

Directors and Experts of Better Regulation Meeting
18-19 September 2014, Rome

The results of the public consultation “100 Procedures to Simplify” and the new Italian Simplification Agenda



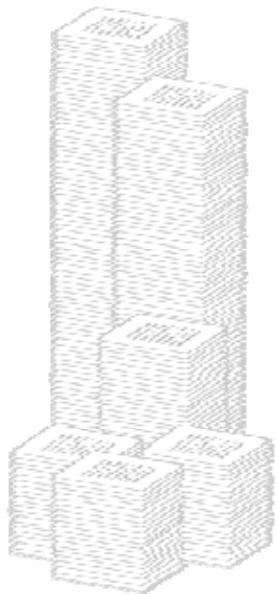
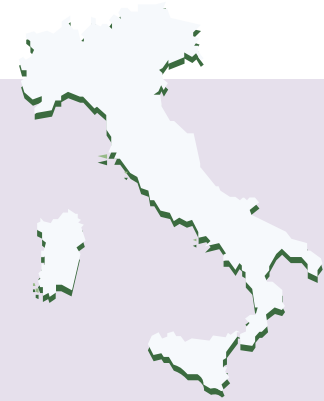
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Increase growth through simplification

Where do we start from?

According to the *Doing Business Index 2014*, Italy still ranks **23rd** among the 28 EU Countries examined by the World Bank. Moreover, Italy ranks 65th among 189 Countries in the aggregate ranking (in 2013 Italy ranked 67th), 90th in *Starting a Business* topic, 112nd in *Dealing with Construction Permits* topic, 138th in *Paying taxes*, 103rd in *Enforcing contracts*.



Faced with the crisis, regulatory burdens are even more intolerable for businesses

Administrative simplification and regulatory burdens reduction are key factors to **free up resources for boosting business productivity and competitiveness and to give effectiveness to citizens' rights**, without increasing public spending.

The weight of administrative burdens in Italy

The first *Italian Measurement Programme (Misurazione degli Oneri Amministrativi or MOA)* was carried out between 2008 and 2012 by a dedicated task force of the Office for Administrative Simplification (Department for Public Administration), with the technical assistance of the National Institute of Statistics (ISTAT). The Italian measurement methodology had been applied to about 100 high-impact procedures, selected in collaboration with stakeholders and public administrations.

Annual aggregated total administrative costs per sector

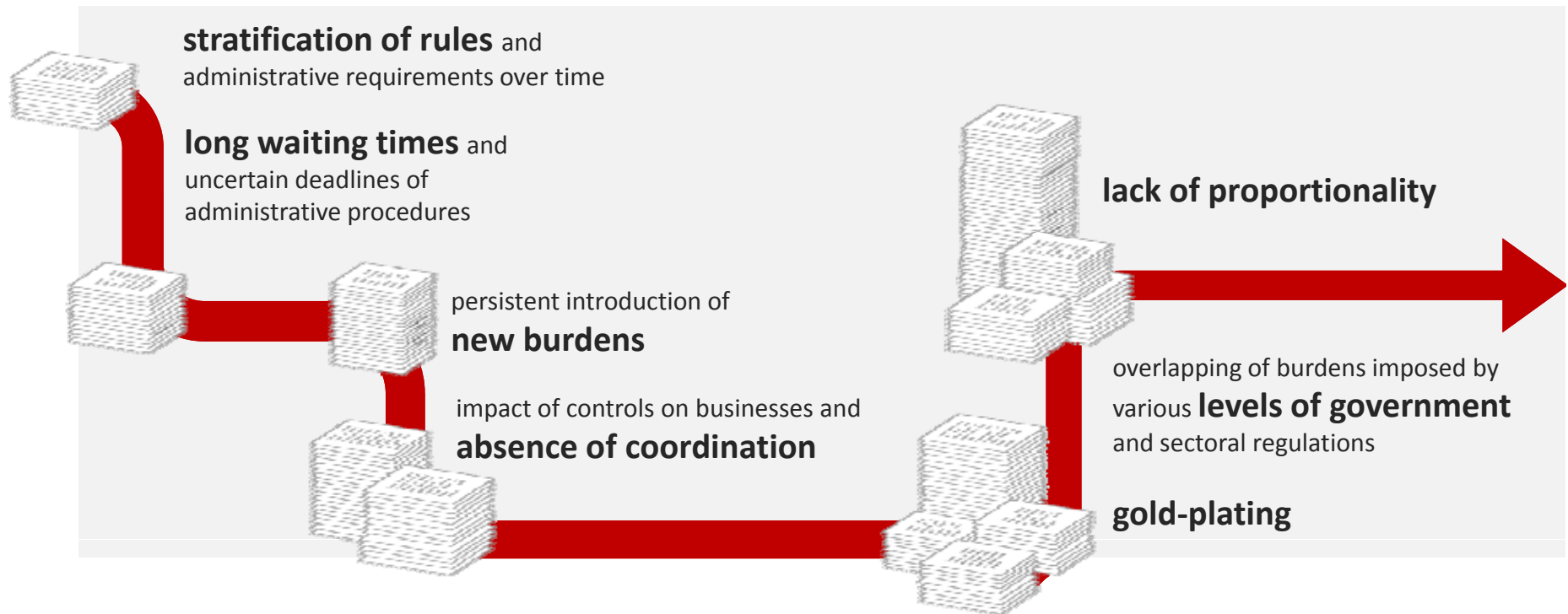
(businesses up to 249 employees)



