

Part 1: Introduction and RIA First Steps

This section sets out the purpose of Regulatory Impact Analysis (RIA) and how to work out whether the requirements apply to your project—including how to complete a Preliminary Impact and Risk Assessment (PIRA).

A quick guide to Cabinet’s RIA requirements

<p>1. Determine whether the RIA requirements could apply</p>	<p>Are you starting policy work with potential regulatory implications that will lead to submission of a Cabinet paper?</p> <p>“Potential regulatory implications” means options that could involve creating, amending or repealing primary legislation or regulations.</p> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="border: 1px solid #ccc; padding: 5px; width: 45%;"> <p>If potential regulatory implications, complete Preliminary Impact and Risk Assessment (PIRA)</p> </div> <div style="border: 1px solid #ccc; padding: 5px; width: 45%;"> <p>If no potential regulatory implications, RIA requirements do not apply. The RIA framework is still useful to structure analysis</p> </div> </div>
<p>2. Prepare Preliminary Impact and Risk Assessment (PIRA)</p>	<p>Discuss the PIRA with your Treasury policy team as early as possible, to confirm whether the RIA requirements apply and whether any of the potential regulatory proposals are likely to have a significant impact or risk.</p> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="border: 1px solid #ccc; padding: 5px; width: 45%;"> <p>If Treasury confirms that no significant impact or risk is likely, then the agency will be responsible for quality assurance</p> </div> <div style="border: 1px solid #ccc; padding: 5px; width: 45%;"> <p>If Treasury confirms that there is likely to be significant impact or risk, Regulatory Impact Analysis Team (RIAT) involvement is required. Early engagement is recommended</p> </div> </div>
<p>3. Undertake regulatory impact analysis (RIA)</p>	<p>Apply the RIA framework to your work from the start of the policy development process. RIAT is available to provide RIA training and project-specific assistance. Discussion documents containing options with a potential for significant impact or risk must be provided to RIAT for comment prior to consultation.</p>
<p>4. Prepare the Regulatory Impact Statement (RIS) and Agency Disclosure Statement</p>	<p>The RIS should be prepared before the Cabinet paper. It provides a standalone summary of the impact analysis for decision-makers and must include all the required information. The relevant policy manager responsible for producing the RIS is required to complete and sign the disclosure statement, within the RIS</p>
<p>5. Obtain independent quality assurance of the RIS</p>	<p>Independent quality assurance must be provided either by RIAT or through a suitable internal review process. A quality assurance statement (drafted by RIAT or agency’s internal QA) must be provided in the Cabinet paper</p>
<p>6. Prepare Cabinet paper</p>	<p>The Cabinet paper focuses on the Minister’s proposal. It should refer to the RIS, appended to the Cabinet paper</p>
<p>7. Publish the RIS</p>	<p>All RISs must be published on the agency and Treasury websites. The URLs to published RISs must be included in the Explanatory Note to Bills, but with hard copies also provided to the House</p>
<p>8. Complete Disclosure Statement</p>	<p>A disclosure statement is required for all government Bills (unless exempt) and all “substantive” government SOPs. Disclosure statements are to be provided to Cabinet along with the Bill or SOP when final approval is sought to introduce legislation.</p>
<p>9. If RIA requirements not met</p>	<p>All “significant” regulatory proposals that do not meet the RIA requirements will undergo a post-implementation review. This includes proposals that are not accompanied by a RIS but to which the RIA requirements apply.</p>

1 About this handbook

This handbook provides an overview of Regulatory Impact Analysis (RIA) and guidance on the main elements of Cabinet's RIA requirements. It supports and supplements the information provided in the [CabGuide](#). It also incorporates Cabinet's decisions on changes to the RIA requirements taken since 2009, when the previous edition was published.

There is a separate section for each of the main elements of the RIA requirements. These sections provide links to any templates and to further reference material.

1.1 Further information

This handbook cannot address all potential issues that may arise in regulatory proposals or policy situations. We recognise that developing effective legislation is a complex undertaking and that the realities of the policy development process may at times differ from the idealised process set out in this handbook. Consequently, there will be times when agencies will need to exercise their best judgement on how to give effect to the *intent* of the RIA requirements in the particular circumstances they find themselves in. The Regulatory Impact Analysis Team (RIAT) in the Treasury is the authoritative source of general guidance and can assist agencies with RIA good practice and on-going training.

