-	-	-	-	5
Ministry of Human and Minority Rights	1	-	-	1	-	-	1	-	-	3
Ministry of Human and Minority Rights	1	-	-	4	-	-	-	-	-	5
Ministry of Capital Investments	1	-	-	9	-	-	7	-	-	17
Ministry of Science, Technology and Innovation	-	-	-	-	-	-	3	-	-	3
Ministry of Spatial Planning and Urbanism	1	-	-	1	-	-	-	-	-	2
Ministry of Energy	-	-	-	1	-	-	-	-	-	1
Ministry of Sport	-	-	-	1	-	-	-	-	-	1
Government Secretariat General	-	-	-	13	-	-	1	-	-	14
Government PM's Office	-	-	-	-	-	-	6	-	-	6
National Security Agency	1	-	-	-	-	-	-	-	-	1
Administration for Enforcement of Criminal Sanctions	-	-	-	-	-	-	1	-	-	1
TOTAL	74	-	-	168	1	-	125	-	-	368

² Proposal for a decision on the pricing of water from the Regional Water Supply System for the Montenegrin Coast, Ministry of Ecology, Spatial Planning and Urbanism, opinion issuance date: August 1, 2023.

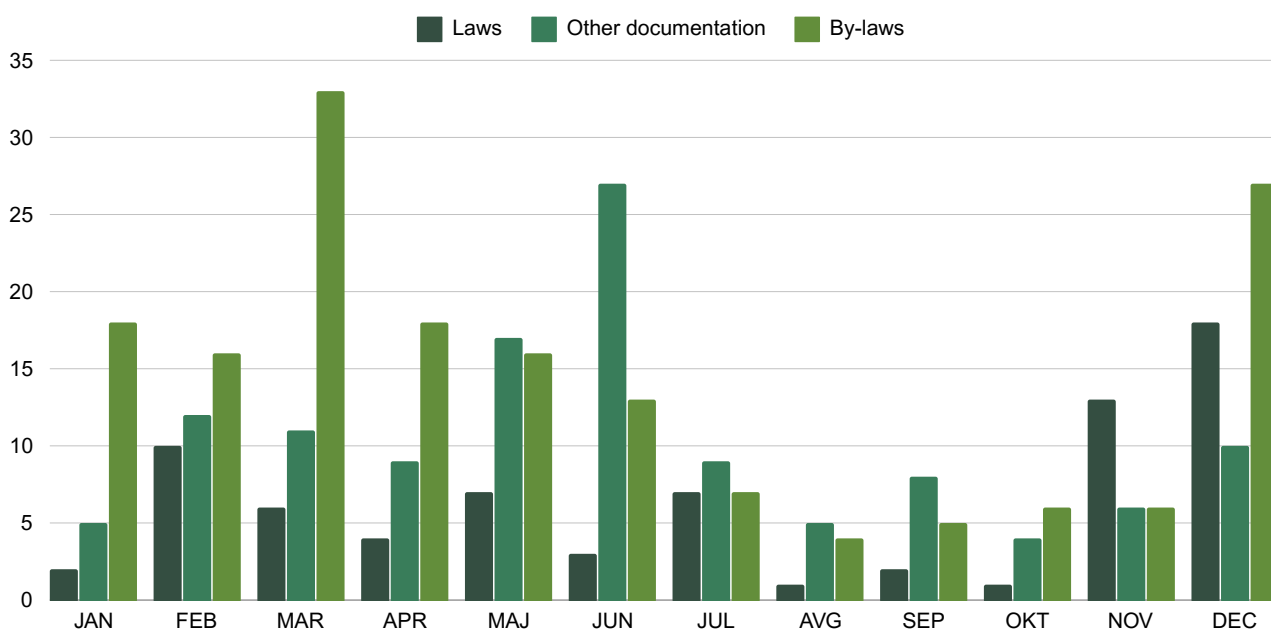
The data reveals that the Ministry of Ecology, Spatial Planning and Urbanism submitted the highest number of requests for opinions in 2023, accounting for 44 out of a total of 338 requests. This was closely followed by the Ministry of Finance with 40 requests, and both the Ministry of European Affairs and the Ministry of Defence submitting 37 requests each. The Ministry of Economic Development sent 31 requests, while other ministries submitted 20 or fewer.

Regarding the specific requests for opinions on laws and the accompanying RIA reports, the Ministry of Finance led with 17 laws out of the total 74. The Ministry of Justice was next with 12 laws, followed by both the Ministry of Economic Development and the Ministry of Internal Affairs, each submitting 7 laws. Other contributions include the Ministry of Labour and Social Welfare with 6 laws, the Ministry of Foreign Affairs and the Ministry of Transport and Maritime Affairs each submitting 4 laws, and the Ministry of Tourism, Ecology, Sustainable Development and North Development, the Ministry of Health, and the Ministry of Ecology, Spatial Planning and Urbanism each submitting 3 laws. Contributions of two or fewer laws came from the Ministries of Public Administration, Agriculture, Forestry and Water Management, Human and Minority Rights, Captained Investments, and Education, Science and Innovation, with the Ministry of Spatial Planning and Urbanism submitting just one law. Notably, the Ministry of Culture, the Ministry of Defence, the Ministry of European Affairs, the Ministry of Education, the Ministry of Science, Technology and Innovation, the Ministry of Energy, and the Ministry of Sports did not submit any laws during 2023.

Regarding requests for opinions on by-laws and accompanying RIA reports in 2023, the Ministry of Ecology, Spatial Planning and Urbanism sent the largest number, with 35 by-laws out of a total of 169. This was followed by the Ministry of European Affairs with 24 by-laws. The Ministry of Foreign Affairs submitted 14 by-laws, while the Ministry of Finance sent 13. Other submissions included the Ministry of Capital Investments (9 by-laws), the Ministry of Agriculture, Forestry and Water Management (8 by-laws), and the Ministries of Health and Defence, each submitting 7 by-laws. Further contributions came from the Ministry of Public Administration (6 by-laws), the Ministries of Justice and Internal Affairs (4 each), the Ministry of Labour and Social Welfare, and the Ministry of Culture 3 each, Ministry of Education and Ministry of Tourism, Ecology, Sustainable Development and North Development two each, while the Ministries of Transport and Maritime Affairs, Human and Minority Rights, Spatial Planning and Urbanism, Energy, and Sports each submitted 1 by-law. The Ministry of Science, Technology and Innovation did not issue any by-laws during 2023.

In terms of **requests for opinions on other documents, such as strategies, action plans, programmes, information briefs and agreements**, the Ministry of Defence submitted the highest number with 30 requests. The Ministry of Economic Development sent 18 requests, the Ministry of European Affairs submitted 13 requests, and the Ministry of Finance sent 10 requests. Other ministries submitted fewer than 10 cases each.