Total Administrative Costs
30,98
billion

The distinctive causes of the red tape in Italy

Measurement activities, in addition to identifying the administrative burdens that need to be simplified, helped us to identify the causes of the burdens stemming from procedures



EXTERNAL CONSULTANTS

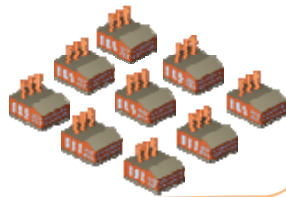
The complexity of procedures and rules lead to an extensive employment of **external consultants**. The cost of external consultants can be estimated at 25 billion of Euros, about 80% of measured costs

Lack of proportionality

Italian enterprises size

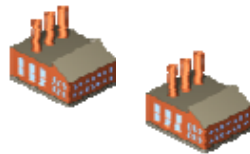
Up to 9
employees

4.200.000
enterprises



10-249
employees

210.000
enterprises



More than
250 employees

3.468
enterprises



Italian economic framework is characterized by a high number of small- and medium-sized enterprises. One of the main causes of the red tape is the lack of proportionality of rules in **relation to the size and field of activity of the businesses and to the actual need for public interests' safeguard** and also according to risk management criteria.

Results are not achieved if citizens and businesses don't perceive them

Thanks to the first Italian Measurement Programme (MOA) the Italian Government adopted simplification measures that will produce **savings of about 30% of measured costs** when fully implemented.

However, we took notice of some critical points suggested by stakeholders:

- for businesses and citizens in their **perception and use** of simplification measures
- by public administrations in the **implementation** of simplification measures

Why simplification measures were not well perceived?

- **Commitment to implement** the simplification measures was **insufficient**
- Simplification measures were hard to communicate due to their **high level technical content**
- External consultants for businesses **played a role as a filter** for the perception of simplification benefits





SIMPLIFICATION, THE NEW AGENDA

A new political commitment

The Renzi Government is working hard on structural reforms to boost Italian economic growth: to this end, tackling red tape and reforming public administration become front-and-center



A word cloud of Italian government reforms. The central and largest text is 'Sblocca Italia' in dark blue. To its right is 'DECRETO LAVORO' in orange. Above it is 'Competitività' in orange. To the left is 'Sblocca Cantieri' in grey. Below 'Sblocca Italia' is 'Riorganizzazione PA' in purple. At the bottom is 'semplificazione e trasparenza' in light blue. On the far left, 'DLGS FISCO' is written vertically in yellow. In the center, 'Artbonus' is written vertically in blue.

DLGS FISCO

Sblocca Cantieri

Artbonus

Competitività

DECRETO LAVORO

Sblocca Italia

Riorganizzazione PA

semplificazione e trasparenza

Simplifying via public consultation

It is necessary to start from the citizens and businesses points of view to really cut red tape. The Italian Government launched the public consultation “Rivoluzione@governo.it” to define the content of the Public Administration Reform

Rivoluzione
@governo.it

39.343 comments collected
44 points of discussion

Simplifying via public consultation

The top ten of most burdensome procedures for businesses and citizens



Furthermore, via the public consultation *100 Procedure da Semplificare*, citizens and businesses indicated the top ten of the most burdensome procedures.

The public consultation was launched in collaboration with the Regions, the local Authorities and the most relevant business associations



BUSINESSES

- 1 PAYING TAXES
- 2 BUILDING AND RENOVATING
- 3 RUNNING A BUSINESS
- 4 PUBLIC PROCUREMENT
- 5 SAFETY AT WORK



CITIZENS

- 1 PAYING TAXES
- 2 BUILDING AND RENOVATING
- 3 ACCESSING HEALTH CARE SERVICES
- 4 PROCEDURES AFFECTING PEOPLE WITH SPECIAL NEEDS
- 5 LABOUR AND SOCIAL SECURITY

Fast-tracks to simplification

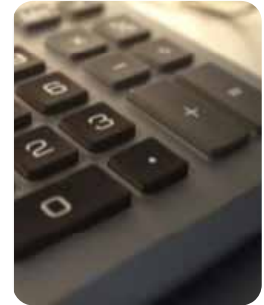
It took just a few months to adopt important simplification measures that comply with the issues proposed by citizens and businesses

1

PAYING TAXES

Several simplification measures e.g. the individual income tax return; inheritance declaration; vat returns ; Intrastat reports

(legislative decree on tax law simplification)



2

BUILDING AND RENOVATING

For example: standard forms for construction permits; liberalization of indoor construction activities; simplification of the landscape authorization and the requirements for small interventions; faster procedures to obtain construction permits; simplification for the management of excavation waste materials

(“PA”, “Sblocca Italia” and “ArtBonus” decrees)



Fast-tracks to simplification

3 RUNNING A BUSINESS

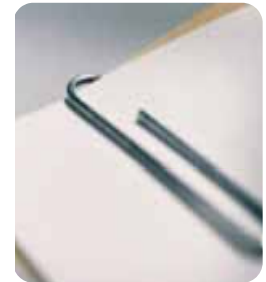
For example: standard forms to start a business, reducing time frames for administrative procedures with the “Conferenza di servizi”, silence-is-consent rule between public administrations, simplification of inspections on agricultural businesses, etc.

