

# **A LITERATURE REVIEW OF REGULATORY IMPACT ASSESSMENT (RIA): THEORETICAL BACKGROUND AND IMPLEMENTATION**

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## **ABSTRACT**

Regulatory impact assessment (RIA) has become an important tool over the past few years for evidence-based decisions made by policy-makers worldwide. This paper provides a literature review on RIA with a primary focus on RIAs' theoretical background and implementation in various countries. We show that the academic literature on RIA is still rather limited and centered around four main authors: Robert W. Hahn, Colin Kirkpatrick, Claudio M. Radaelli, and Andrea Renda. They have written fundamental works on the process of RIA as well as on its application in practice in various countries globally and frequently their teams cooperate to produce research. First, Robert W. Hahn focuses in his research on cost-benefit analysis in regulation and quantitative analysis of RIA quality through a scorecard approach. He also investigates the application of economic methods to analyze law pertaining to RIA and discusses its implementation in the US and the EU. Second, Claudio M. Radaelli analyses both the RIA and impact assessment (IA) processes and discusses the role of stakeholders involved and related political aspects. Third, Colin Kirkpatrick summarizes case studies of implementation of RIA in various countries, comparative analyses and specific impact assessments on sectors such as the financial or energy sector regulation. Fourth, Andrea Renda applies his research on RIA quality and application, comparative studies on RIA quality when applying quantitative scoreboards and case studies on regulation in specific industries such as energy and telecommunications sectors. However, we found out that these authors did not properly analyze within the RIA process an issue of regulatory capture developed by George Stigler. We argue that regulatory capture forms an inherent part of some RIAs since interest groups and other political participants use RIA to shape laws and regulatory rules in their interest rather than public interest. To conclude, we believe that regulatory capture should be analyzed more carefully in the RIA context since some RIAs are biased and serve as ex-post justification of regulatory actions rather than their proper ex-ante assessment.

## **ACKNOWLEDGEMENT**

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### **ABSTRACT**

Regulatory impact assessment (RIA) has become an important tool over the past few years for evidence-based decisions made by policy-makers worldwide. This paper provides a literature review on RIA with a primary focus on RIAs' theoretical background and implementation in various countries. We show that the academic literature on RIA is still rather limited and centered around four main authors: Robert W. Hahn, Colin Kirkpatrick, Claudio M. Radaelli, and Andrea Renda. They have written fundamental works on the process of RIA as well as on its application in practice in various countries globally and frequently their teams cooperate to produce research. First, Robert W. Hahn focuses in his research on cost-benefit analysis in regulation and quantitative analysis of RIA quality through a scorecard approach. He also investigates the application of economic methods to analyze law pertaining to RIA and discusses its implementation in the US and the EU. Second, Claudio M. Radaelli analyses both the RIA and impact assessment (IA) processes and discusses the role of stakeholders involved and related political aspects. Third, Colin Kirkpatrick summarizes case studies of implementation of RIA in various countries, comparative analyses and specific impact assessments on sectors such as the financial or energy sector regulation. Fourth, Andrea Renda applies his research on RIA quality and application, comparative studies on RIA quality when applying quantitative scoreboards and case studies on regulation in specific industries such as energy and telecommunications sectors. However, we found out that these authors did not properly analyze within the RIA process an issue of regulatory capture developed by George Stigler. We argue that regulatory capture forms an inherent part of some RIAs since interest groups and other political participants use RIA to shape laws and regulatory rules in their interest rather than to public interest. To conclude, we believe that regulatory capture should be analyzed more carefully in the RIA context since some RIAs are biased and serve as ex-post justification of regulatory actions rather than their proper ex-ante assessment.

