



## **Agenda**

### **Building RIA Capacity**

**26-29 May 2009, Kievits Kroon Country Estate, Pretoria, South Africa**

<b>DAY 1</b>	
8:30-9:00	<p><b>Welcome &amp; Introduction</b></p> <ul style="list-style-type: none"> <li>➤ Josephilda Nhlapo (Chief Director in the Presidency responsible for the implementation of RIA in South Africa)</li> </ul>
9:00-9:45	<p><b>Session 1: The Regulatory Process and the Role of RIA</b></p> <p><i>The purpose of this session is to give an overall introduction to RIA systems and processes in the OECD countries. The session will briefly present the different components of a RIA system – some of which will be dealt with in more detail in subsequent sessions. The session will provide concrete examples on how OECD Countries have established RIA processes to support the regulatory process.</i></p> <p><u>Issues and questions to be addressed in this session include:</u></p> <ul style="list-style-type: none"> <li>• The variation of RIA systems in OECD Countries</li> <li>• What is the role of RIA in the regulatory process?</li> <li>• The “products” of the RIA process: RIA Guidelines and Statements</li> </ul> <p><u>Presentation by</u></p> <ul style="list-style-type: none"> <li>➤ Gregory Bounds (OECD)</li> </ul>
9:45-10:15	<b>Tea</b>
10:15-11:00	<p><b>Session 2: Setting Up a Successful RIA System</b></p> <p><i>The purpose of this session is to present and discuss how RIA responsibilities can be shared between different ministries and government units, and the incentives and processes that could be put in place to ensure effective and efficient preparation of RIAs.</i></p> <p><u>Issues and questions to be addressed in this session include:</u></p> <ul style="list-style-type: none"> <li>• Pros and cons of various institutional set-ups for RIA</li> <li>• Critical success factors in the design of RIA systems: Political support, understanding and appreciation of the benefits of RIAs, clear guidelines and division of tasks, continuous learning and evaluation</li> <li>• Who should be responsible for what in the RIA process?</li> </ul>

	<p><u>Presentation by</u></p> <ul style="list-style-type: none"> <li>➤ Lisa Hennessy (Deputy Head, Better Regulation Unit, Department of the Taoiseach, Ireland)</li> </ul>
11:00-12:00	<p><b>Session 3: RIA as a Tool for Consultation and Communication</b></p> <p><i>The purpose of this session is to introduce and discuss different consultation mechanisms and how consultation mechanisms can be utilised and integrated in the RIA process to bring transparency in rule making, improve democratic processes and promote compliance.</i></p> <p><u>Issues and questions to be addressed in this session include:</u></p> <ul style="list-style-type: none"> <li>• What consultation practices are effective, how to reach consulted subjects? <ul style="list-style-type: none"> <li>• How does consultation contribute to the design and enforcement of better regulation?</li> <li>• What are the important features of transparency?</li> </ul> </li> </ul> <p><u>Presentations by</u></p> <ul style="list-style-type: none"> <li>➤ Elisabeth Kristensson (Division for Market and Competition, Ministry of Enterprise, Energy and Communication, Sweden)</li> </ul>
12:15-13:15	<p><b>Lunch</b></p>
13:30-15:00	<p><b>Session 4: Efficient Scope of RIA and its Implementation</b></p> <p><i>This session will look at ways to target RIA efforts towards regulations with the highest impact and importance.</i></p> <p><u>Issues and questions to be addressed in this session include:</u></p> <ul style="list-style-type: none"> <li>• What are the steps of evolutionary RIA introduction?</li> <li>• What kind of regulatory proposals should be subject to RIA?</li> <li>• How detailed and in depth does RIA need to be?</li> </ul> <p><u>Presentations by</u></p> <ul style="list-style-type: none"> <li>➤ Professor Douglas Irvine (SBP, South Africa)</li> <li>➤ Daniel Trnka (OECD)</li> </ul>

