

SEADI-13-R123
MEMORANDUM

DATE	: July 15, 2013
TO	: Timothy S. Buehrer
FROM	: Moekti P. Soejachmoen
CC	:
SUBJECT	: Reporting on the Outcome of Bappenas' Public Consultation on Regulatory Reform Gran Melia Hotel, 5 June 2013

Objective

In order to support the realization of the rule of law and support the achievement of national development priorities through laws and regulations, the National Development Planning Agency (BAPPENAS) has developed its approach to regulatory reform focusing on four major policies namely: (i) Simplification of Regulations, (ii) Reconceptualization of Procedures for Regulatory Establishment; (iii) Restructuring of Regulatory Making Institutions and (iv) Strengthening/Empowerment of Human Resources on Regulation Design.

To provide an understanding of the importance of regulatory reform as well as measures to accelerate the realization of regulatory reform, BAPPENAS plans to conduct, with support from SEADI, a series of public consultations with Ministries/Agencies to provide an overview of concrete implementation of good regulatory process and to obtain their input to perfecting the concept of regulatory reform in Indonesia.

The first public consultation was organized on 5 June 2013 and focused on Simplification of Regulations. Bappenas is proposing an approach that would set out legal criteria for selecting regulations to review and then provide recommendations of actions that could be taken to reform the regulations, including revoking them. The public consultation started with a presentation on the urgent need for real reform and the types of tools available to the government in implementing regulatory reform. There was then a focus group discussion on regulatory simplification based on the long-term planning themes: natural resources, human resources and science and technology.

Agenda

08.30 – 09.00 Registration

09.00 – 09.10 Opening speech by Deputy of Political, Legal, Security and Defense, BAPPENAS

- 09.10 – 09.30 Presentation on Regulatory Reform Concept in Indonesia, Director of Legal Analysis, BAPPENAS, Dr. Diani Sadiwati, SH, LLM
- 09.30 - 10.00 Regulatory Reform to Support High Quality Prolegnas (National Legislation Program), Head of BPHN, Dr. Wicipto Setiadi
- 10.00 – 10.30 The importance of Regulatory Reform in State Administration, Prof. Dr. Ida Bagus Rahmadi Supancana, SH, MH
- 10.30 – 11.00 Discussion, moderator: Budiman Soedarsono, SH, MA
- 11.00 – 12.00 Detailed explanation on Simplification of Regulation and Question and Answer
- 12.00 – 13.00 Lunch
- 13.00 – 14.00 Group discussion: Natural Resources, Human Resources and science and technology themes
- 14.00 – 15.30 Group presentations
- 15.30 – 16.00 Comments from Head of BPHN
- 16.00 – 16.30 Summary and Follow Up, Head of BPHN

Participants

The total of 127 participants came (69 male and 59 female), consists of:

- Echelon 2 from 43 Line Ministries and State Agencies
- Technical Team of Regulatory Reform
- BAPPENAS Legal Bureau

Summary of Presentations

On the opening speech, Ir. Rizky Ferianto, MA emphasized the need to simplify the rules and regulations in Indonesia. BAPPENAS and Ministry of Law and Human Rights are partners in the regulatory reform and this public consultation event is designed to solicit inputs from the stakeholders on the concept of regulatory reform.

The first speaker was Dr. Diani Sadiawati SH, LLM. She identified four characteristics of the current regulatory regime in Indonesia:

1. Lack of understanding and appreciation of policy and regulation
2. Uncontrolled quantity of regulations
3. Unmaintained quality of regulations: conflicting, inconsistency, multi-interpretation, and duplication, and

4. No single authority to manage and maintain national regulatory system

The most ideal way to resolve this problem is by simplifying the existing regulations. The goal is to have a simple, orderly and proportional regulation and to increase the compliance rate. Compliance is very important. A strong regulatory reform regime would review regulations according to a certain legal criteria and provide recommendations as to whether regulations should be maintained, revised or revoked.

The second speaker was Dr. Wicipto Setiadi, Head of National Law Development Agency. He explained that regulatory reform supports the high quality Prolegnas (National Legislation Program). He sees a need to have a single authority to issue regulations. Uncontrolled quantity of draft laws is a result of regulation making which is not based on the need but more on the interest of some parties.

The third speaker was Prof. Dr. Ida Bagus Rahmadi Supancana SH,MH, discussed about the concept of regulatory simplification for systematic and holistic regulatory reform. Systemic means that the regulatory process consists of several sub-systems that should be a harmonious system using a holistic, comprehensive and integrated approach. One more thing is to have objective assessment parameters. Political support is very important in the regulatory reform process. He gave an example of countries that are successfully conducted a regulatory reform led by the head of government: Austria, The United Kingdom, Sweden, Switzerland, Spain, Belgium, Iceland, Ireland, and South Korea. Given Indonesia's current regulatory condition, simplification of regulations needs to be declared soon.

The last speaker was Budiman Soedarsono, SH, MA, which explained in more detail about regulatory simplification using the case study of Korea. He also introduced the simplification mechanism to be reviewed in the focus group.

Participants were organized into three focus group based on the long-term planning themes: natural resources, human resources and science and technology. All participants agreed with the importance of regulation simplification since they are aware that many regulations overlap and contradict each other. They also saw a need to involve the legislative and judiciary branches so they all have the same understanding about the simplification of regulations.

Evaluation of the events

From the evaluation sheets circulated to the participants after the event, there are some suggestions from the participants as follows:

- More stakeholders should be invited: more ministries, legislators and judges
- Discussion sessions should be more effective with clearer questions
- Sessions like this should be conducted regularly
- Provide a booklet on reform for use by GOI officials
- Provide more applicable examples