The Treasury may issue more detailed, supplementary guidance on specific topics, where experience shows that such additional material would be helpful. For example the [Cost Benefit Analysis Primer](#) is a valuable resource when determining the impact of each regulatory option considered.

1.2 Keeping the handbook updated online

This handbook will be updated periodically online, in order to keep it accurate and as helpful as possible. This version of the handbook was last updated in **July 2013**.

To ensure you have the latest version please access the online handbook at: <http://www.treasury.govt.nz/publications/guidance/regulatory/impactanalysis>.

1.3 Requirements for improved disclosure of RIA

Cabinet in April 2013 agreed to increase the transparency of the RIA leading up to Cabinet consideration at the stage of introducing new legislation. Departments are now required to disclose in a standalone statement the quality assurance processes they have undertaken during the development of legislation, and key features of that legislation that are likely to be of interest to the public and Parliament

A disclosure statement is separate from a RIS (and separate from the Agency Disclosure Statement within the RIS, or ADS). Like a RIS, however, it is a departmental document that provides factual information about the development and content of legislation proposed by the government. It largely takes the form of a series of questions that must be answered YES or NO, with further information required to elaborate, explain or clarify the answer given

The information required for disclosure is linked to existing government expectations for the development of legislation, or to significant or unusual features of legislation that tend to warrant careful scrutiny. The Detailed Guide to Disclosure Statements can be found online at: www.treasury.govt.nz/publications/guidance/regulatory.

For further assistance or guidance with disclosure statements and their relationship with RISs, contact RIAT: ria@treasury.govt.nz.

1.4 Your feedback welcome

We welcome your feedback on this handbook, including suggestions for possible additions or improvements. We would also like examples of good practice that can be shared with other agencies. Any comments or suggestions can be sent to ria@treasury.govt.nz.

2 The purpose of Regulatory Impact Analysis (RIA)

The purpose of Regulatory Impact Analysis (RIA) is to help achieve a high quality regulatory environment by ensuring that regulatory proposals are subject to careful and robust analysis. RIA is intended to provide assurance about whether problems might be adequately addressed through private or non-regulatory arrangements—and to ensure that particular regulatory solutions have been demonstrated to enhance the public interest.

RIA summarised in a Regulatory Impact Statement (RIS) can serve two benefits:

- **Enhancing the evidence-base to inform decisions** about regulatory proposals—to ensure that all practical options for addressing the problem have been considered and that the benefits of the preferred option not only exceed the costs but will deliver the highest level of net benefit, and
- **Transparency**—the presentation of agencies' free and frank advice to decision-makers at the relevant decision points provides reassurance that the interests of all sectors of the New Zealand public have been considered. RIA also aims to encourage the public to provide information to enhance the quality of regulatory decisions, to further inform the evidence-base.

2.1 Cabinet's expectations for Regulatory Stewardship

In April 2013, Cabinet agreed to a set of expectations for the public sector's responsibilities for regulation [CAB Min (13) 6/2B refers].

The expectations outline at a high level how agencies should design and implement regulation. The agency should not propose regulatory change without:

- clearly identifying the policy or operational problem it needs to address, and undertaking impact analysis to provide assurance that the case for the proposed change is robust, and
- careful implementation planning, including ensuring that implementation needs inform policy, and providing for appropriate review arrangements.

The full list of stewardship expectations can be found in the [Guidance on Regulatory System Reports](#).¹

2.2 The role of RIAT

RIAT is an independent unit located within the Treasury. Its role is to:

- provide quality assurance (see [Part 5](#)) of the RIS for regulatory proposals likely to have a significant impact or risk
- provide comments on draft discussion documents for significant proposals
- provide general advice on the RIA requirements, and
- help build capability across government to undertake high quality impact analysis. This includes providing guidance and training, for example on appropriate analytical techniques such as cost benefit analysis.