<b>DAY 2</b>	
8:30-11:45	<p><b>Session 5: Analytical Techniques to Assess Regulatory Impacts</b></p> <p><i>This session will cover technical aspects of the RIA process – the methods to be applied in assessing regulatory impacts. This will include a theoretical introduction of different qualitative and quantitative methods to assess regulatory impacts, in particular cost-benefit analysis, as well as concrete examples and (a) case studies from OECD member countries.</i></p> <p><u>Presentations by</u></p> <ul style="list-style-type: none"> <li>➤ John F. Morrall III (former Branch Chief, Office of Management and Budget, USA)</li> </ul>
12:00-13:00	<b>Lunch</b>
13:15-14:30	<p><b>Session 6: Regulatory Alternatives</b></p> <p><i>The purpose of this section is to introduce commonly used alternatives to traditional command-and-control regulation, and to present how criteria and considerations on the use of regulatory alternatives can be integrated into the RIA process.</i></p> <p><u>Issues and questions to be addressed in this session include:</u></p> <ul style="list-style-type: none"> <li>• What kinds of alternatives exist?</li> <li>• How to choose the right solution?</li> </ul> <p><u>Presentations by</u></p> <ul style="list-style-type: none"> <li>➤ Michael Goldblatt (Palmer Development Group, South Africa)</li> <li>➤ Gregory Bounds (OECD)</li> </ul>
14:30-15:30	<p><b>Feedback and Review of the Workshop</b></p> <p><i>The final session of the workshop should attempt to draw some policy conclusions from the discussion that may be useful to South Africa in developing and refining its strategy for enhancing the performance of RIA and building capacity.</i></p> <p><u>Facilitator</u></p> <ul style="list-style-type: none"> <li>➤ Daniel Trnka (OECD)</li> </ul>



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	<b>DAY 3</b>
8:30-9h00	<b><i>Welcome and Introduction</i></b>
9:00-9:45	<p><b><i>Session 1: Methodologies for Economic Impact Assessment</i></b></p> <p><i>The purpose of this session is to explore different methodologies for Economic Impact Assessment. The focus will be placed on the poverty impact assessment model.</i></p> <p><u>Facilitator</u></p> <ul style="list-style-type: none"> <li>➤ Professor Tielman Slabbert (North West University, South Africa)</li> </ul>
9:45-10:15	<b><i>Tea</i></b>
10:15-11:00	<p><b><i>Session 2: Case Study: Poverty Impact Assessment Model</i></b></p> <p><i>The purpose of this session is to demonstrate the use of the poverty impact assessment model in practical situations.</i></p> <p>The case study will use data to show how the model is built and how it can be used to determine the impact of regulation/policy change in the community.</p> <p><u>Facilitator</u></p> <ul style="list-style-type: none"> <li>➤ Professor Tielman Slabbert (North West University, South Africa)</li> </ul>
11:00-12:15	<p><b><i>Session 3: Cost-Benefit Analysis</i></b></p> <p><i>The purpose of the session is to explore tools that are used in the application of cost-benefit analysis. These include the following:</i></p> <ul style="list-style-type: none"> <li>• A Typical Cost-Benefit Design</li> <li>• Stages of Cost-Benefit Analysis</li> <li>• Cost-Effectiveness Analysis</li> <li>• Discounting Net Benefits</li> <li>• Choice of a Decision Rule</li> <li>• Risk and Uncertainty</li> <li>• Issues in Cost-Benefit Analysis: A Recapitulation</li> <li>• General Rules for Identifying Costs and Benefits</li> </ul> <p><u>Facilitator</u></p> <ul style="list-style-type: none"> <li>➤ Dr Wynand Grobler (North West University, South Africa)</li> </ul>
12:15-13:15	<b><i>Lunch</i></b>

