

Regulatory Impact Assessment

- First projects -

LESSONS LEARNED

Working groups summary

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INTRODUCTION

What is Regulatory Impact Assessment - RIA?

RIA is a policy tool designed:

1. to identify and quantify where possible, the impact of new regulations;
2. to be used also in the review of existing regulations;
3. to clarify the relevant factors for decision-making through comprehensiveness and awareness;
4. to encourage policy-makers to make balanced decisions when considering regulatory action that deals with the possible solutions to a problem, aiming the financial stability goal .

RIA ADVANTAGES

- **Effectiveness** - efficient regulation that address market failures
- **Transparency** - setting out ex-ante the reasons for policy decision, addressing the identified and quantified problem, anticipating costs and benefits.
- **Accountability** - improving the regulatory body reliability
- **Consistency** - compatibility with laws/regulations/standards
- **Calibrating expectation** - ex-ante effects calculations
- **Communication** - increasing understanding
- **Experience sharing** - building-in comprehensive consultation process

RIA Challenges of Implementation

- **Institutional capacity.**

Necessity for staff with the requisite training, overall resources.

- **Participatory level.**

A coherent, evidence based and market actors participatory and consideration is needed.

What does RIA really improve?

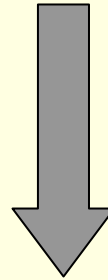
RIA directly improves three stages:

- facilitates consultative, evidence-based, rational policy development;
- provides a framework against which the policy development process can be judged; and
- provides a benchmark against which policies can be monitored and evaluated.

At last, but not least, RIA establishes ways of doing things.

Conclusions

- Although in our practice, many of the steps in the RIA process are already undertaken when a regulation is being prepared.



- Introduction of a formalized system of RIA will increase the consistency with the steps undertaken and will assist in the application of best practice during the regulation designing process.



THANK YOU