The nature of RIAT's involvement in significant proposals will depend on the characteristics of the proposal and the policy development process, as well as the existing capabilities and internal quality assurance processes of the lead agency. It may involve:

- working alongside agencies to assist them in meeting the RIA requirements, such as by providing comments draft terms of reference for major pieces of work (eg, cost benefit analyses), and
- referring proposals to other departments, agencies or specialists who have relevant expertise in regulatory quality issues or the subject matter.

¹ Available online at:
http://www.treasury.govt.nz/publications/guidance/regulatory/systemreport/04.htm#_toc1.2

3 When do the RIA requirements apply?

The Regulatory Impact Analysis (RIA) requirements apply to any policy initiative or review that:

- considers options that would involve creating, amending or repealing legislation (either primary legislation or disallowable instruments for the purposes of the Legislation Act 2012), and
- is expected to result in a paper being submitted to Cabinet for approval².

This includes papers submitted to Cabinet seeking:

- the release of a discussion document (see [Part 3](#)) that contains options that may lead to regulatory change (although a RIS is not necessarily required if the RIA elements are incorporated in consultation material—see section on *Effective Consultation* ([Part 3](#)))
- “in principle” policy decisions and intermediate policy decisions, (see [Part 4](#)) particularly those where policy options are narrowed down (eg, limiting options for further work/consideration, negotiating mandates for certain international agreements)
- decisions to introduce regulatory changes that are merely enabling and the substantive decisions as to whether and what sort of intervention will be made later, and
- to inform Cabinet of a Minister’s intention to make regulations under an enabling power given to that Minister in an Act.

The RIA requirements should be met in one of the following ways:

- where Cabinet is being asked to give policy approval, a RIS must accompany the Cabinet Paper, or
- where Cabinet is being asked for permission to consult on potential regulatory options, the substantive RIA elements must be incorporated into the discussion document (or a draft RIS attached to the discussion document).

Policy proposals with regulatory implications are normally submitted to Cabinet Committees for policy approval before legislation or regulations are drafted. In rare circumstances, the policy proposal and draft regulations may be submitted together. In these cases, the usual procedure is for the paper to be submitted to the relevant Cabinet Committee, rather than directly to Cabinet Legislation Committee (LEG).

To meet the RIA requirements, RISs (or discussion documents if no RIS is produced at the consultation stage) must be complete, convincing, clear, and concise. Efficient and effective consultation must also have taken place during the RIA process, and be accurately reflected in the RIS. The specific requirements are set out in the section *Undertaking RIA* (see [Part 2](#)).

² The RIA framework provides a useful basis for any policy development process, not just those that may consider regulatory options or result in a Cabinet paper. However, the RIA requirements are formally triggered by a submission to Cabinet.

3.1 Exemptions

The value of completing even a modest Regulatory Impact Statement (RIS) is likely to be limited in some circumstances, such as those where the potential proposals would result in little or no change to the status quo legislative position or would have no or very small impacts outside of government. Consequently, the RIA requirements do not apply to those aspects of proposals that:

- involve technical “revisions” or consolidations that substantially re-enact the current law in order to improve legislative clarity or navigability (including the fixing of errors, the clarification of the existing legislative intent, and the reconciliation of inconsistencies)
- are suitable for inclusion in a Statutes Amendment Bill
- would repeal or remove redundant legislative provisions
- provide solely for the commencement of existing legislation or legislative provisions;
- need to be authorised in an Appropriation Bill or an Imprest Supply Bill
- are for a Subordinate Legislation (Confirmation and Validation) Bill relating to regulations that have already been made
- implement deeds of settlement for Treaty of Waitangi claims, other than those that would amend or affect existing regulatory arrangements
- bring into effect recognition agreements under the Marine and Coastal Area (Takutai Moana) Act 2011
- are essential (the minimum necessary) in order to comply with **existing** international obligations that are binding on New Zealand, or
- have no or only minor impacts on businesses, individuals or not-for-profit entities (such as might be the case for certain changes to the internal administrative or governance arrangements of the government, like the transfer of responsibilities, staff, or assets between government agencies).