Chart 6 – Submissions for Ministry of Finance’s opinion by month



QUALITY OF RIA APPLICATION IN MONTENEGRO

The process of regulatory impact assessment consists of 7 steps:



Table 6 illustrates the number of RIAs by area, with classifications into three categories based on their adherence to quality standards: "compliant with quality standards", "partially compliant with quality standards", and "noncompliant with quality standards".

Table 6 – Ratings by RIA area in 2023

AREA	Compliant with quality standards	Partially compliant with quality standards	Noncompliant with quality standards
Problem definition	342	26	-
Goals	334	34	-
Options	251	114	3
Impact analysis	327	41	-
Fiscal impact assessment	238	39	-
Stakeholder consultations	274	94	-
Monitoring and evaluation	258	108	2

Analysing the ratings by area of RIA for the comparative periods of 2022 and 2023, it is clear that there has been an improvement in quality in several key areas: Problem Definition, Objectives, Impact Analysis, and Fiscal Impact Assessment.

Additionally, when examining the areas of RIA rated as "compliant with quality standards" in 2023, it is noted that the area of Options has the lowest compliance. This suggests that there is considerable room for improvement in identifying and evaluating different options for solving regulatory problems.

Posmatrajući ocjene po oblastima RIA-e za uporedne periode 2022. i 2023. godinu, evidentno je unaprijeđenje kvaliteta u sljedećim oblastima: Definisane problema, Ciljevi, Analiza uticaja i Procjena fiskalnog uticaja.

Takođe, posmatrajući oblasti RIA-e ocijenjene ocjenom “u skladu sa standardima kvaliteta” u 2023. godini, konstatuje se da je to učešće najniže kod oblasti Opcije, budući da postoji prostor za unaprijeđenje vještina za identifikovanje različitih opcija za rješavanje problema.

Table 7 – Comparative overview of ratings by RIA steps 2022-2023

RATING		Compliant		Partially compliant		Noncompliant	
STEP	Year	No. of acts	% of the total	No. of acts	% of the total	No. of acts	% of the total
Defining the problem	2022	350	92.83%	27	7.17%	-	-
	2023	342	92.93%	26	7.06%	-	-
Goals	2022	344	91.20%	33	8.80%	-	-
	2023	334	90.76%	34	9.23%	-	-
Options	2022	262	69.49%	110	29.17%	5	1.32%
	2023	251	68.20%	114	30.98%	3	0.81%
Impact analysis	2022	334	88.59%	43	11.40%	-	-
	2023	327	88.85%	41	11.14%	-	-
Fiscal impact assessment	2022	337	89.38%	39	10.34%	1	0.26%
	2023	329	89.40%	39	10.59%	-	-
Stakeholder consultations	2022	286	75.86%	90	23.87%	1	0.26%
	2023	274	74.45%	94	25.54%	-	-
Monitoring and evaluation	2022	268	71.08%	107	28.38%	2	0.53%
	2023	258	70.10%	108	29.35%	2	0.54%

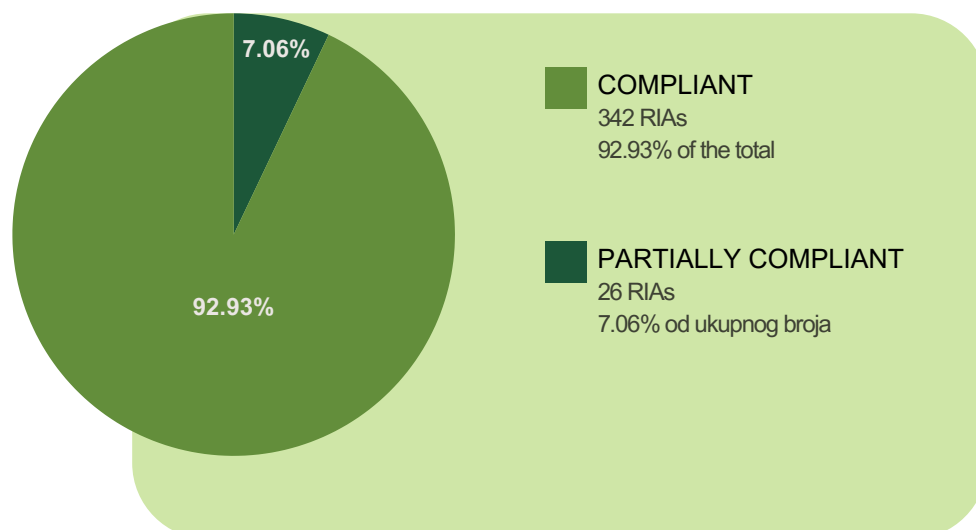
>>> STEP 1 – DEFINE THE PROBLEM

Based on the analysis performed, we can conclude that the highest-rated responses are within the first part of the assessment process. Specifically, it was observed that in this area, the proposers of the regulations encountered almost no difficulty in addressing questions related to defining the problem that the proposed act should solve, the causes of the problem, the consequences of the problem, and identifying the affected entities.

During 2023, 342 RIAs, or 92.93%, were rated "compliant with quality standards", while 26 RIAs, or 7.06%, received a rating of "partially compliant with quality standards".

There were no RIAs evaluated with the grade of "noncompliant with quality standards" (as indicated in Chart 6).

Chart 6 – Ratings for the RIA Step 1: DEFINE THE PROBLEM



To further enhance this aspect of the RIAs, it is recommended to employ tools such as **SWOT analysis, PESTLE analysis, Problem tree, Stakeholder analysis, and Comparative-legal analysis**. Staff members receive detailed explanations on the use of these tools during RIA trainings and through direct communication while providing opinions.

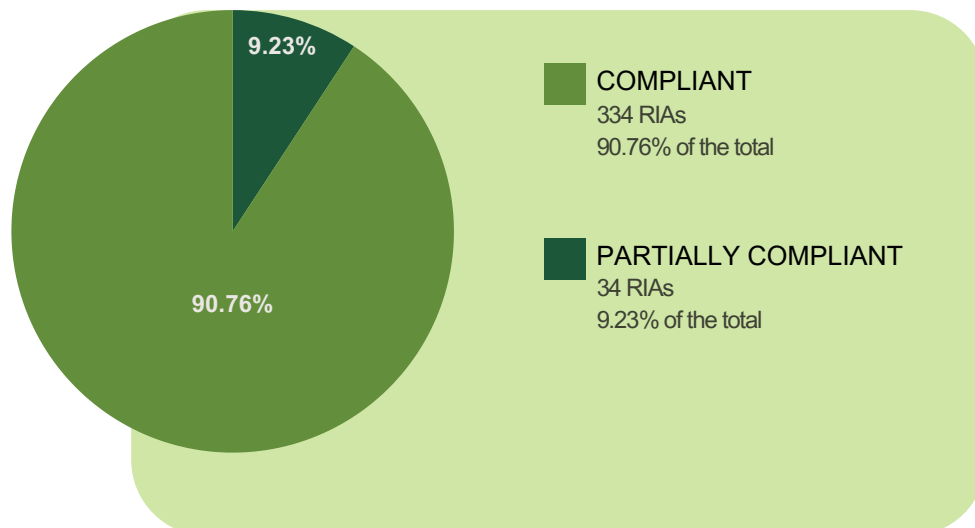
>>> STEP 2 – GOALS

The analysis revealed that the proposers of regulations generally defined the objectives of the RIAs effectively, aligning them well with existing strategies or the government's programme.