13:30-15:30	<p><b>Session 4: Case Study: Cost Benefit Analysis</b></p> <p><i>This session will demonstrate how to measure the impact of new policy using the cost-benefit analysis model</i></p> <p><u>Facilitators</u></p> <ul style="list-style-type: none"> <li>➤ Dr Wynand Grobler (North West University, South Africa)</li> <li>➤ Professor Tielman Slabbert (North West University, South Africa)</li> </ul>
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<b>DAY 4</b>	
8:30-9:00	<p><b><i>Welcome and Introductions</i></b></p>
9:00-10:30	<p><b>Session 5: Understanding the Concept of Risk Management</b></p> <p><i>The purpose of this session is to ensure that the participants are fully equipped with the necessary skills to conduct risk assessment on various policy options presented.</i></p> <p>Risk management framework in the application of RIA, including:</p> <ul style="list-style-type: none"> <li>• Risk identification</li> <li>• Risk evaluation</li> <li>• Risk control</li> <li>• Risk financing</li> <li>• Risk monitoring</li> </ul> <p><u>Presentation by</u></p> <ul style="list-style-type: none"> <li>➤ Professor Jackie Young (University of South Africa)</li> </ul>
9:45-10:15	<p><b><i>Tea</i></b></p>
10:15-12:30	<p><b>Session 6: Risk Management Implementation</b></p> <p><i>The purpose of this session is to engage in practical knowledge of risk management implementation – risk assessments</i></p> <ul style="list-style-type: none"> <li>• Case Studies</li> <li>• Closure</li> </ul> <p><u>Facilitator:</u></p> <ul style="list-style-type: none"> <li>➤ Professor Jackie Young (University of South Africa)</li> </ul>
12:30-13:00	<p><b><i>Closing Lunch</i></b></p>

## Biographies of Speakers

### **Gregory Bounds, Policy Analyst, Regulatory Policy Division of the OECD**

Gregory Bounds commenced as a policy analyst with the Regulatory Policy Division of the OECD in January 2007. Previously he managed a program of regulation of third party access to ports, the regional rail network, and export grain facilities with the Essential Services Commission (ESC), the Competition and Monopoly Infrastructure Regulator within the Government of the State of Victoria, Australia. Mr Bounds' section also undertook periodic reviews of regulation at the request of Ministers. Mr Bounds was a senior officer in the Victorian Office of Regulation Reform responsible for ensuring a whole of Government approach to regulatory quality and the management of the RIS process. He holds a Masters Degree in Public Administration from the Australia and New Zealand School of Government.

### **Lisa Hennessy, Deputy Head, Better Regulation Unit, Department of the Taoiseach, Ireland**

Ms. Lisa Hennessy has been in her current position at the unit since March 2007, which has the overall responsibility for promoting the Better Regulation Agenda in Ireland. Ms. Hennessy's current responsibilities include the co-ordination of the Regulatory Impact Analysis (RIA) Helpdesk, Network and Training for Irish officials. She is involved in implementing the recommendations of the recently completed *Review of the Operation of RIA*, including the development of new RIA Guidelines. Ms. Hennessy also has a role in supporting the independent Review of the Irish Economic Regulatory Environment, which is currently being conducted. Ms. Hennessy studied law at University College Dublin and the Law Society of Ireland.

### **Elisabeth Kristensson, Head of Section, Division of Market and Competition, Ministry of Enterprise, Energy and Communications, Sweden**

At the ministry, Ms. Kristensson has been responsible for the Regulatory Impact Assessment Ordinance and has produced guidelines for other ministries on the subject. She is also actively involved in the work with the Governments' action plan for regulatory simplification on how to reach the 25-percent reduction of administrative costs for business set out for 2010. Working on better regulation since 2005, Ms. Kristensson is also familiar with the Standard Cost model for measuring administrative cost. The Swedish Better Regulation Council is also one of her responsibilities. Ms. Kristensson holds an LLM from Lund University.

### **Professor Douglas Irvine, SBP, South Africa**

Professor Irvine joined SBP in 2002 as a Director of Policy Programmes and Research. Current and recent responsibilities include consulting to the Commonwealth Secretariat on its enterprise development programmes, and managing SBP's *Cutting Red Tape for Business in Africa* project, its South African Regulatory Compliance Costs Survey, and an eight-month study by an SBP-led consortium for the South African Presidency and National Treasury on the introduction of regulatory impact analysis (RIA) in South Africa. He is an emeritus professor of the University of Natal, where he was Professor and Head of the Department of Political Studies. As Dean of Social Science he was extensively involved in university governance. From 1994 to 1996, during the constitution making period, he was seconded as full-time technical advisor to the Commission on Provincial Government, with responsibility for developing recommendations to the Constitutional Assembly on all matters relating to provincial and local government. He took early retirement from the university in 1996 to join a Johannesburg-based

policy think-tank, the Centre for Development and Enterprise (CDE), as Senior Associate. He has worked on a wide range of policy issues.