## 1 INTRODUCTION

Regulatory impact assessment (RIA) has become an important tool for evidence-based decisions made by policy-makers worldwide in past years. OECD (2007) defines RIA as a systematic decision tool used to examine and measure the likely benefits, costs and effects of new or existing regulation. This definition implies, that RIA should theoretically be provided as ex-ante assessment, i.e. before new regulatory rules are implemented, and therefore to assist governments to make their policies more efficient. However, it is not always the case and RIA sometimes served as an ex-post justification of the policy proposal (Donelan, 2006).

This paper provides a literature review on RIA with primary focus on RIA's theoretical background and implementation in various countries. We show that the academic literature on RIA is still rather limited and centered around four main authors: Robert W. Hahn, Colin Kirkpatrick, Claudio M. Radaelli, and Andrea Renda. They have written fundamental works on the process of RIA as well as on its application in practice in various countries globally and frequently their teams cooperate.

Donelan (2006) highlights that RIA follows principles of better regulation and should ensure efficient regulations with the following results: improve competitiveness, facilitate market openness, improve living standards, protect the environment, improve transparency and support the rule of law. To achieve the mentioned positive outcomes of better regulation, four main factors are desirable: political support, a changed administrative culture, constituency development, and finally institutional arrangements for Better Regulation (European Commission, 2006). All these factors are under control of regulatory bodies (usually central and regional governments) but their implementation in practice remains a big challenge. Despite positive improvement in the RIA process in the EU, there are still things to improve (European Commission, 2013). On the other hand, badly crafted regulations can have the following negative consequences in both general and specific terms including damage the competitiveness of the economy, increase costs to the economy and society, increase information asymmetries, increase the risk of regulatory capture, enhance and support the public interest (Donelan, 2006).

The following text is structured as follows. Sections 2-5 present a literature review on RIA in the four main streams: Robert W. Hahn, Colin Kirkpatrick, Claudio M. Radaelli, and Andrea Renda. Section 6 discusses works by other authors dealing RIA. Finally, Section 7 summarizes the paper and states final remarks.

## 2 Professor Robert W. Hahn's stream of RIA literature

There are several ways of examination of RIA/IA, which are represented in literature. In this section we discuss four main streams of the RIA literature that are connected to four researchers: Robert W. Hahn, Claudio M. Radaelli, Colin Kirkpatrick and Andrea Renda. The first stream of literature focuses on quantitative measurements of RIA/IA quality with use of composite indices constructed from results of evaluation based on scoreboards. The scoreboard system applied on the IA process was firstly introduced by Hahn and Dudley (2004) and later developed in the works of Professor Robert W. Hahn from University of Manchester, the UK. His key works includes i) Hahn and Tetlock (2007) analyzing the impact of economic analysis on regulatory decisions, ii) Hahn et al. (2007) evaluating the quality of IA in the European Union, and iii) Hahn (2008) discussing the overall concept of smart regulation and the use of a cost-benefit analysis (CBA). Table 1 provides a detailed overview of relevant papers of Professor Hahn.