3.2 Discussion documents

The RIA requirements apply to discussion documents that include consideration of options that may lead to regulatory changes. A Cabinet paper seeking to release a discussion document with regulatory proposals must apply RIA in one of two ways: either a consultation/interim RIS must be appended to the discussion document; or the discussion document itself must include the substantive RIA elements. Discussion documents for significant issues must be provided to RIAT for comment prior to consultation.

Under most circumstances, Treasury recommends that departments include the elements of a RIS (a summary of the RIA) in the discussion document. In some cases—such as when a Cabinet paper seeks in-principle decisions or seeks to narrow options prior to consultation—a RIS will usually be required. Such cases are best determined either by agencies or with RIAT on an individual basis as early as possible.

Whether or not a separate RIS is prepared, the discussion document should include the RIA elements, as doing so will optimise the value of consultation for subsequent policy development. Incorporating the RIA elements involves:

- **Structuring the document around the RIA framework:** explaining the current situation and the nature and size of the problem; setting out the policy objectives; identifying the range of feasible options, and providing preliminary analysis of the costs, benefits and risks of these options, and an indication as to how they would be implemented, monitored, and reviewed. The document may indicate a preferred option.
- **Including suitable questions** for stakeholders, that will prompt respondents to confirm and challenge the analysis, provide feedback on the assumptions, estimated magnitude of impacts etc and suggest additional options.

Further information on the features of good discussion documents and consultation processes are summarised in the *Effective Consultation* section (see [Part 3](#)).

3.3 Supplementary Order Papers

From time to time, policy changes may be made to draft legislation that are outside the scope of the original RIS. When these changes are sought through a Supplementary Order Paper (SOP) that is submitted to Cabinet, the original RIS must be updated (or a new RIS prepared) to indicate how the changes affect the impact analysis—such as how the SOP alters the nature and/or magnitude of the impacts).

3.4 International treaties

In some cases, there may be legislative or regulatory implications that arise as a result of the completion and implementation of an international treaty. The RIA requirements apply to any proposals that may lead to a paper being submitted to Cabinet, which, in the case of international treaties, may include papers seeking Cabinet approval to enter into negotiations (ie, a negotiating mandate), to sign the final text of a treaty, or for a treaty to enter into force for New Zealand.

In accordance with the Cabinet Manual and Standing Orders 388-391, all multilateral treaties or “major bilateral treaties of particular significance” concluded by New Zealand require the preparation of a National Interest Analysis (NIA). When preparing an NIA for a treaty with regulatory impacts, the Ministry of Foreign Affairs (MFAT) adheres to NIA drafting guidelines produced in collaboration with the RIAT. Those guidelines require that, for treaties with regulatory impacts, the NIA also includes all the requirements otherwise considered in a RIS (becoming an “extended NIA”). A separate, standalone RIS is therefore not required when an extended NIA is prepared.

The [International Treaty Making booklet](#)³, which includes the NIA drafting instructions, contains detailed guidance about how the RIA requirements apply to treaties. For any questions regarding international treaties and arrangements, please contact the Treaty Officer in the Legal Division of the Ministry of Foreign Affairs and Trade (treatyofficer@mfat.govt.nz).

³ Available online at: <http://www.mfat.govt.nz/Treaties-and-International-Law/03-Treaty-making-process/>

4 Scoping the issue and planning the project: Preliminary impact and risk assessment (PIRA)

Completing a preliminary impact and risk assessment (PIRA) is the first step in the RIA process. The PIRA is a basic project plan for the RIA that the agency intends to complete before proposing recommendations to Cabinet.

4.1 What is a PIRA?

A PIRA is a document that is intended to:

- help agencies determine whether Cabinet's RIA requirements apply to a policy initiative for which they are responsible
- help agencies identify the potential range of impacts and risks that might be presented by the regulatory options for a policy initiative or review, so that they can be appropriately addressed in the regulatory impact analysis
- help Treasury policy teams determine the level and sort of policy engagement they wish to have with the lead agency on the initiative, and
- help Treasury confirm whether the nature and size of the potential impacts and risks warrant RIAT involvement in providing independent assurance on the quality of the RIS (the significance criteria).

