

Iceland

Overview and recent developments

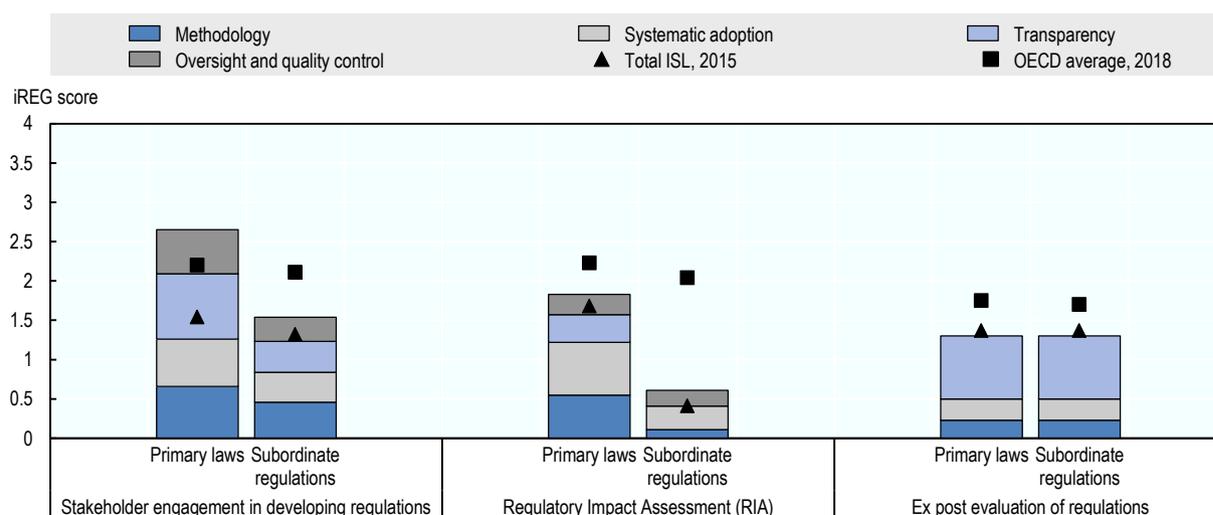
Iceland has made significant efforts over the last few years to improve their systems for RIA and stakeholder engagement. On 1 January 2016, the new Law on Public Finances no. 123/2015 came into force, which establishes the requirement to conduct RIA for all primary laws (Article 66). This provision is reinforced by the Cabinet Resolution of 10 March 2017, which establishes the requirement to draft and circulate a “Legislative Intent” document with preliminary impact assessment to other Ministries for comment prior to drafting a bill. Once the Ministries have commented, the Resolution also requires an early-stage consultation on the same document and preliminary RIA with citizens and stakeholders. The Resolution also calls for public consultation on the full draft bill and full RIA before being presented to Cabinet.

To support engagement efforts, Iceland launched a new public consultation website in February 2018 that provides citizens and stakeholders with a single portal to view all draft laws and provide comments electronically. *Ex post* evaluation continues to be non-mandatory, but is used periodically for some primary laws and subordinate regulations. While the efforts to improve RIA and stakeholder engagement moves Iceland forward, careful attention should be given to fully implementing the new requirements to ensure their intended effect is achieved and to extend the efforts to subordinate regulations.

Institutional setup for regulatory oversight

The **Department of Legislative Affairs (DLA)** in the Prime Minister’s Office is the core cabinet-level body for regulatory oversight and is responsible for the systematic improvement and advocacy of good regulatory practices across government. It also has the main responsibility for overseeing stakeholder engagement, evaluating regulatory policy, provide guidance and training regulatory management tools, and scrutinise the legal quality of new legislation. The **Department of Public Finances (DPF)** in the Ministry of Finance and Economic Affairs is responsible for overseeing RIA in accordance with Article 66 of the new Law on Public Finances, specifically concerning impacts on public finances and the economy and developing guidance materials for RIA. The **Consultative Committee on Public Inspection Rules (CCPIR)** is responsible for overseeing elements of *ex post* evaluation, specifically concerning impacts on businesses and administrative burdens. The DLA is responsible for coordinating the activities of all the bodies to ensure the full and proper application of the various tools and harmonise the approaches.

Indicators of Regulatory Policy and Governance (iREG): Iceland, 2018



Notes: The more regulatory practices as advocated in the [OECD Recommendation on Regulatory Policy and Governance](#) a country has implemented, the higher its iREG score. The indicators on stakeholder engagement and RIA for primary laws only cover those initiated by the executive (80% of all primary laws in Iceland).

Source: Indicators of Regulatory Policy and Governance Surveys 2014 and 2017, <http://oe.cd/ireg>.

StatLink <https://doi.org/10.1787/888933815775>

Location of regulatory oversight functions: Iceland

Regulatory oversight functions		Centre of government	Ministry of Finance, Economy or Treasury	Ministry of Justice	Other ministries	Non-departmental body	Parliament	Office of the Attorney General	Supreme audit institution	Part of the judiciary
Quality control of...	RIA	●	●			●				
	Stakeholder engagement	●								
	Ex post evaluation									
Identifying policy areas where regulation can be made more effective						●				
Systematic improvement of regulatory policy		●				●				
Co-ordination of regulatory policy		●								
Guidance, advice and support		●	●							
Scrutiny of legal quality		●				●				

Notes: ● indicates that a given regulatory oversight function is covered by at least one body in a particular location. Data present the situation as of 31 December 2017 and do not reflect changes that may have taken place in 2018.

Source: Survey questions on regulatory oversight bodies, Indicators of Regulatory Policy and Governance Survey 2017, <http://oe.cd/ireg>.