In 2023, the objectives were well defined in 334 or 90.76% of RIAs, and partially defined in 34 or 9.23% of RIAs. There were no RIAs evaluated with the grade "noncompliant with quality standards" (as shown in Chart 7).

The criteria used to determine the quality of setting the objectives in the RIA documents included their measurability, feasibility, clarity, and the clear time determination of the objective.

Chart 7 – Ratings for the RIA Step 2: GOALS

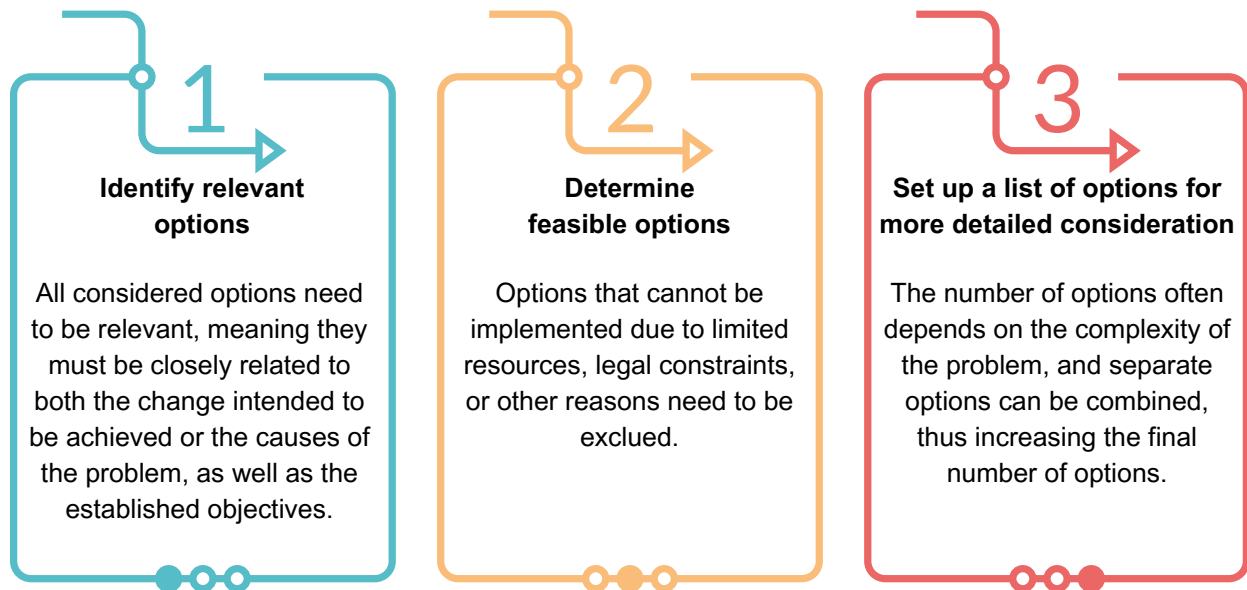


>>> STEP 3 – OPTIONS

This phase of the assessment involves defining several regulatory solutions to achieve the set objective or to address the shortcomings of the existing regulatory framework. It also includes the obligation to consider the "status quo" option, as well as non-regulatory alternatives such as promotions, media campaigns, education, and enhanced inspection supervision.

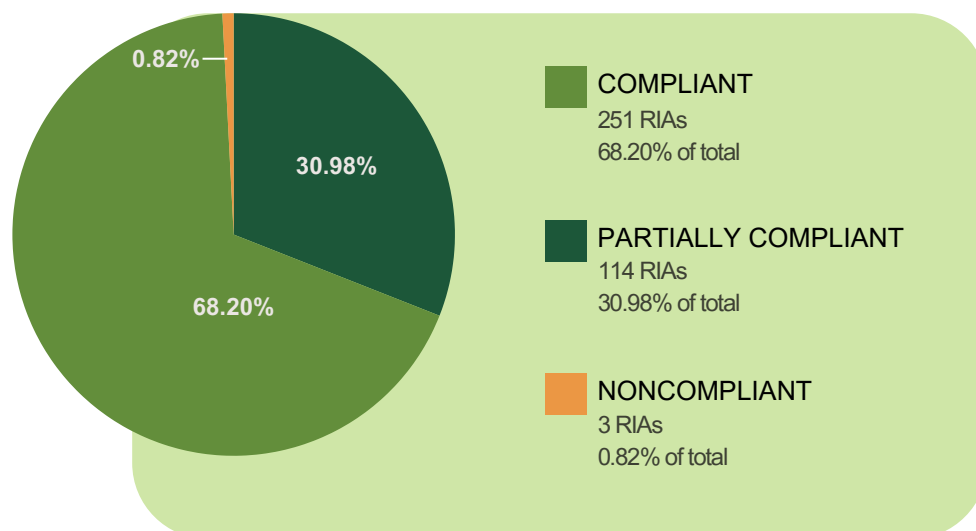
During this part of the process, it is preferable to undertake three steps to choose the optimal option:

Figure 6 – The process of considering options



The analysis revealed that out of the total RIAs conducted, 251 or 68.20% were rated "compliant with quality standards". Additionally, 114 RIAs, accounting for 30.98%, were assessed as "partially compliant with quality standards", and 3 RIAs, making up 0.82%, were rated as "noncompliant with quality standards" (as shown in Chart 8).