4.2 The significance criteria

A regulatory initiative is considered to trigger the significance criteria if the option/s being considered are likely to have:

- significant direct impacts or flow-on effects on New Zealand society, the economy, or the environment or
- significant policy risks, implementation risks or uncertainty.

More detail on the types of impacts and risks to be considered is set out in the PIRA template (see [Annex 1.1](#)).

4.3 Process for completing the PIRA

Work on the PIRA should start as early as possible in the policy process. The PIRA should be signed off by the relevant policy manager with responsibility for the completion of the work or development of the proposal.

The PIRA should be provided to the relevant Treasury policy team (and copied to RIAT via ria@treasury.govt.nz) as soon there is enough information to make a call about whether the RIA requirements apply (primarily using information in the PIRA and discussion with agencies about potential impacts), significance, and whether RIAT involvement is required. This may not require definitive answers to all questions.

4.4 If RIAT involvement is required

RIAT provides independent quality assurance of RISs for regulatory proposals likely to have a significant impact or pose a significant risk. If RIAT involvement is identified as necessary through completing a PIRA, the next step is to engage with RIAT to determine the nature of their involvement in the policy development process.

RIAT has the discretion to allow an agency to retain responsibility, on a case by case basis, for providing assurance of the quality of their RIS even where the impacts or risks are viewed as significant. RIAT may decide not to formally assess the RIS for a significant proposal under the following sorts of circumstances:

- where the policy work has been planned (eg, was on the agency's regulatory plan) and the policy process is robust and has not been rushed
- where there is prior agreement between RIAT and the department on the policy frameworks, standards of evidence and types of impacts to be used
- where other relevant departments, agencies, groups or individuals who have expertise in the subject matter have been appropriately involved and consulted
- where the agency has demonstrated that it has robust in-house quality assurance arrangements.

The decision to allow an agency to undertake its own quality assurance of a significant proposal is not necessarily final. The conditions on which the decision is made will be set out and agreed with the agency. If any of the conditions change (eg, timeframes become compressed or additional policy options are included) then the agency must advise RIAT and the decision will be reviewed.

Annex 1.1

Preliminary impact and risk assessment

Purpose of the PIRA: A preliminary impact and risk assessment (PIRA) is intended to:

- Help agencies determine whether Cabinet’s Regulatory Impact Analysis (RIA) requirements apply to a policy initiative for which they are responsible.
- Help agencies identify the potential range of impacts and risks that might be presented by the policy options for a policy initiative or review, in order that these can be appropriately addressed in the regulatory impact analysis undertaken.
- Provide an initial plan for RIA processes and identify milestones, timeframes, and who to consult.
- Help Treasury policy teams determine the level and sort of policy engagement they wish to have with the lead agency on this policy initiative.
- Help Treasury confirm whether the nature and size of the potential impacts and risks warrant early RIAT engagement on RIA elements and involvement in providing independent quality assurance (QA) on the quality of the regulatory impact statement (RIS) that informs the policy proposals.

When to complete a PIRA: It should be started as early as possible in the policy development process (as soon as policy work commences). This includes processes such as reviews of policy or legislation where it is not known at the outset whether a regulatory option will ultimately be selected or preferred, but is one of the available policy options being considered.

How to complete it: Provide as much information as possible given the stage of policy development. **This may not require definitive answers to all questions**, and you may need to apply your judgement. Relevant supporting information may be attached. If there is insufficient information to enable Treasury to confirm “significance” at the initial stages of the policy process, the final confirmation of this may be deferred until later in the process.

Who to send it to: The PIRA should be provided to your Treasury policy team and copied to RIAT (email ria@treasury.govt.nz). Please also liaise with your agency’s RIA team or panel (if you have one).

Who to contact if you have any questions: Your Treasury policy team is your first point of contact for enquiries about completing the PIRA.

Section 1: General information

Name of the responsible (or lead) government agency:
Title of policy work programme or proposal:
If known, the title(s) of the main Act and/or Regulations that could be amended or created:
Agency contact name and phone number:
Date completed:

Section 2: Do the RIA requirements apply?

Do the RIA requirements apply?	Yes/No/Not sure
Is this policy initiative expected to lead to a Cabinet paper?	
Will this policy initiative consider options that involve creating, amending or repealing legislation (either primary legislation or disallowable instruments for the purposes of the Legislation Act 2012)?	

