

## **EUROPEAN COMMERCE REGISTERS FORUM**

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**Opening speech by State Secretary Ms. Helle Hammer,  
Ministry of Trade and Industry**

**The Impacts of Infrastructure – Registers, Reporting, Information,  
Communication**

# **ADMINISTRATIVE SIMPLIFICATION AND THE IMPORTANCE OF TECHNOLOGICAL INFRASTRUCTURE FOR THE REDUCTIONS OF ADMINISTRATIVE BURDENS ON THE BUSINESS**

## **I. INTRODUCTION**

Ladies and Gentlemen,

It is an honour for me as a representative of the Norwegian Government to give this opening speech on the occasion of the Fifth International Conference of the Commerce Registers of Europe here in Tromsø. The gathering of representatives from registers from all over Europe is of great value, both as a source of inspiration, and as an opportunity to share experiences.

The prime responsibility for the Ministry of Trade and Industry is to create and maintain a competitive framework for long term value added production in Norway. To succeed in the future, Norwegian companies – and SMEs in particular, must be innovative and competitive within a global knowledge economy. An important part of this work is to simplify legislation and to reduce the administrative burdens governing trade and industry.

In the following I will give you a brief introduction to our Regulatory Reform-strategy, followed by a few comments on the importance of technological infrastructure in our effort to reduce administrative burdens in companies.

## **II. THE GOVERNMENT'S REGULATORY REFORM-STRATEGY**

The Government's efforts to reduce the administrative burdens especially for small and medium sized enterprises is based on two main tasks:

- Simplification of the legal framework
- Establishment of technological infrastructure, including the establishment of register infrastructure

The objective of the Regulatory Reform-strategy is to achieve smoothly functioning, transparent, efficient and cost-effective regulations which creates conditions for enhanced efficiency and productivity in the business sector and thus improve competitiveness. We want to:

- Use legislative actions only where necessary
- Evaluate the effects of the legislation
- Simplify existing regulations

The Strategy is worked out under the influence of what is happening throughout Europe in this field. Recently, we have studied the work of the “Mandelkern-group”, and have found many of the recommendations in the report very interesting and relevant for our work. We also look forward to the completion of the EU Action Plan on Better Regulations.

An OECD peer review of regulatory reform is to be carried out in Norway in 2002. We anticipate that the review will give us some concrete recommendations on our work with regulatory reform, and look very much forward to this process. The review starts this summer and the results will be published in the spring 2003. We believe this is an excellent opportunity to compare our selves to other countries, and to find out what we are good at and in what areas we need improvement.

The Regulatory Reform-strategy contains five main measures:

1. Better regulatory structure (concerning existing regulation)
2. Business Impact Assessment-System (concerning new regulation)
3. Reduction of Red Tape (reporting obligations)
4. Simplification of existing regulations concerning business
5. Organisation of the public sector to better accommodate the needs of business

#### 1. Better regulatory structure.

A large project on simplification of secondary regulations, which involved all the ministries and other authorities, was recently finished. The project resulted in:

- Removal of more than 400 secondary regulations
- Proposal to establish a competence unit located in the Ministry of Justice. The Unit shall give advice and assistance to the Government, with the purpose to make secondary regulations more accessible and comprehensible. All secondary regulations shall be available on Internet
- Larger awareness towards the importance of a good regulatory structure.

We believe we will see further results of this project in the future.

#### 2. Business Impact Assessment – System

In Norway, all new proposals are required to have a regulatory impact assessment of the financial and administrative implications for the industry. This principle is reflected in the Royal Degree on Official Studies and Reports of 18 February 2000. The problem is – in our opinion – that in most cases the assessments are simply not good enough. We believe, however, that this is due to the lack of required competence and/or time to make a good impact assessment, and not understanding the importance of applying such an analysis.

We are therefore now in the process of establishing a Business Impact Unit in our Ministry.

What we wish to accomplish with this Unit is to minimise the unnecessary and undesirable burdens on companies and at the same time maximise the positive impacts. The Unit will give advice and support throughout the government. The idea is to get the unit involved in the regulatory processes from an early stage. It will also play a role in evaluating all new regulations that may affect the industry. The Unit will co-operate closely with the industry, and use business test panels among other tools in their analyses.

### 3. Reduction of Red Tape (reporting obligations)

Reporting obligations causes much of the administrative burdens on the business sector. We want to eliminate the reporting obligations that are no longer required, and streamline and simplify those that are needed. Three main principles characterise this work:

- The public sector shall never ask for more information than strictly necessary
- Companies shall never report the same information more than once
- There shall be proportionality between the use of the reported information and the burden on the companies

The re-use of information will be an increasingly important instrument in our efforts to reduce burdens caused by reporting obligations.

The Register of Reporting Obligations of Enterprises was established in 1997 as a part of the Registers in Brønnøysund. The register contains a comprehensive database of data elements collected from the public authorities with reference to forms and legal bases. This information represents an important tool for finding multiple collections of the same data.