Chart 8 – Ratings for the RIA Step 3: OPTIONS

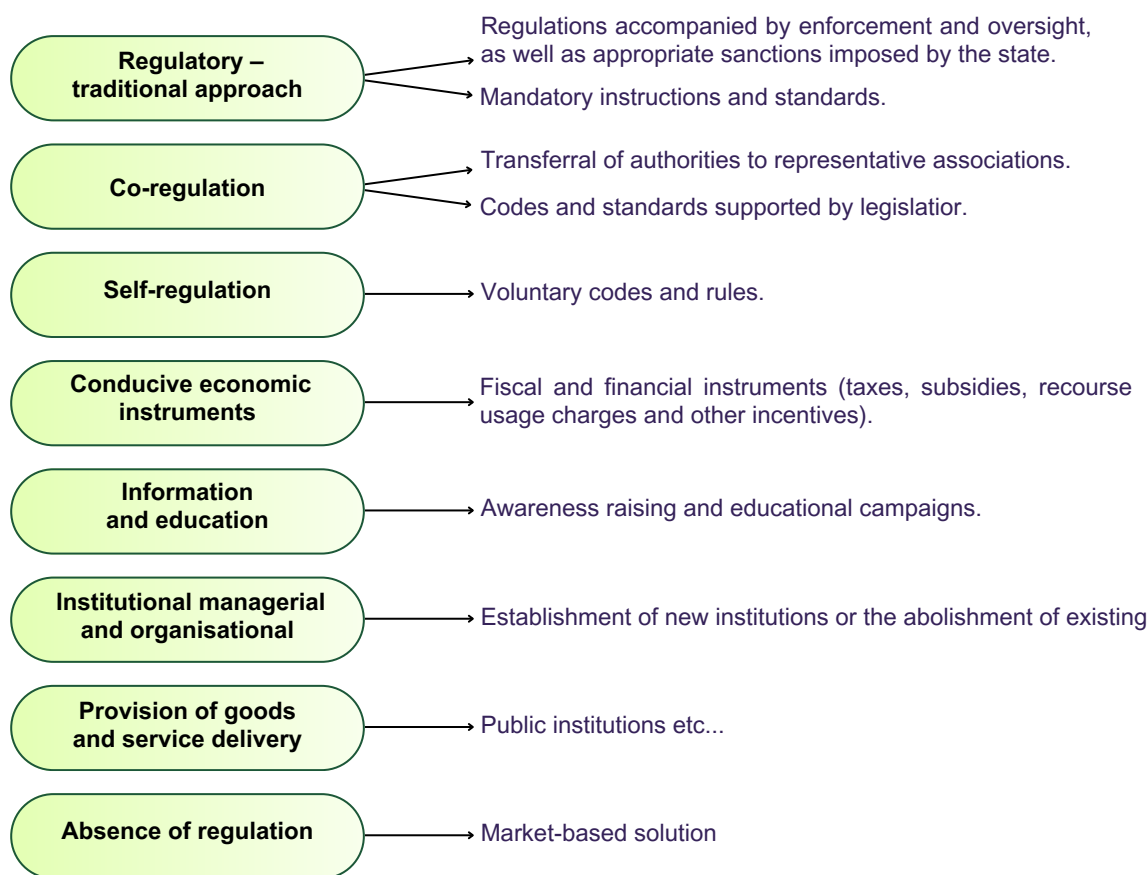


Comparing the data from 2022, the number of RIAs rated as "compliant with quality standards" decreased by 1.29%. Conversely, the number of RIAs rated as "partially compliant with quality standards" increased by 1.81%, and the number rated as "noncompliant with quality standards" decreased by 0.51%.

This analysis underscores the ongoing need for improvement, particularly as ministries infrequently consider additional options such as the "status quo" or non-regulatory interventions.

To enhance this aspect of the RIAs, during training sessions, the proposers of regulations are encouraged to consider as many options as possible. Emphasis is placed on combining the following options:

Figure7 – Selection of options



The number of options considered should depend on the complexity of the problem. It is important to keep the principle of proportionality in mind, ensuring that those conducting the analysis focus on significant options.

»» STEP 4 – IMPACT ANALYSIS

During the evaluation of this part of the RIA reports, the following aspects are taken into consideration:

- listing and quantifying the positive and negative effects,
- explaining the impact of the regulations on competition and business barriers,
- quantifying the costs that regulations impose on SMEs, and quantifying the administrative burden.

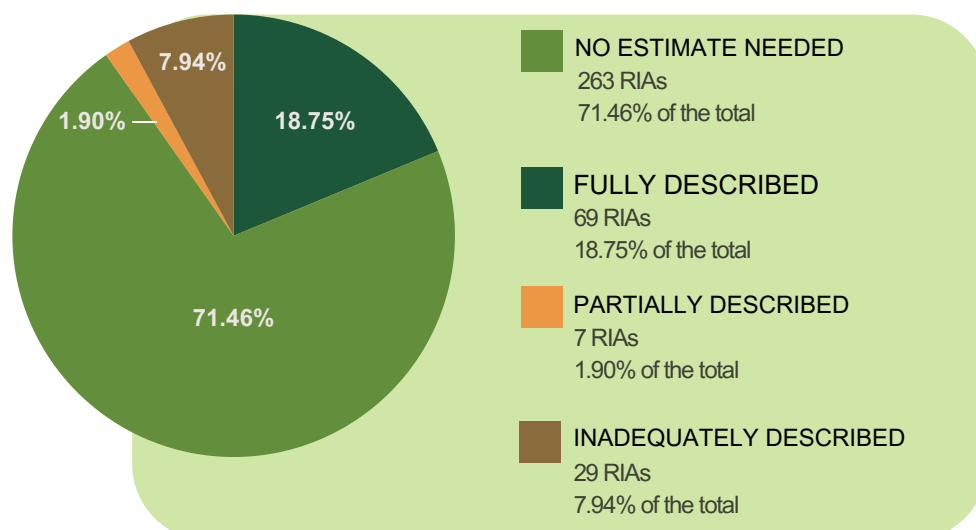
In 2023, for more than half of the proposed regulatory solutions (263 out of 368 regulations or 71.46%), a detailed analysis in this section was not required given that these regulations did not lead to the creation of additional administrative procedures or charges for citizens and the economy, as indicated in Table 8.

Table 8 – Cost estimates

	Fully elaborated costs	Partially elaborated costs	Inadequately elaborated costs	Regulations that did not require cost estimates
Laws	14	3	27	74
By-laws	42	1	-	126
Other documents	13	3	2	125
TOTAL	69	7	29	263
	18.75%	1.90%	7.94%	71.46%

In case of 105 of the regulations submitted for opinion during 2023, it was necessary to describe the potential costs for citizens and the economy resulting from the application of the regulations, accounting for 28.54% of all submissions. Out of these 105 RIAs, 69 were rated as having well-described costs (18.75% of the total submissions), 7 RIAs had partially described costs (1.90%), and 29 RIAs had inadequately described costs (7.94%), as shown in Chart 10.

Chart 10 – Quality of cost estimates (among the regulations that require such estimates)



In this section, ministries often prefer to define the positive direct impacts on the business environment resulting from the application of regulations. However, there is a reluctance to report negative and indirect impacts. A descriptive presentation of the impact is evident, but there is a need for a more frequent and rigorous quantification of these impacts.

During direct consultations with the proposers of regulations, the Ministry of Finance encourages the use of quantitative techniques to enhance the quality of the RIA Report. Since costs associated with regulations are not limited to monetary expenditures (they also include time spent, additional activities such as traveling to a specific location to submit documentation, photocopying, opening an account, etc.), it is essential to familiarize the proposers with the methods of cost calculation. One recommended approach is the use of the Standard Cost Model (or the Dutch Model), which is a straightforward method for measuring administrative costs and burdens imposed by regulations. This model breaks down the following elements:

- Procedures (also known as informational requirements)
- Administrative activities
- Time and cost of performing these activities
- Administrative costs and burdens

In addition to the Standard Cost Model, during training sessions proposers of regulations are also instructed to utilise Cost-Benefit Analysis and Multi-Criteria Analysis.

