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MANUAL FOR IMPLEMENTATION OF ANALYSIS OF OPTIMIZATION OF ADMINISTRATIVE PROCEDURES

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Introduction

Upon completion of the inventory of administrative procedures and other business conditions it is necessary to perform mapping, analysis and simplifying/optimization of the most frequent procedures. Analysis should enable selection of those administrative procedures which create the highest costs for business entities in particular business area. Upon completion of the abovementioned analysis the drafting of the proposal of change, ie. optimization of administrative procedures and monitoring of implementation of the proposed recommendations will be conducted.

The Manual should be used as a guide for project's associates, as well as employee in Republic Secretariat for Public Policies (RSPP), with aim to estimate the level of administrative cost, ie. administrative burden within the Phase 1, and to set up the basis for optimization of administrative procedures. Guidance manual for calculation of administrative costs, administrative procedures by using of Standard Cost Model (SCM) is an integral part of the methodology.

During the process of computing and decrease of the administrative costs, and applying the Standard Cost Model it is necessary to consider the requirements which are imposed through the administrative procedures with aim to identify the possibilities for optimization and decrease of administrative cost.

Within the Phase 1 the methodology will be conducted in 4 (four) chosen sectors. During this period the methodology will be tested, and after testing the methodology will be updated and changed, and then adopted by the RSPP as a standard tool for optimization of administrative procedures and administrative inquiries.

Administrative procedure in case of this project is the procedure of resolving the demands of business entities, from the moment of application until the moment of submitting the act to the applicant, with purpose of exercising certain rights or fulfillment of certain obligations.

Administrative procedure is a process of issuing the licence, permit, approval, conclusion, credential, authorization, certification, ratification, extract from official evidence, consent and other types of acts which are issued by the competent authority and organization in accordance with legislation.

Administrative procedure is also the procedure of submitting of application, report, data, extract from evidence, in case of obligation of business entity to report about certain facts to the competent authority.

Manual is based on **Manual for conducting the inventory of administrative procedures**, ie. data collected during the process of inventory of administrative procedures.

PHASES OF PROCESS OF OPTIMIZATION

Optimization is the step that comes after the calculation conducted by use of SCM. Process of optimization include phases as follows:

- 0) Planning and organization of process of optimization;
- 1) Initial analysis performed on the basis of the collected data and proposal for optimization, change, amendment or suspension of administrative procedures by public authorities and collecting the initiatives of stakeholders for optimization of administrative procedures;

Inventory (Section Ž) includes the questions for which is expected to get answers from government authorities, as well as their official opinion and proposal regarding the statute of limitation, procedure, measure for creation of administrative burden, and readiness for optimization.

- 2) Analyses of effects of the proposal for optimization;
- 3) Recommendations for decrease of administrative burden;
- 4) Implementation of proposals for optimization.

Detailed computation of administrative costs tells us about the phase of business process during which the costs were created and by that we will know the kind of optimization that will lead to the wanted effect.

TYPES OF OPTIMIZATION OF ADMINISTRATIVE PROCEDURES

Optimization include:

1. Deregulation- suspension of procedure;
2. Consolidation and rationalization- merging of multiple procedures and/or elimination of possibility of overlapping and inconsistent legislation;
3. Decrease of administrative burden– optimization of forms, increase of interval of information requests, displacement of requests for delivering the documents and/or data from official evidence, displacement or decrease of administrative taxes, conduction of process through the eGovernment, etc.

CHECKLIST OF QUESTIONS FOR OPTIMIZATION

During the analysis of potential decrease of administrative burden should be considered as follows:

1. **Could the proposed obligation be completely suspended?**

In case of completely unnecessary obligation, which creates unnecessary administrative burden, there is a possibility of proposing the suspension of that obligation. In that case we should have in mind that some obligations have the purpose in terms of statistics, so it is necessary to consider if the data collection could be conducted in any other way. Argumentation of proposed obligation is on proponent. If the argumentation of proponent is unreasonable- that kind of regulation cannot exist, ie. cannot be suspended.

2. **Could the number of regulated subjects be decreased?**

Some procedures apply on groups of regulated subjects which create unnecessary administrative burden. For example, number of enterprises to which the procedure is applied could be decreased so it is addressed on specific size of enterprise– big and medium enterprises or particular sector, ie. industry.

3. **Could the form be optimized (for example, is it necessary to keep all the requests in terms of data that should be given by the side of the regulated subject)?**

It is necessary to perform the analysis of forms or other documents which contain requests and to estimate if the requests are essentially needed for implementation of administrative procedure. It is important to consider if the requested data are already officially evidenced. There is a need of analysing which documents government bodies and organizations require from applicants and which of them are eligible. For example, in case that government bodies and organizations require from applicants more then a few documents with purpose of submitting of identical data. There is a need of revising which data is necessary to submit for formality.

4. **Is it possible to obtain needed information and data from another government body ex officio (Law on Administrative Procedure)?**

The proposal for removal of legislative provisions, which propose that parties are obliged to submit documents and/or data which are officialy evidenced to the government bodies, should be removed from the regulations, as well as consider for which procedure the exchange of data could be implemented, between which government bodies and for what purpose.