If you can answer “no” to **either** of these two questions, the RIA requirements do not apply. There is no need to complete a PIRA (though the questions might still provide useful prompts).

Additional exemptions from the RIA requirements	Yes/No/Not sure
If this initiative includes legislative options, are they covered by one or more of the following exemptions?	
<ul style="list-style-type: none"> • Technical “revisions” or consolidations that substantially re-enact the current law in order to improve legislative clarity or navigability (including the fixing of errors, the clarification of the existing legislative intent, and the reconciliation of inconsistencies) 	
<ul style="list-style-type: none"> • Suitable for inclusion in a Statutes Amendment Bill (if not already covered by the point above). 	
<ul style="list-style-type: none"> • Would repeal or remove redundant legislative provisions. 	
<ul style="list-style-type: none"> • Provides solely for the commencement of existing legislation or legislative provisions (this does not include changing the existing commencement date). 	
<ul style="list-style-type: none"> • Needs to be authorised in an Appropriation Bill, an Imprest Supply Bill. 	
<ul style="list-style-type: none"> • Is for a Subordinate Legislation (Confirmation and Validation) Bill relating to regulations that have already been made 	
<ul style="list-style-type: none"> • Implements Deeds of Settlement for Treaty of Waitangi claims, other than those that would amend or affect existing regulatory arrangements. 	
<ul style="list-style-type: none"> • Brings into effect recognition agreements under the Marine and Coastal Area (Takutai Moana) Act 2011 	
<ul style="list-style-type: none"> • Essential (the minimum necessary) in order to comply with <u>existing</u> international obligations that are binding on New Zealand. 	
<ul style="list-style-type: none"> • Has no or only minor impacts on businesses, individuals or not-for-profit entities (such as might be the case for certain changes to the internal administrative or governance arrangements of the New Zealand government, like the transfer of responsibilities, staff or assets between government agencies). 	

If all the legislative options associated with this policy initiative qualify for one of these exemptions, then the RIA requirements do not apply.

If claiming a full exemption, please confirm this assessment with your Treasury policy team. You do not need to submit a PIRA for this purpose, but you will need to provide information in support of this claim.

If some aspects of the legislative options for this initiative can stand independently from the rest, and qualify for one of these exemptions, then the RIA requirements do not apply to those aspects. Since a PIRA will still need to be completed and submitted to your Treasury policy team, it should note any important aspects of the initiative for which an exemption is claimed.

Section 3: Description and context

The policy issue
What is the intended scope of the policy initiative?
<i>Brief description:</i>
What are the main underlying policy issues/problems to which this policy initiative is responding (ie, the root cause of the problem)?
<i>Brief description:</i>
What is known about the magnitude of these policy issues/problems?
<i>Brief description:</i>
What is the type or nature of the evidence supporting the problem definition?
<i>Brief description:</i>

The policy process
Who has commissioned this work (ie, a portfolio Minister, an agency at the request of industry or the public, etc)? Is this initiative in your current regulatory plan? Who is responsible for its delivery?
<i>Brief description:</i>
What is the expected policy process, and expected timing of key milestones? <i>(Please indicate, as far as possible, intended timeframes for consultation, Cabinet consideration, drafting, and implementation)</i>
Are there any process or timing commitments, existing obligations, constraints, or previous Cabinet decisions that are relevant?
<i>Brief description:</i>
What consultation process is planned, and who will be consulted?
<i>Brief description:</i>

The policy process

If any established methodology or form of analysis is to be followed or incorporated, please identify

Brief description:

The policy options

Are there feasible non-regulatory options to consider? Is it possible that legislation is not required?

Brief description:

If the range of policy options to be considered is already constrained by existing government commitments, Ministerial directions, or previous Cabinet decisions, what are those constraints?

Brief description:

If this involves only delegated legislation, what is the legislative authority under which it must be made?

Brief description:

Which groups are might be noticeably affected (either positively or negatively) by the policy options being considered?