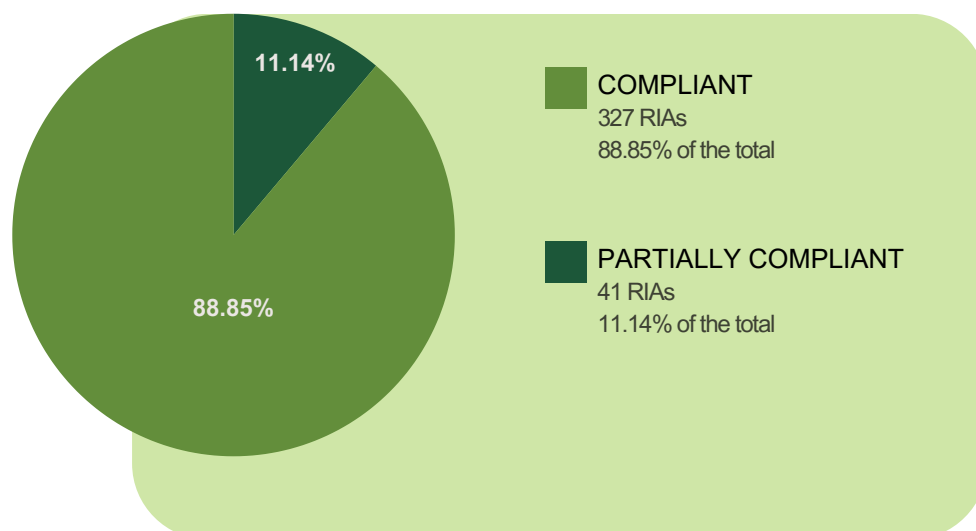
Cost-Benefit Analysis is a quantitative economic method used to evaluate and rank alternative projects, policy measures, or regulatory changes.

Multi-Criteria Analysis allows for the evaluation of options by considering various criteria, both quantitative and qualitative. This method is especially useful in areas of regulation where:

- Potential effects are such that they are very difficult to quantify (e.g., legal security, human rights, etc.), and only some form of qualitative analysis may be feasible.
- Potential effects can be quantified (e.g., the number of consumers who will benefit from the regulatory change), but it is challenging to express them in monetary terms.
- The quantity of information and its complexity make it difficult to process all data consistently during decision-making.

Reviewing the overall Impact Analysis indicator for 2023, it can be concluded that 327 RIAs, or 88.85%, were rated "compliant with quality standards", and 41, or 11.14%, were rated "partially compliant with quality standards". Notably, there were no RIAs that were rated as "noncompliant with quality standards" (as shown in Chart 11).

Chart 11 – Ratings for the RIA Step 4: *IMPACT ANALYSIS*

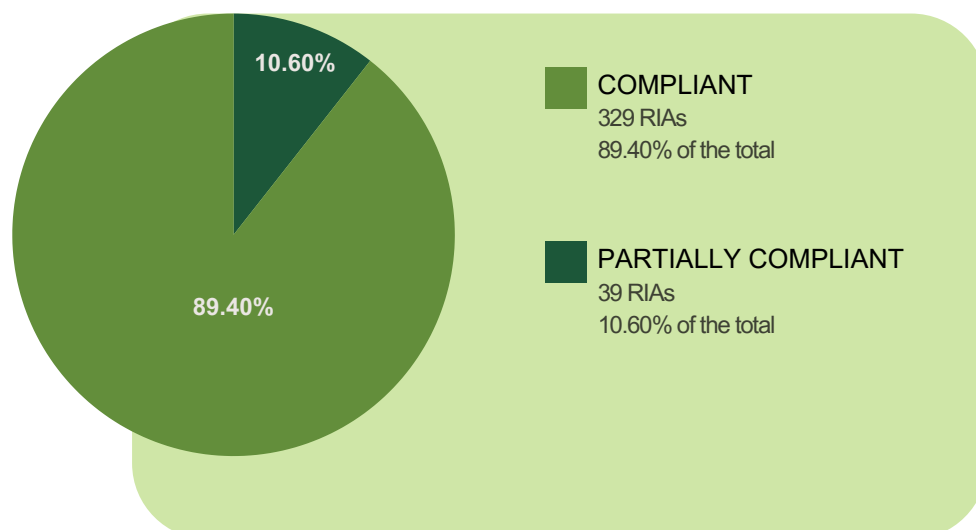


»»» STEP 5 – FISCAL IMPACT ASSESSMENT

The fifth step in the RIA process involves a fiscal impact assessment. This step assesses whether the implementation of regulations requires a one-time or ongoing provision of financial resources from the Montenegro budget, specifies the amount needed, and checks if these funds are already provided. It also examines whether the implementation of the regulations will generate income for the Montenegro budget and whether the by-laws that create these financial obligations are clearly defined. This part of the process is often considered the most complex by the proposers of the regulations.

In terms of compliance with quality standards, of the total RIAs analysed, 329 or 89.40% were graded "compliant with quality standards", indicating a high level of conformity. Meanwhile, 39 or 10.60% were graded as "partially compliant quality standards". Significantly, there were no RIAs rated as "noncompliant with quality standards" (Chart 12).

Chart 12 – Ratings for the RIA Step 5: *FISCAL IMPACT ASSESSMENT*



During the analysis of this particular step in the RIA process, it was established that the implementation of the regulations did not require additional funds beyond what was already planned in the annual budget.

For a more comprehensive analysis in this part of the RIA, it would be beneficial to list the by-laws from which financial obligations arise.