Electronic reporting is another important tool for the reduction of administrative burdens imposed on the industry. The Register of Reporting Obligations also plays an active and important role in this work. Large national projects dealing with electronic reporting use the data definitions kept in this register. I will not go into further details here, as I know you'll hear more about this tomorrow morning.

Another significant register is the Central Co-ordination Register of Legal Entities, which contains basic information about every entity. The unique ID gives us a great opportunity for re-using information.

I would like to take this opportunity to say that the registers in Brønnøysund play an active and important role in our efforts to simplify the public sector!

#### 4. Simplification of regulations concerning business (existing regulation)

Simplification of existing regulations represent the traditional part of regulatory reform work, and is still of great importance. The Ministry is involved in several projects taking place in other parts of the Government, such as an project on tax-reform, reform of the planning and building /construction - regulation, reform of labour regulation etc. Simplification of existing regulation is also of great importance to the Reduction of Red Tape. In order to remove reporting obligations, or to use electronic reporting, minor amendments may have to be necessary.

#### 5. Organisation of the public sector to better accommodate the needs of businesses

Opening hours and general service has an impact on the industry's administrative burdens. To make the public sector as user-friendly as possible, IT will be essential. This leads me over to the importance of technological infrastructure.

### **III. TECHNOLOGICAL INFRASTRUCTURE**

The need for a developed and well working technological infrastructure affects several of the items mentioned above, and is a precondition for optimum co-operation between government and industry.

The European Commission has just presented "eEurope 2005: An information Society for all". The Norwegian Government is closely following the eEurope initiative, as well as any further initiatives undertaken by the EU. The Government's eNorway Plan 2005, which was adopted only a month ago, aims to ensure that Norway has equally ambitious objectives as those formulated by the EU in the eEurope plan. We will follow up the initiatives that will be undertaken by the EU. The most important objectives and actions in the eEurope 2005 are covered in the eNorway Plan. In addition it contains actions based on our own national challenges.

eNorway presents four main aims in respect to on-line Government:

- Electronic services must be the main solution in the public administration service provided to users
- Electronic processing of cases must be the norm and equally acceptable as paper based solutions
- E-commerce must be the first choice for public procurement

These three aims are to be realised by the end of 2003

- Further shall all public services be able to receive industry reports electronically within the end of 2004.

Approximately 66% of the population in Norway have access to the Internet. While approximately 90% of Government services have their own web sites, 2 out of 3 municipalities have the same. In order to achieve our target of providing 24-hour administrative services, making the remaining municipalities available on the Internet is a challenge. If users are to acquire confidence in electronic communications, the security and quality of electronic services must be considered equal to those that apply to traditional services. The technology must be exploited to achieve greater openness and insight into the work of the public administration.

An electronic market place for public procurement is being launched today. The market place will make the procurement process more efficient, contribute towards raising the level of awareness among players on the market and making the value of electronic commerce more visible to both large and small enterprises alike. The Government's focus on e-commerce will also serve to boost general developments in e-commerce.

#### B. Electronic commerce and communications

A crucial challenge is to establish a secure infrastructure for electronic communication. Electronic commerce, business operations and other electronic communication are primarily dependent on suitable solutions in respect of payment, privacy, protection of commercial secrets and legal challenges. A secure infrastructure is necessary in order to create the sort of confidence needed among users enabling electronic commerce and communication over the Internet to really take off.

A lot of activity is taking place in terms of regulations, but traditional legislative processes are slow and it is important to find out how and in which areas self-regulation can supplement the law. Self-regulation serves to give both increased flexibility and better opportunities for trade and industry to become involved. In order to increase the extent of electronic commerce and business operations, we need to:

- come to grips with the fields of logistics and taxes/duties.
- boost skills in trade and industry and among consumers

#### C. Broadband development

The Government wants to improve the public sector by using broadband services to improve knowledge and, management, and to disseminate

information more efficiently and achieve a greater degree of communication with the citizens.

Public investments in broadband services will serve to release investments from the private sector and stimulate commercial development. The development of broadband services to Norwegian households will mean that each and every individual will be offered new services in respect of knowledge management, entertainment and culture. Broadband services will also serve to provide new opportunities for developing and participating in democratic processes and provide greater freedom of choice in respect of where to live and work.

The development of broadband services by the actors in the market is progressing, but it is partially characterised by delays and hesitation. The *challenge* for the future is to:

- ensure that a majority of Norway's municipalities take use of broadband services, not just an active minority
- avoid a gap between central and rural parts of the country concerning the development of broadband services)

#### IV. Closure

For the industry, and especially for SME's, reductions of administrative burdens means the opportunity to use more time on value added production and less time on administration.

A proper and reliable exchange of information between the private sector and the public sector is a necessary condition for a well functioning society. The aim is to do this exchange as transparent and efficient as possible for the companies. Register systems play an important role in this work, both as an instrument for re-use of information (Register of Reporting Obligations of Enterprises), and as an example of the realisation of electronic communication (the computerised Register of Business Enterprises).

With these words I wish to thank you for your attention, and I wish you all some inspiring and memorable days in Tromsø.