**Table 1: Key works of Professor Robert W. Hahn**

Author	Topic	Key works
Hahn, R.W.	Cost-Benefit Analysis in regulation, quantitative analysis of RIA quality (scorecards), law and economics of RIA, US vs. EU RIA  Classification:  Law, Law and Economics	<ul style="list-style-type: none"> <li>▪ Hahn, R. W. (1999). Regulatory Reform: Assessing the Government's Numbers, AEI-Brookings Center for Regulatory Studies, <i>Working Paper No. 99-06</i>, American Enterprise Institute and Brookings Institute, Washington, D.C.</li> <li>▪ Hahn, R. W. &amp; Sunstein, C.S. (2002). New Executive Order For Improving Federal Regulation? Deeper And Wider Cost-Benefit Analysis, <i>University of Pennsylvania Law Review</i>, 150 (1489).</li> <li>▪ Hahn, R. W. &amp; Muething, M.B. (2003). The Grand Experiment in Regulatory Reporting, <i>Administrative Law Review</i>, 55 (3), 607-642.</li> <li>▪ Hahn, R. W., Dudley, P. (2004). How well Does the Government Do Cost-Benefit Analysis?, <i>AEI-Brookings Joint Center for Regulatory Studies, Working Paper 04-01</i>, American Enterprise Institute and Brookings Institute, Washington, D.C., 2004</li> <li>▪ Hahn R. W. &amp; Litan, R.E. (2005). Counting Regulatory Benefits and Costs: Lessons for the US and Europe, <i>Journal of International Economic Law</i>, Oxford University Press, 8(2), 473-508.</li> <li>▪ Cecot, C., Hahn, R. W., Renda, A. &amp; Schrefler, L. S. (2007). An Evaluation of the Quality of Impact Assessment in the European Union with Lessons for the U.S. and the EU. <i>AEI-Brookings Joint Center Working Paper No. 07-09</i></li> <li>▪ Hahn, R.W. &amp; Tetlock, P.C. (2007). Has Economic Analysis Improved Regulatory Decisions?, <i>AEI-Brookings Joint Center Working Paper No. 07-08</i></li> <li>▪ Hahn, R. W. (2008). Designing Smarter Regulation with Improved Benefit-Cost Analysis. <i>Regulated Markets Center Working Paper No. 08-20</i>.</li> </ul>

Source: Authors

Note: Some works listed in this table are not listed in Section 8. Literature due to a limited size of this paper.

The methodology developed by Professor Hahn was later deployed also in a project funded by the European Commission denoted as ENBR – European Network for Better Regulation, a project led by Dr. Andrea Renda. This project applied the scoreboard analysis for comparative analyses of the RIA practice in the EU. A part of this ambitious project should have been building of a Database on Impact Assessment Development in European Member states (DIADEM). This target has not been probably met since neither the web page of the project nor the web of the database are publicly available. Therefore, for exploration of the literature of relevant to the scoreboard method of RIA/IA evaluation, we to refer to i) Staronova (2009) and Staronova (2010) analyzing the CEE countries including Czech Republic, ii) the original article of Cecot et al. (2007), and finally iii) reports and papers written by Dr. Andrea Renda, such as Renda (2008, 2010a and 2010b).

### 3 Professor Claudio M. Radaelli's stream of RIA literature

The second stream of literature encompasses Professor Claudio M. Radaelli from University of Exeter, the UK, focusing on both RIA and IA processes and discussing the role of stakeholders involved and related political aspects. In his pivotal work, Radaelli (2004a) discussed regulatory quality in the EU and demonstrated that political context was important when preparing and adopting RIA in the EU, what is not surprising conclusion. Moreover, he broke down the context of the RIA process into four dimensions: institutions, territory, theories of the policy process, and legitimacy. Radaelli (2004b) showed that that 'one-size-fits-all' best practices for RIA did not work well. Last but not least, Radaelli et al. (2011) dealt with regulatory innovations and smart regulation principles in the EU through modeling RIA implementation as a three-stage process involving political and economic costs and benefits. In contrast to OECD (2002) neglecting prioritization of certain variables for RIA implementation, they showed that political variables like

ideology are of high importance especially in case when governments set out to publish guidelines Radaelli et al. (2011, p. 17). A detailed list of Professor Radaelli’s works is included in Table 2.