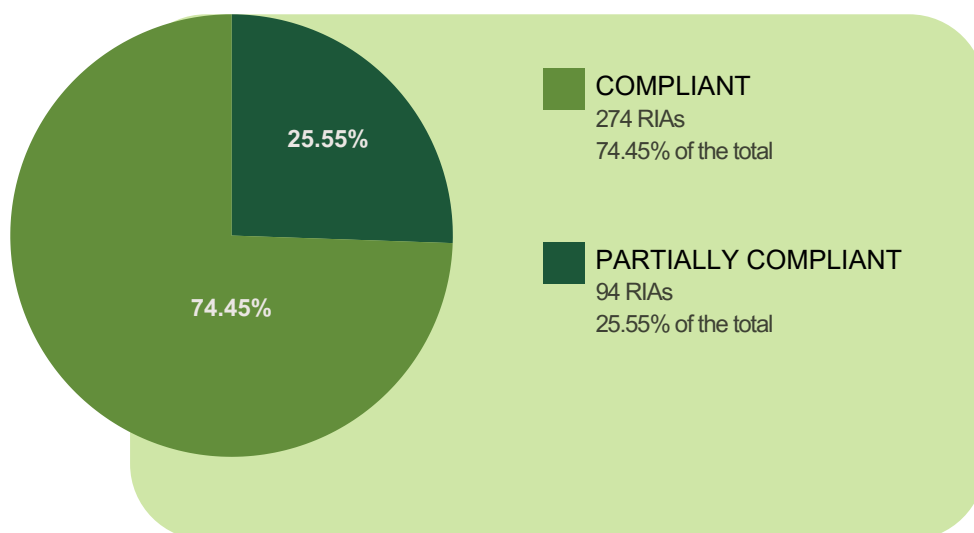
Additionally, incorporating three-year budget planning into the RIA Report for all regulatory solutions would be preferable. To further improve the clarity and detail of cost presentation for the implementation of regulations, the RIA form will be amended in collaboration with the Budget Directorate.

»»» STEP 6 – STAKEHOLDER CONSULTATIONS

The penultimate step of the RIA process involves the consultation of interested parties, where it is essential to systematize and present the results of public discussions clearly. These consultations are a structured approach to gathering relevant information from stakeholders. They aim to increase citizen participation and the overall transparency of ministry operations, reduce the risk of undesirable effects, and enhance the effectiveness of regulation implementation.

In the latest analysis of RIAs, 274 or 74.45% were graded "compliant with quality standards," while 94 RIAs, or 25.55%, were graded as "partially compliant with quality standards." Importantly, there were no RIAs rated as "noncompliant with quality standards," (Chart 13).

Chart 13– Ratings for the RIA Step 6: CONSULTATIONS



A slight decline was noted in the part of the RIA analysis concerning the grade "compliant with quality standards," which fell by 1.41% compared to 2022. Conversely, the number of RIAs rated as "partially compliant with quality standards" saw an increase of 1.68%. Importantly, there were no RIAs rated as "noncompliant with quality standards" this year.

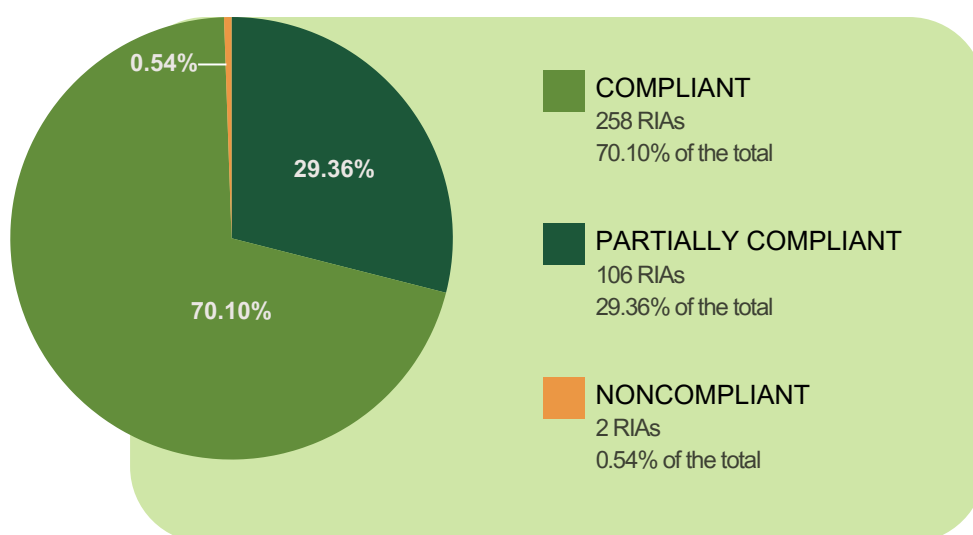
Given the pivotal role of consultations with key stakeholders and affected groups in the successful policy development, it is imperative to continue refining this aspect of the process. The emphasis should be on viewing consultation as an ongoing process integral to the entire lifecycle of regulation preparation, rather than as a discrete phase or event limited to public discussion. Beyond public hearings, it is necessary to provide clear explanations regarding the composition of the working groups established to prepare the regulations, as well as other relevant work processes. Moreover, detailed information should be provided about communications with business associations. If such communications have not been conducted, reasons for this omission should be clearly stated.

»»» STEP 7 – MONITORING AND EVALUATION

The final step in the RIA process focuses on monitoring and evaluation. This phase requires the identification of potential obstacles that could hinder the effective implementation of the regulations. It also involves outlining specific measures that will be taken to achieve the goals of the regulation and specifying who will be responsible for monitoring and evaluating the implementation. The primary purpose of monitoring is to provide feedback to the regulation's proposer about the outcomes of the implemented option, ensuring that the regulation effectively addresses the defined problem.

In terms of compliance with quality standards, out of the total RIAs analysed, 258 or 70.10% were graded "compliant with quality standards," 106 RIAs or 29.36% were graded as "partially compliant with quality standards," while only 2 RIAs, representing just 0.54%, were graded as "noncompliant with quality standards," (Chart 14).

Chart 14 – Ratings for the RIA Step 7: MONITORING AND EVALUATION



It is important to point out that there is still room for improvement in better identifying measures and measurable indicators to achieve the set objectives.

AGGREGATE SCORES OF RIA QUALITY ASSESSMENT

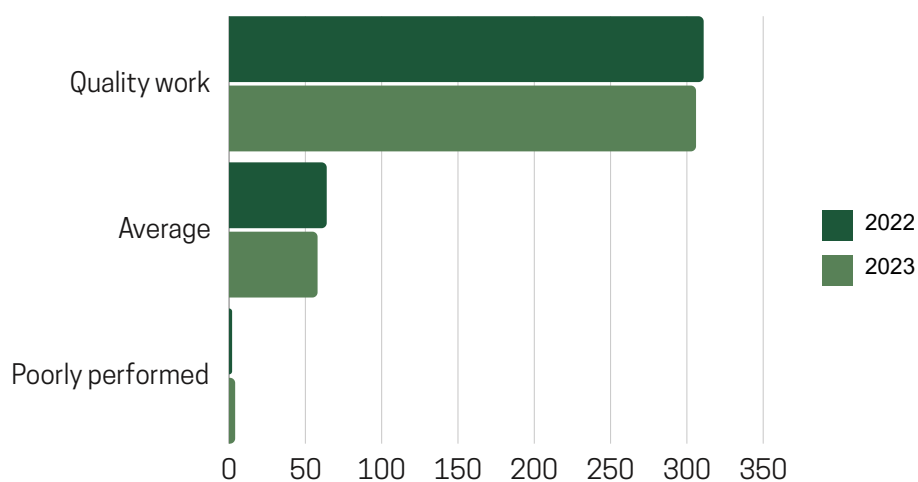
Based on the evaluation of the submitted responses for each area, a final score was assigned to each RIA individually. From the analysis performed, 306 RIAs, or 83.15%, received the rating "quality work", 58 RIAs, or 15.76%, were rated as "average," while 4 RIAs, representing 1.08%, were rated as "poorly performed". The final scores are derived from individual scores for each segment of the RIA analysis, according to the RIA Report Quality Control Checklist. These scores collectively provide an overall impression of the quality of all RIA analyses conducted.

