

Business Regulatory Review Agency

Legal Underpinnings of RIA in Zambia And Implementation Objectives

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RIA TRAINING FOR PUBLIC BODIES AND REGULATORY AGENCIES IN ZAMBIA



LEGAL FRAMEWORK FOR RIA IN ZAMBIA

- ❑ The obligation to undertake RIA by public bodies and regulatory agencies is provided for under the Business Regulatory Act, No. 3 of 2014.
- ❑ The Act establishes the Business Regulatory Review Agency as the implementing Agency overseen by the Business Regulatory Review Committee (BRRC) as the oversight body.



Objectives of the BRRB

- ▶ To improve the quality of business regulation - prevent and eliminate unjustified regulatory frameworks
- ▶ Give businesses a voice with regards to how they are regulated
- ▶ Ensure that regulatory bodies discharge their functions effectively and efficiently in a coordinated manner



Objectives of the BRRB Cont'd

- Ease and reduce the cost of compliance with regulation
- Foster a business friendly, transparent, simpler, cost effective and efficient regulatory regime

Functions of the BRRRA

- **Review of Regulatory Frameworks:** Overseeing regulatory impact assessments and reviewing and approving regulatory frameworks
- **RIA Standards and Guidance:** Issuing standards and guidelines for regulatory impact assessment and stakeholder consultation
- **Regulatory Service Centres:** coordinating and managing Regulatory Service Centres
- **E-Registry and Web Portal:** managing and updating the e-registry



Functions of the BRRB

- **Single Licensing and Clearance Systems:** establishing, maintaining and managing Single Licensing Systems and Regulatory Clearance Systems
- **Capacity Building:** enhancing capacity of Regulatory Agencies and encourage e-regulation
- **Coordination of Regulators:** Fostering close working relationships amongst regulators

Legal Underpinning of RIA

Section 6 of the Act provides as follows:

(1) A public body shall only submit to Cabinet for approval a policy or proposed law to regulate business activity if that policy or proposed law has the prior approval of the Business Regulatory Agency.

(2) A public body that intends to introduce any policy or proposed law for regulating business activity shall:

(a) Give notice in writing, of the intention to introduce or review a regulatory framework or policy regulating business activity, at least two months before submitting it to Cabinet.

Legal Underpinning of RIA cont'

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Section 6(2)(c) A public body that intends to introduce any policy or proposed law for regulating business activity shall perform a RIA analyzing:

- the problem that is being addressed by the policy or proposed law;
- Why government intervention is needed;
- Objectives of the proposed policy or law;

Legal Underpinning of RIA cont'

- Which options for dealing with the problem have been considered and why the policy or proposed law is the best approach;
- Whether the benefits justify the costs and what are the likely costs for business and consumers including a calculation of new administrative burdens and the impacts on market entry and exit; and
- How the policy or proposed law will be implemented.

Legal Underpinning cont'

Section 5 (2) (1)

A licensing system shall only be established if it:

- a) does not unnecessarily burden business enterprises to which it applies;
- b) does not overly add to the administrative cost of the public body or regulatory agency concerned;
- c) Is not overly bureaucratic or cumbersome;
- d) And has input of relevant stakeholders.

Regulatory Impact Assessments

- ▶ **Importance of RIA**
 1. It ensures that policy and regulatory decisions being made are supported by factual information.
 - Assesses and brings out all potential impacts (social, economic and environmental), irrespective of whether positive or negative.
 - Assesses the benefits and costs
 2. Considers non-regulatory options
 3. Requires or calls for extensive stakeholder consultation

Consultation

- Consultation is a central component of RIA and is provided for under Section 6 of the Act.
- The Act requires a public body to:
 - (b) hold public consultation for at least thirty (30) days with:
 - 1) Persons or proprietors of business enterprises who shall be affected by the proposed regulatory frameworks;
 - 2) Persons or proprietors of business enterprises who shall benefit from the proposed regulatory frameworks;
 - 3) Regulatory agencies and other public officers who will implement the proposed regulatory frameworks;
 - 4) All other relevant stakeholders

Consultation

► Importance of Consultation

1. Allows people to participate in the regulation making process before the regulation is implemented
2. Improves compliance with regulation
3. Brings out a lot of information
4. Ensures better policy/regulation

Conclusion

- RIA is a process that many countries have adopted in their policy and regulation making process to reduce policy and regulatory failure.
- RIA promotes inclusion, transparency and accountability in the policy/regulation making process.
- RIA is implemented in Zambia to ensure the establishment and sustenance of a conducive business environment that favours investment and promotes business growth.

Thank you