**Table 2: Key works of Professor Claudio M. Radaelli**

Author	Topic	Key works
Radaelli C.M.	Analyses of the RIA and IA processes, of stakeholders involved and of its political aspects  Classification: <b>Public Policy</b>	<ul style="list-style-type: none"> <li>▪ Radaelli, C. (2004a). How Context Matters: Regulatory Quality in the European Union, paper prepared for the Special Issue of <i>the Journal of European Public Policy on Policy Convergence</i></li> <li>▪ Radaelli, C. M. (2004b). The diffusion of regulatory impact analysis: Best-practice or lesson drawing? <i>European Journal of Political Research</i>, 43(5), 723-747.</li> <li>▪ Radaelli, C. M. (2007). Diffusion without convergence: How political context shapes the adoption of regulatory impact assessment. <i>Journal of European Public Policy</i>, 12 (5), 924-943.</li> <li>▪ Radaelli, C. M. &amp; De Francesco, F. (2007). <i>Regulatory Quality in Europe: Concepts, Measures, and Policy Processes</i>. Manchester: Manchester University Press.</li> <li>▪ Radaelli, C. M. (2009). Desperately seeking regulatory impact assessments: Diary of a reflective researcher. <i>Evaluation</i>, 15(1), 31-48.</li> <li>▪ Radaelli, C. M. &amp; Meuwese A.C.M. (2009). Better Regulation in Europe: between Public Management and Regulatory Reform, <i>Public Administration</i>, 87 (3), 639-654.</li> <li>▪ Turnpenny, J., Radaelli, C.M., Jordan, A. &amp; Jacob, K. (2009). The Policy and Politics of Policy Appraisal: Emerging Trends and New Directions, <i>Journal of European Public Policy</i>, 16(4), 640-653.</li> <li>▪ Radaelli, C.M. &amp; Meuwese, A.C.M. (2010). Hard questions and equally hard solutions? The choice for proceduralization in EU impact assessment, <i>West European Politics</i>, 33(1), 136-153.</li> <li>▪ Radaelli, C.M. (2010). Rationality, Power, Management and Symbols: Four Images of Regulatory Impact Assessment", <i>Scandinavian Political Studies</i>, 33(2), 164-188.</li> <li>▪ Radaelli, C.M. (2010). Regulating Rule-Making via Impact Assessment, <i>International Journal of Policy, Administration, and Institutions</i>, 23(1), 89-108.</li> <li>▪ Radaelli, C.M., De Francesco, F. &amp; Troeger, V.E. (2011). Implementing regulatory innovations in Europe: the case of impact assessment, <i>Journal of European Public Policy</i>, 19(4), 491-511.</li> </ul>

Source: Authors

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#### 4 Professor Colin Kirkpatrick’s stream of RIA literature

The works of Professor Colin Kirkpatrick from University of Manchester, the UK ranks to the third stream of RIA literature. He uses in-depth qualitative description and qualitative comparative analyses of RIA implementation in various countries with primary focus on developing countries (Kirkpatrick, 2007; 2009). Moreover, Professor Kirkpatrick provides specific impact assessments on sectors of the economy such as financial industry (Kirkpatrick and Green, 2002) or utilities (Kirkpatrick, 2008). Within this stream we should also mention a paper by Staronova et al. (2007), which deals with the institutional aspects of RIA implementation in Czech Republic, Slovakia and Slovenia and provides a purely qualitative description of the initial phase of RIA implementation in these three countries.

**Table 3: Key works of Professor Colin Kirkpatrick**

Author	Topic	Key works
Kirkpatrick,C.	Collections of case studies of	<ul style="list-style-type: none"> <li>▪ Kirkpatrick, C. &amp; C Green. (2002). Finance and Development, <i>Journal of International Development</i>, 14(2)</li> </ul>

