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
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 BRRA

- 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 BRRA 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 BRRA

- **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 BRRA

- **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
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.
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.
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