Table 9 – Rating of RIA Reports in their entirety

RATING	Quality work	Average	Poorly performed
Laws	57	16	1
By-laws	143	20	6
Other documents	106	18	1
TOTAL	306	34	8
	83.15%	14.67%	2.17%

In comparison with 2022, there has been a notable improvement in the quality of prepared RIA reports, with a rise of 4.04% (Chart 15):

Chart 15 – Comparative overview of ratings for RIA Reports in their entirety



As indicated in the Chart for the year 2022, there were 4 RIAs, equivalent to 1.08% of all RIAs conducted, that were performed with poor quality.

Especially noteworthy are a few high-quality RIAs that can serve as exemplary models of good practice:

Table 10 –Examples of good practice

	Regulation	Proposer
LAWS		
1	Draft Law on Uniform Disability Assessment ³	Ministry of Labour and Social Welfare
2	Draft Tourism and Hospitality Law ⁴	Ministry of Tourism, Ecology, Sustainable Development and Northern Region Development
3	Draft Healthcare Law ⁵	Ministry of Health
BY-LAWS		
1	Draft Decision amending the Decision on the Amount, Calculation and Payment of the Fee for National Park Resources Utilisation ⁶	Ministry of Ecology, Spatial Planning and Urbanism
2	Decision on the Amount and Payment of the Fee for Performing Professional Tasks in reference to Medical Aids ⁷	Ministry of Health
3	Draft Decision on Establishing National Control List of Dual Use Goods ⁸	Ministry of Economic Development and Tourism
4	Draft Decision on the Fees for Municipal Road Use Old Royal Capital Cetinje ⁹	Ministry of Transport and Maritime Affairs
OTHER REGULATION		
1	Draft Strategy for 5G Mobile Communication Network Development 2023-2027 ¹⁰	Ministry of Economic Development
2	Programme for Enhancing Competitiveness ¹¹	Ministry of Economic Development
3	Programme for Construction, Reconstruction, Maintenance and Protection of Roads in Montenegro in 2023 ¹²	Ministry of Capital Investments
4	Draft 2023 Action Plan for implementing the Strategy for Enhancing the Quality of Life for LGBT individuals ¹³	Ministry of Human and Minority Rights
5	Draft Financial Agreement for Interreg VI-C URBACT IV for the period 2021-2027 ¹⁴	Ministry of European Affairs
6	Draft Strategy for Implementing UN Security Council Resolution 1325 – Women, Peace and Security (2024-2027), with the Action Plan 2024-2025 ¹⁵	Ministry of Defence

Drafters: ³Budimirka Đukanović, head of department; ⁴Marjan Milačić deceased, head of department; ⁵Milica Golubović, head of department; ⁶Miloš Sekulović, autonomous adviser; ⁷Dušanka Prašćević, autonomous adviser in coordination with Uroš Labudović, Manager of the Centre for Medical Aids; ⁸Kadrija Kurpejović, head of department; ⁹Desa Vukčević, adviser, Old Royal Capital Cetinje; ¹⁰Viktor Berishaj, autonomous adviser; ¹¹Ljiljana Belada, head of department; ¹²Irena Janković, autonomous adviser; ¹³Semra Martinović, autonomous adviser; ¹⁴Irena Bošković, head of department; ¹⁵Milka Glomazić, autonomous adviser.

COOPERATION WITH THE HRA

To bolster the institutional capacities of the relevant departments, the Ministry of Finance in collaboration with the Human Resources Administration has developed a specialized training programme in the field of Regulatory Impact Analysis (RIA). The programme is designed to enhance specific knowledge and technical skills necessary for preparing RIA Reports. By fostering professional knowledge and skills among employees at both state and local levels, the programme aims to improve the quality of RIAs and enhance the understanding of how regulations impact the functioning of state administration across all regulatory solutions.

This programme is set to build the necessary personnel capacities to enhance the quality and efficiency of understanding the effects regulations have on the system as a whole.

The training programme comprises four modules, each focused on different elements of the process for conducting the RIA in the production of new regulations and strategic documents.

MODULE 1

Module 1 provides an introduction to the regulatory impact assessment and is designed to acquaint participants with the basic principles involved in preparing RIA.

MODULE 3

Module 3 is dedicated to fiscal analysis, where participants will develop skills to measure the costs associated with implementing solutions prescribed by regulations and to more accurately assess the fiscal implications of new regulatory proposals.



MODULE 2

Module 2 focuses on economic analysis, specifically assessing the costs of regulations for citizens and businesses.

MODULE 4

Module 4 focuses on practical work with concrete examples of RIA, serving as a recapitulation of what has been learned in the previous three modules. It enhances the trainees' skills through the application of RIA principles to real-world scenarios and practical exercises.

During 2023, six training sessions for municipalities were organised together with the HRA including: Bar with 11 employees participating, Cetinje with 13 employees, Tivat with 10 employees, Pljevlja with 8 employees, Berane and Andrijevica with 6 employees, and Bijelo Polje with 10 employees.

Table 11: Trainings delivered in 2023

MUNICIPALITIES		
Local self-government unit	Date	No. of participants
COASTAL REGION		
Bar	16,17 and 24 February 2023	11 participants
Cetinje	09,10. and 24 March 2023	13 participants
Tivat	11,12 and 19 May 2023	10 participants
NORTHERN REGION		
Pljevlja	08, 09 and 16 June 2023	8 participants
Andrijevica i Berane	06,07 and 12 July 2023	6 participants
Bijelo Polje	12,13 and 20 October 2023	10 participants

Given the results of the qualitative analysis of RIA application in 2023, there remains a need to enhance skills for more comprehensive RIA creation. Consequently, a training plan for 2024 has been prepared.

In collaboration with the Administration for Human Resources, a Programme Council has been established for the preparation, monitoring, and evaluation of the Specific Training Programme in the area of RIA. This initiative aims to implement the following activities:

- Revision of the Training Programme for RIA through two modules:
 1. Consecutive training: Each trainee is required to complete all modules.
 2. Training by Specific Areas*: Focused training tailored to specific aspects of RIA.

In parallel with the Professional Development Training Programme, the following activities are also envisaged:

- **Preparation of a list of employees** who can be potential trainers.
- **The first cycle of training of trainers for full RIA**, targeting current RIA trainers and officers from the RIA network identified by the Ministry of Finance.
- **The second cycle of training of trainers for full RIA**, which will include some of the officers who completed the first training cycle.
- **Development of a Training Manual** to serve as a primary tool for instructors during the training sessions. This activity is planned to be carried out in cooperation with a potential donor (UNDP).