	<p>implementation of RIA in various countries, comparative analyses, specific impact assessments on sectors– e.g. financial sector, electricity regulation etc.</p> <p>Classification:</p> <p><b>Public Administration, Development Economics</b></p>	<ul style="list-style-type: none"> <li>▪ Kirkpatrick, C. &amp; D Parker. (2003). Regulatory Impact Assessment and Regulatory Governance in Developing Countries. <i>Public Administration and Development</i>, 15(3)</li> <li>▪ Kirkpatrick, C. &amp; Parker, D. (2003). Regulatory Impact Assessment: Developing Its Potential for Use in Developing Countries, Centre on Regulation and Competition (CRC) <i>Working papers 30646</i>, University of Manchester, Institute for Development Policy and Management (IDPM)</li> <li>▪ George, C. &amp; Kirkpatrick, C. (2004). Trade and Development: Assessing the Impact of Trade Liberalisation on Sustainable Development, <i>Journal of World Trade</i>, 38(3), 441 – 469.</li> <li>▪ Kirkpatrick, C. &amp; Parker, D. (2004). Regulatory impact assessment and regulatory governance in developing countries, <i>Public Administration and Development</i>, 24(4), 333-344.</li> <li>▪ Kirkpatrick, C. (2006). Regulatory Impact Assessment In Crew M.A., Parker D. (2006): <i>International Handbook on Economic Regulation</i> (232 – 254). Edward Elgar Publishing</li> <li>▪ Lee, N. &amp; Kirkpatrick, C. (2006). Evidence-based policy-making in Europe: an evaluation of European Commission integrated impact assessments, <i>Impact Assessment and Project Appraisal</i>, 24 (1), 23-33.</li> <li>▪ Kirkpatrick, C., Jalilian, H. &amp; Parker, D. (2007). The Impact of Regulation on Economic Growth in Developing Countries: A Cross-Country Analysis, <i>World Development</i>, 35(1), 87-103.</li> <li>▪ Kirkpatrick, C. (2008). Electricity Sector Reform in Developing Countries: An Econometric Assessment of the Effects of Privatisation, Competition and Regulation, <i>Journal of Regulatory Economics</i></li> <li>▪ Kirkpatrick, C., Parker, D. &amp; Zhang, Y F. (2009). State Versus Private Sector Provision of Water Services in Africa: a Statistical, DEA and Stochastic Cost Frontier Analysis. <i>World Bank Economic Review</i>.</li> </ul>
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Source: Authors

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## 5 Professor Andrea Renda’s stream of RIA literature

The fourth group of literature on RIA mixes the quantitative and qualitative approach towards analysis of RIA/IA and seems to gain increasing attention in the academic literature to this topic. A typical representative of the group of authors in this area is Dr. Jacopo Torriti, who combines academic articles on the functioning of RIA as documented by Torriti & Löfsted (2010) with hands-on thing case studies that critically evaluate the real quality of IA – with focus on the data inputs, models deployed and adequacy of costs and benefits estimates – in selected areas of regulation such as Torriti (2010) in the sector of electricity, and Torriti & Löfstedt (2010) in the area of climate change law. Similarly, Renda (2010b) and Pelkmans & Renda (2011) started recently to focus on critical evaluation and re-thinking of the RIA for specific industries – in his case the research interest is the telecommunication sector. For environmental economics and RIA/IA, we refer to Turnpenney (2008) and Nilsson et al. (2008).

**Table 4: Key works of Professor Andrea Renda**

Author	Topic	Key works
Renda, A.	<p>Applied research on RIA quality and application, comparative studies on RIA quality including use of quantitative scoreboards, case studies on regulation in specific industries – e.g. energy, telecommunications</p> <p>Classification:</p> <p><b>Public Administration, Development Economics</b></p>	<ul style="list-style-type: none"> <li>▪ Kirkpatrick, C. &amp; Renda, A. (2006). Impact assessment in the EU. <i>The State of the Art and the Art of the States</i>, Centre for European Policy Studies, Brussels.</li> <li>▪ Renda, A. (2008). Advancing the EU better regulation agenda: Selected Challenges for Europe, Paper presented at the Bertelsmann Foundation’s High Level Colloquium on Better Regulation, Brussels, 10-11 September 2008</li> <li>▪ Radaelli, C. M., Allio, L., Renda, A. &amp; Schrefler, L. (2010). How to Learn from International Experience: Impact Assessment in the Netherlands, study for the Dutch government</li> <li>▪ Renda, A. (2010a). The Development of RIA in the European Union, paper presented at the World Bank Regulatory Reform Conference in Belgrade (Serbia). 13-14 September 2010</li> <li>▪ Renda, A. (2010b). Competition–regulation interface in telecommunications: What’s left of the essential facility doctrine, <i>Telecommunications Policy</i>, 34(1), pp. 23–35.</li> <li>▪ Pelkmans, J. &amp; Renda A. (2011). Single eCOMMs Market? No Such Thing..., <i>CEPS Policy Brief No. 231</i></li> <li>▪ Renda, A. (2011). Law and Economics in the RIA World, dissertation thesis, Erasmus University Rotterdam</li> <li>▪ Fritsch O., Radaelli, C.M., Schrefler, L. &amp; Renda, A. (2012). Regulatory Quality in the European Commission and the UK: Old questions and new findings, <i>CEPS Working Document</i>, 362 (1)</li> </ul>