5. Does the regulation unreasonably deviates from the general regime established by Law on Administrative Procedure (LAP)? Is there a need for harmonization of administrative procedure with LAP related with introducing the unique administrative place?

It is necessary to analyze if there is exception from LAP. Clauses of the regulations which unreasonably deviate from the general regime established by the LAP should be removed, because there is no specificity of the particular area demanding something like that, especially if that is the way to increase the administrative burden. In case that there is a need of deviation of the procedure from the general regime, name the reasons for that.

6. Is it possible to reduce the interval of submitting the required information and data which regulated subject submits within the procedure?

It is necessary to consider if it is possible to shorten the deadline (for example, move from monthly to quarterly reporting, ie. submitting the information, etc.). In some cases, the requests are needed for reporting the government body, for accounting needs or other reasons, so it is necessary to check the reason for proposed time interval.

7. Could the abovementioned data and information be requested only in exceptional circumstances?

Some requests are repetitive, submitted by the regulated subject only in exceptional circumstances. There is a need of considering if it is possible to define requests so the data submitted only in exceptional circumstances are clearly separated.

8. Is it possible to cut the deadlines for administrative procedures?

It is necessary to clearly determine the legally defined deadline and compare it with LAP. If the specific regulation defines longer deadline, it have to be justified and compared with everyday deadlines (average deadline for resolving based on request) and propose eventual cutting off. In case of optimization of procedure, there is the possibility for cutting off the deadline if there are no additional responsibilities for competent government body.

9. Is it possible to cut off the costs (administrative taxes etc.)? Does the reimbursement equals the cost of government bodies related to specific administrative procedure?

The analysis of the costs could be conducted in accordance with existing Methodology which defines administrative taxes. The value of the service provided by the government body should be calculated with respect to the work and needed resources.

10. Is there a simpler way of delivering the requested information?

It is necessary to verify if the users are able to send information electronically. In some cases, when part of the subjects are not able to electronically access, it is necessary to consider if there is an alternative way of delivering the requested information (by engaging the third parties, or by providing the service by the competent government body, etc.)

11. Is it possible to improve the format of the form so its completion or understanding is simplified (for example, matrix or partially completed forms are available in advance for regulated entities)?

It is necessary to consider if the forms are easy to understand for typical regulated entity. It is necessary to identify if it is possible to prepare the form so the submitting become faster or easier.

12. Is the form available? Is the e-form available?

It is necessary to verify if the competent government body enabled the access and download of the form on the appropriate internet address. Is the version of the form clearly indicated?

13. Have the client been informed about the status of the procedure? What is the best way to inspect the status of the procedure?

It is necessary to check how the client can be informed about the status of the procedure, ie. is there an eService for automatic notification or is there the access to eService.

14. Are there any users manuals?

It is necessary to check if there is user manual, if it is available, as well as it is written in appropriate way so there is enough information provided.

15. Is it possible to provide alternative forms of assistance to parties?

It is necessary to consider different ways of providing assistance to parties by the government bodies related to specific areas so the need of engaging the experts by the side of the business entities and citizens is decreased. Also, where possible and appropriate, the criteria for defining a legitimate, necessary and reasonable costs of engaging experts should be set up. On the basis of those two measures the overall costs of the proceedings for all participants would be reduced, while preserving the rights of the parties to obtain the necessary support in procedure. During the analysis it should be considered and estimated if there are any solutions for the government body to provide assistance to client and what is the way for government body to improve the provision of public services by providing the assistance to the client. Assess if it is possible for the average educated client to do the job without the need of hiring an expert? Assess if it is possible to complete tasks without the involvement of a third party, if the party was given more information? Is it justified that the procedure can not be completed without hiring an expert?

16. Is it required from the client to use the seals, either on the form or on any of the documents in the administrative procedure?

It is necessary to determine whether the business entity is required to start or complete the procedure with seal. In procedure in which the seal is requested by the side of the government body/organization suspension of that obligation should be proposed.

The abovementioned questions could be systematized in several categories:

- 1. The suspension or optimization of procedure which requires change of legislation**
- 2. Optimization by decreasing the information requests or by simplifying the forms**
- 3. Introducing the eGovernment solutions**
- 4. Improvement of possibilities for users to be informed about the procedure**

	Measure introduced	Measure planned	Measure needed	Measure is not possible
SUSPENSION/OPTIMIZATION – REGULATORY FRAMEWORK				
Suspension of administrative procedure				
Decrease of number of entities				
Decrease of frequency of submitting the requested information and data				
Decrease of requested information				
SUSPENSION/OPTIMIZATION – PROCEDURE				
Simplying the forms, shortening the forms				
Suspension of duplicated information requests from the requested documentation and forms				
Suspension of request for using the seal				
SUSPENSION/OPTIMIZATION eGOVERNMENT				
eForms available				
Forms automaticly generate available data of government bodies about the entity				
Possibility of submitting the information in electronic form through the government bodies				
SUSPENSION/OPTIMIZATION COMMUNICATION WITH USERS				
Users manual (clearly and precizely inform users about the procedure)				
Contact center available for users				
Parties could follow the status of the procedure				
Requested data available in easy way				
Alternative forms of assistance available for the parties				