(“PA”, “Competitiveness” decrees and draft law on Reorganization of Public Administration)



4 PUBLIC PROCUREMENT

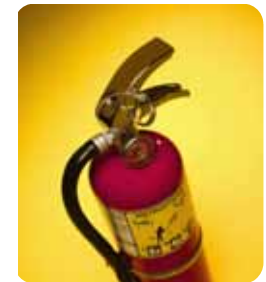
Online acquisition of the DURC (certificate of regular payment of social contributions) and the “Antimafia” certificate by public administrations



5 SAFETY AT WORK

Simplification of notification forms and documents for the safety in constructions

(the Safety and Coordination Plan and the Operational Safety Plan)



Fast-tracks to simplification

3

ACCESSING HEALTH CARE SERVICES

Simplification of medical prescriptions for people affected by chronic diseases

(“PA” decree)



4

PROCEDURES AFFECTING PEOPLE WITH SPECIAL NEEDS

Simplification measures to renew driver licence, to obtain parking permits, to obtain job-related benefits

(“PA” decree)



5

LABOUR AND SOCIAL SECURITY

Simplification measures to start an internship, a job partnership, and for hirings

(“Lavoro” decree and Jobs Act draft law)



The Simplification Agenda 2015-2017

*Results are not achieved if citizens and businesses don't perceive them:
Focusing on implementation*

The radical swing in the immediate future is the adoption of a simplification Agenda. For the first time in Italy, the Government, the Regions and the local Authorities will assume a common commitment to:

1 CUTTING COSTS AND TIME FRAMES FOR PROCEDURES

Italy set a target reduction of a minimum of 20% under European Structural Fund Cycle 2014-2020.

As in the previous ABR programme, in order to focus efforts and resources on the most burdensome areas, targets will refer only to "high-impact procedures" subject to measurement, with no baseline measurement. The procedures will continue to be identified via stakeholders' consultation

2 ENSURING CERTAINTY OF RIGHTS AND OBLIGATIONS FOR CITIZENS AND BUSINESSES

E.g. Digital citizenship, standard forms, etc.

The Regulatory Burden Measurement Programme 2015-2017 will support
(and will be an annex of) the Simplification Agenda

The top innovation in the Agenda: from laws to results

STRONG COLLABORATION BETWEEN THE STATE, THE REGIONS AND THE LOCAL AUTHORITIES

For the first time in Italy, actions and measures are shared between the State, the Regions, and the local Authorities: **citizens and businesses are not interested in identifying those responsible of the red tape. What they really want is less burdens**

PUBLIC CONSULTATION WITH CITIZENS AND BUSINESSES

The Agenda will be defined and implemented taking into account the comments collected via public consultation

CLOSE ATTENTION TO THE IMPLEMENTATION OF THE MEASURES

The Agenda will identify the necessary tools to ensure effectiveness and visibility to the simplification measures, giving attention to implementation, monitoring, assessment and communication of the adopted measures

The structure of the Agenda

The Agenda will schedule several simplification actions inspired by a result-based approach. For each of them, the Agenda identifies objectives, responsibilities, deadlines.

For the first time, burdens and times will be put under control: the actual red tape borne by citizens and businesses will be measured and monitored with the support of measurement activities.

Action 1 – *[E.g. Form adoption]*

- **Outline of the situation** [law provisions currently in force, implementation stage, critical points, etc.]
- **Objectives and expected results**
- **Measure description**
- **Steps and deadlines**
- **Responsibilities**
- **Consultation methods and tools**
- **Methods of results checking:**
 - Indicators:
 - Targets:
 - Collection of information (e.g. surveys)

Actions supporting the Simplification Agenda



The Accountability for the Agenda

Measurement activities will support the Agenda in measuring and monitoring the actual red tape carried by citizens and businesses so that both public administrations and stakeholders will be able to verify the actual impact of the simplification measures.

In order to **increase the accountability of the Public Administrations** involved, the Agenda will introduce name-and-shame mechanisms and will be connected to the performance management systems currently existing in public administrations.

How to hold
public
administrations
accountable
for the Agenda?

- Progress report available online
- Recurring checks and updates by the Council of Ministers
- Connection with the objectives of the new Structural Funds programme cycle
- Connection with the performance evaluation system

In conclusion:

Keys to overcoming the challenge of red tape

Proportionality

Political commitment

Implementation

Engaging civil servants

citizens and businesses
points of view
must always be front of mind!

Measurement

Evaluation system

Communications campaign