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## 6 Other authors focusing on RIA

Apart from the authors listed above, there are various interesting articles of the authors, who have in common that they started to focus on the regulatory impact assessment due to their interest in a regulation of a specific sector or industry. For instance, Dr. Jacopo Torriti came to regulatory impact assessment through analyses of the energy sector – especially of the liberalization of the electricity market. His principal method of investigation is the focus on cases – especially on verification and critical evaluation of the impact assessments of the EU. Similarly, Dr. John Turnpenney focuses on environmental and resource economics and uses this experience to analyze the results of the impact assessment in EU and in EU Member States. Last but not least, Dr. Katarina Staronova deals with the RIA implementation in Central and Eastern European countries.

Another stream of literature focuses on the composite indices that serve as a tool, which enable the transformation of the qualitative features of the RIA/IA documents into comparable set of indicators, which will serve in the second step of the analysis as inputs to statistical or econometric models. Nonetheless, Fritsch et al. (2012) demonstrates that the scoreboard method for quantitative description of the RIA/IA quality derived from Cecot et al. (2007) is subject of various biases and deficiencies. Therefore, the case study on one or more laws and their real versus estimated impacts shall be conducted in order to identify to what extent the RIA evaluation really works. The results of the case study analysis might be used for the verification and possibly re-thinking of the scoreboard criteria for quantitative RIA/IA evaluation. Early works examining the public procurement regulation and its estimated and real impacts include Chvalkovska & Skuhrovec (2010) or Chvalkovska et al. (2012).

The last set of literature is not focused on the regulatory impact assessment, but it investigates the influence of political cycle or political establishment on legislation, which makes it relevant for

regulatory impact assessment. As most relevant articles from the family of academics works in public choice economics, we consider as most relevant the following works: Lagona & Padovano (2008), Brechler & Geršl (2011), Sager & Rissi (2011), Gruszczynski & Michaels (2012).