Individuals, families and/or households? Consumers? Employees? Businesses? Not-for-profit organisations (including charities, voluntary organisations and incorporated societies)? People who live in particular regions? Users of resources eg, recreational fishers, road-users? Members of particular groups of the population (eg, ethnicities, genders, age groups etc) Central government agencies? Local government? Other?

Brief description:

Section 4: Are the significance criteria met?

A regulatory initiative is considered to trigger the significance criteria if any of the options being considered are likely to have:

- Significant direct impacts or flow-on effects on New Zealand society, the economy, or the environment, or
- Significant policy risks, implementation risks or uncertainty.

Are there significant impacts?	Yes/No/Not sure
Will any policy options that may be considered, potentially:	
<ul style="list-style-type: none"> • Take or impair existing private property rights? 	
<ul style="list-style-type: none"> • Affect the structure or openness of a particular market or industry? <i>For example, assist or hinder businesses to provide a good or service; establish or remove a licence, permit or authorisation process; create or remove barriers for businesses to enter or exit an industry?</i> 	
<ul style="list-style-type: none"> • Impact on the environment, such as regulations that affect the use and management of natural resources? 	
<ul style="list-style-type: none"> • Have any significant distributional or equity effects? <i>For example, where significant costs are imposed or significant benefits conferred on different sectors of the population?</i> 	
<ul style="list-style-type: none"> • Alter the human rights or freedoms of choice and action of individuals? 	
<ul style="list-style-type: none"> • Have any other significant costs or benefits on businesses, local or central government, individuals or not-for-profit organisations etc? <i>For example impose additional compliance costs; introduce or alter government cost recovery arrangements; impact on New Zealand's international capital flows or trade including the flows of goods, services, investment and ideas to and from New Zealand; impact on the incentives to work or the mobility of labour, or to invest in education or skills; impact on resource allocation, saving or investment, fiscal costs to government?</i> 	

For the major types of impacts you have identified, please provide brief information about the nature and likely magnitude of the impacts (in whatever dimensions seem most useful and available).

Are there significant policy, design or implementation risks?	Yes/No/Not sure
Are any of the legislative options likely to be novel, or unprecedented?	
Is the evidence-base for the size of the problem or the effectiveness of different policy options weak or absent?	
Are the benefits or costs of the policy options likely to be highly uncertain? Are there obvious risks that need to be managed?	
Is the success of any of the options likely to be dependent on other policy initiatives or legislative changes?	
Are any of the legislative options likely to have flow-on implications for the future form or effectiveness of related legislation?	
Are there other issues with the clarity or navigability of, or costs of compliance with, the current legislation that it might be good to address at the same time?	
Do any of the legislative options have the potential to be inconsistent with or have implications for New Zealand's international obligations?	
Are there any issues arising in relation to New Zealand's commitment toward a single economic market with Australia? Please check with the Ministry of Business Innovation and Employment. There may be, for instance, issues relevant to the Trans-Tasman Mutual Recognition Agreement (TTMRA).	
Are any of the legislative options likely create or extend a power to make delegated legislation, or grant a broad discretionary power to a public body?	
Are any of the legislative options likely to include provisions that depart from existing legislative norms for like issues or situations? <i>These may include Bill of Rights Act and Privacy Act issues, fundamental common law principles, retrospective rule-making, creation of strict liability offences or burden of proof reversals, and matters affecting civil or criminal immunity. Please see the Legislative Advisory Committee Guidelines on Process and Content of Legislation.</i>	
Are any of the options likely to create, amend, or remove offences or penalties (including pecuniary penalties), the jurisdiction of a court or tribunal, or impact on court-based procedures and workloads?	
Has implementation testing and operational expertise been integrated into the plan for evaluating options?	
Is there a possibility that local government will be expected to implement, administer, or enforce any options?	
Are implementation timeframes likely to be challenging?	
Are the actual costs or benefits highly dependent on the capability or discretionary action of the regulator?	

Section 5: Agency assessment and Treasury confirmation

Agency's preliminary assessment	Treasury's Assessment
Do the RIA requirements apply to this policy process or proposal?	
Would any resulting regulatory proposal be likely to have a significant impact or risk and therefore require RIAT involvement?	