FINAL CONSIDERATIONS

- Ministries submit RIA Reports in terms with the Government's Rules of Procedure.
- The quality of RIA has improved compared to the previous reporting period (2016-2021).
- Comparing the records from 2022 and 2023, there has been an improvement in the quality of RIAs in the following areas:
 - › Defining the problem;
 - › Impact analysis
 - › Fiscal impact assessment.
- The steps in the RIA process in need for further improvements include:
 - › Objectives;
 - › Impact analysis;
 - › Fiscal impact assessment;
 - › Stakeholder consultations;
 - › Monitoring and evaluation.

PROPOSED QUALITY IMPROVEMENT MEASURES

Based on the findings of the qualitative analysis of RIAs, the following improvement measures are proposed:

- The preparation of the RIA should commence prior to the regulation drafting process itself.
- While drafting regulations, it is crucial to conduct a thorough analysis and ensure the involvement of all members of the Working Group in considering the aspects covered by the RIA;
- In the process of analysing the impact of regulations, it is necessary to adopt a more comprehensive approach to defining goals using SMART criteria;
- Enhance skills for evaluating alternative options (regulatory/non-regulatory) to achieve policy objectives;
- Conduct detailed analysis of laws that create conditions for the imposition of new obligations and expenses;
- Strengthen capacities for assessing the administrative costs that regulations may impose on the economy and citizens, to more comprehensively understand the implications of regulations (through the use of standard cost models, multi-criteria analysis, and cost-benefit analysis);
- Enhance the ability to assess the long-term fiscal implications of regulations, including three-year planning;
- Improve the part of the analysis related to consultations with stakeholders, making it mandatory to consider proposed solutions with economic associations;
- Enhance the Monitoring and Evaluation section of the analysis—pay particular attention to defining measurable indicators (both quantitative and qualitative) to ensure higher quality monitoring of the implementation of regulatory solutions.

Further steps:

- Cooperation with SIGMA towards establishing full RIA:
 - › **new guidance on how to prepare regulatory impact assessment (RIA) report;**
 - › **new RIA template;**
 - › **adopt the new methodology** for full RIA;
 - › **strengthen the capacities** of the Ministry of Finance's Division for Regulatory Impact Assessment (for full RIA);
 - › **improve the quality** of annual qualitative reports on RIA.
- After establishing the formal conditions for the implementation of full RIA, the following activities will be carried out in cooperation with the Human Resources Administration:
 - › Formation of a new **Programme Council for the preparation, monitoring, and evaluation of the Specific Training Programme in the area of Regulatory Impact Assessment (RIA);**
 - › **revise** RIA Training Programme across the two options on offer:
 1. sequential training (each trainee will be obliged to undergo all modules);
 2. training per specific area;
 - › **Cycle 1 of Train the Trainer** for full RIA (officers from the RIA network);
 - › **Cycle 2 of Train the Trainer** for full RIA (officers who completed Cycle 1);
 - › **Preparation of a manual** for the training programme, serving as a fundamental resource for lecturers during the training delivery. This activity is planned to be carried out in cooperation with a potential donor(UNDP).
- After adopting a new methodology for a full RIA, activities and opportunities for introducing an **electronic RIA template** will be considered, in cooperation with the Ministry of Public Administration;
- **Establish cooperation with the Parliament** to strengthen capacities for preparing RIAs during the enactment of laws and amendments;
- As part of implementing RIA at the local level, in cooperation with the Ministry of Public Administration, the Union of Municipalities and local governments the following activities are planned:
 - › **Establish units for RIA quality control**, with potential donor support;
 - › **Annual qualitative reporting** on regulatory impact assessment (RIA) implementation;
 - › **Monitoring** of RIA implementation at the local level;
 - › **Public availability** of RIAs at the local level.
- Establishment of a RIA Consultative Body, including representatives from the Ministry of Finance, the General Secretariat of the Government, the Ministry of Public Administration, the Secretariat for Legislation, the Parliament, and municipalities.);
- **Introducing quarterly RIA monitoring of secondary legislation:**
 1. **Assessment of the use** of RIA for secondary legislation for the previous period;
 2. **Regular reporting** on the use of RIA for secondary legislation.

- The following activities will be carried out through the existing **RIA network**:
 - › **Enhance RIA** in a manner that ensures consultations with the network representative from the department proposing regulations are conducted before officially referring requests for opinions to the Ministry of Finance;
 - › **Exchange of experiences** among network members both within and outside the institution;
 - › **Networking** at the regional level through close cooperation with the Regional School of Public Administration (ReSPA);
 - › **Attend training** for full RIA;
 - › **Take part in ReSPA Mobility Schemes** which will provide an opportunity for RIA network officials to visit and exchange experiences with relevant institutions in another ReSPA member state or an EU member state, allowing them to gain practical knowledge about certain success factors in the field of RIA.;
 - › **Take part in RIA-related events/meetings.**
- **Securing expert support** for the preparation of RIAs for complex laws that are scheduled to be enacted in the third and fourth quarters of the Government Work Programme.

QUALITY CONTROL CHECKLIST FOR RIA REPORTS MINISTRY OF FINANCE

RIA EVALUATION REPORT			
PROPOSER:			
TITLE OF THE ACT:			
RECEIVING DATE:		EVALUATION DATE:	
CHECKLIST			
1. Defining the problem:	YES	NO	NA
The problem is clearly and concisely explained			
The causes are clearly described			
The consequences are clearly stated and measurable			
The affected parties are clearly identified			
2. Goals:	YES	NO	NA
The objectives are clearly described			
The objectives are measurable			
The objectives realistic			
The objectives are clearly time-defined			
3. Options:	YES	NO	NA
The number of options considered			
Status quo option has been considered			
Both regulatory and non-regulatory solutions have been considered			
4. Impact analysis:	YES	NO	NA
Positive and negative effects stated			
Quantified positive impacts			
Quantified negative impacts			
Impact on competition and business barriers described			
Quantified costs for small and medium-sized enterprises (SMEs)			
Quantified administrative burden			
5. Fiscal impact analysis:	YES	NO	NA
One-off budgetary resource assessment provided			
Budgetary resources assessment for a specific period provided			
Budgetary revenue assessment provided			
By-laws imposing commitments described			
6. Stakeholder consultations:	YES	NO	NA
Stakeholders clearly identified			
Results of consultations listed			
Consultation process clearly and concisely explained			

7. Monitoring and evaluation:	YES	NO	NA
Measures to be taken during implementation clearly stated Body responsible for implementation and monitoring specified Performance indicators clearly defined			
COMMENTS			
The Report is compliant with			