**Table 5: Key works of other authors**

Author	Topic	Key works
Torrity, J.	Case studies, environmental and energy economics, evolutionary analysis of RIA process  Classification: <b>Economics, Energy and Environment</b>	<ul style="list-style-type: none"> <li>▪ Torrity, J. (2007). (Regulatory) Impact Assessments in the European Union: A tool for better regulation, less regulation or less bad regulation? <i>Journal of Risk Research</i>, 10(2), 239–76.</li> <li>▪ Torrity, J. (2007). The standard cost model: When better regulation fights against red-tape. In Weatherill, S.: <i>Better regulation</i>. Oxford: Hart</li> <li>▪ Torrity, J. (2008). Does the Impact Assessment on the 'Third Package' provide the correct economic forecast for the liberalisation of the EU energy markets?, <i>EUI Working Paper No. RSCAS</i>, 14</li> <li>▪ Torrity, J. (2009). Impact Assessments and Emerging Technologies: From Precaution to Smart Regulation?, In Einsiedel, E. (Ed), <i>Hindsight and foresight on emerging technologies</i>, University of British Columbia Press</li> <li>▪ Torrity, J. (2010). Impact Assessment and the liberalisation of the EU energy markets: Evidence based policy-making or policy based evidence-making? <i>Journal of Common Market Studies</i>, 48(4), 1065–81.</li> <li>▪ Torrity, J. &amp; Löfstedt, R. (2010). The role of regulatory Impact Assessment in fighting climate change and the economic downturn: A EU-US perspective. <i>European Journal of Risk Regulation</i>, 1(3), 251–7.</li> </ul>
Turnpenny, J.	Environmental and resource policy evaluation, comparative analyses of policy tools  Classification: <b>Environmental economics, Economics</b>	<ul style="list-style-type: none"> <li>▪ Turnpenny, J., M. Nilsson, D. Russel, A. Jordan, J. Hertin, &amp; B. Nykvist. (2008). Why is integrating policy assessment so hard? A comparative analysis of the institutional capacities and constraints, 51(6), 759–75.</li> <li>▪ Turnpenny, J. (2008). Are we nearly there yet? Lessons for integrated sustainability assessment from EU environmental policy-making, <i>International Journal of Innovation and Sustainable Development</i>, 3(1-2), 33-47.</li> <li>▪ Nilsson, M., Jordan, A., Turnpenny, J., Hertin, J., Nykvist, B. &amp; Russel, B. (2008). The use and non-use of policy appraisal tools in public policy making: an analysis of three European countries and the European Union, 41(4), 335-355.</li> </ul>
Staronova, K.	Institutional aspects of RIA in CEE  Classification: <b>Governance, Sociology</b>	<ul style="list-style-type: none"> <li>▪ Staronova, K., Pavel, J., Krapez, K. (2007). Piloting Regulatory Impact Assessment: a Comparative Analysis of the Czech Republic, Slovakia and Slovenia. <i>Impact Assessment and Project Appraisal Journal</i>. University of Manchester, Vol. 25, No. 4, pp. 271-281.</li> <li>▪ Staronova, K. (2009): Better Regulation and Regulatory Quality: the Case of RIA in Slovakia, <i>Sociologia</i>, 41(3), 247-264.</li> <li>▪ Staronova, K. (2010). Regulatory Impact Assessment: Formal Institutionalization and Practice, <i>Journal of Public Policy</i>, 30(1), 117-136.</li> </ul>

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## 7 CONCLUSION

This paper provided a literature review on RIA with a primary focus on RIAs' theoretical background and implementation in various countries. We showed that the academic literature on RIA is still rather limited and centered around four main authors: Robert W. Hahn, Colin Kirkpatrick, Claudio M. Radaelli, and Andrea Renda. They have written fundamental works on the process of RIA as well as on its application in practice in various countries globally and frequently their teams cooperate to produce research. First, Robert W. Hahn focuses in his research on cost-benefit analysis in regulation and quantitative analysis of RIA quality through a scorecard approach. Second, Claudio M. Radaelli analyses both the RIA and impact assessment (IA) processes and discusses the role of stakeholders involved and related political aspects. Third, Colin

Kirkpatrick summarizes case studies of implementation of RIA in various countries, comparative analyses and specific impact assessments on sectors such as the financial or energy sector regulation. Fourth, Andrea Renda applies his research on RIA quality and application, comparative studies on RIA quality when applying quantitative scoreboards and case studies on regulation in specific industries such as energy and telecommunications sectors. However, we found out that these authors did not properly analyze within the RIA process an issue of regulatory capture developed by Stigler (1971). We argue that regulatory capture forms an inherent part of some RIAs since interest groups and other political participants use RIA to shape laws and regulatory rules in their interest rather to public interest. To conclude, we believe that regulatory capture should be analyzed more carefully in the RIA context since some RIAs are biased and serve as ex-post justification of regulatory actions rather than their proper ex-ante assessment.

## 8 Literature

Brechler, J. & Geršl, A. (2011). Political Legislation Cycle in the Czech Republic, *Working Paper 21/2011*, Prague: Charles University.

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