**Daniel Trnka, Policy Analyst, Regulatory Policy Division of the OECD**

Daniel Trnka has been working in the area of public administration reform and regulatory reform for more than 10 years both on the national as well as on the international level. Before joining the OECD, he worked as Director of the Department of Regulatory Reform and Public Administration Quality of the Ministry of Interior of the Czech Republic. His main areas of expertise are administrative simplification, regulatory impact assessment, public consultations and regulatory institutions. Mr. Trnka is a member of the International Association of Legislation. He graduated in Knowledge Management and Political Science from the Prague University of Economics.

**John F. Morrall III, former Branch Chief, Office of Management and Budget, USA**

John F. Morrall III is an expert in the area of regulatory reform and oversight, benefit-cost analysis, Regulatory Impact Analysis (RIA), and risk assessment. He worked for six Presidents on regulatory policy in the Executive Office of the President from 1975 until September 2008. He was Acting Deputy Administrator for the Office of Information and Regulatory Affairs (OIRA) of the Office of Management and Budget from 2006 to 2007. He and his staff were responsible for reviewing the regulations and RIAs issued by the Departments and agencies of the Federal government. He was the lead author of the annual *Report to Congress on the Costs and Benefits of Federal Regulations*. He is the recipient of various awards, including a SES Presidential Rank Award from President George W. Bush. He received an A.B. from Tufts University in 1965, *Magna Cum Laude* in the economics honours program, and a Ph.D. in Economics from the University of North Carolina.

**Michael Goldblatt, Palmer Development Group, South Africa**

Michael Goldblatt is an economist specialising in environmental and natural resource economics. He holds an MSc. in Geography and Environmental Studies (University of Witwatersrand) and an MSc. in Environmental Economics (University College London). He has worked in the field of environmental management policy and strategy since 1996 with a focus on the areas of climate change and greenhouse gas reduction, water and solid waste service delivery, water resources management, and the application of economics to environmental management and protection. Michael was involved in the early stages of development of a Regulatory Impact Assessment framework for South Africa for the National Treasury and Presidency under the consortium led by SBP. He also acted as an external reviewer of the National Treasury's Environmental Fiscal Reform policy. Michael is responsible for leading PDG's work in the field of environmental management.

**Professor Tielman Slabbert, Associate Professor in the School of Economics at North-West University, Vaal Campus, South Africa**

Professor Tielman Slabbert specialises in Economic Impact Studies and Poverty Research. For the last 21 years he has done extensive research on the economy of the Vaal Region. He has published several journal articles and 37 research reports on different aspects of the Vaal Triangle economy. He was also responsible for research on Local Economic Development (LED) and sustainability in Emfuleni Municipal Area. Before joining the University, he was employed as senior researcher at the HSRC and the Institute for Planning Research (University of Port Elizabeth) - where he was inter alia responsible for the research on and compilation of an Input-Output Analysis for the Port Elizabeth/Uitenhage Metropolitan Area.

**Dr Wynand Grobler, School Director for Economic Sciences and Senior Lecturer at North West University, Vaal Campus, South Africa**

Dr Wynand Grobler specialises in Economic Impact Studies. He has obtained a BCom degree and holds a BCom Honours, MCom and Ph.D with North West University. He also completed an International Diploma in Economic Impact Assessment with Molde University in Norway. He also completed several Economic Impact Assessment studies. Before joining the University, he was employed as researcher at the South African Reserve Bank - where he was inter alia responsible for the research on and compilation of Capital Account of The Balance of Payments.

**Professor Jackie Young, University of South Africa**

Professor Young has obtained a BMil (BCom) degree through the South African Military Academy and holds a BCom Honours, MCom and DCom with the University of South Africa. He is currently lecturing at the University of South Africa in risk management and banking. He is a fellow of the Institute of Operational Risk Management, based in London as well as a member of the Institute of Risk Management South Africa. He authored a book on operational risk management which is prescribed for various qualifications. Professor Young presented papers on risk management at various national and international conferences such as the Middle East, USA and Australia. He also published a number of articles on risk management with an accredited international journal. He, furthermore, consults to various corporate institutions on risk management such as Standard Bank, FirstRand Bank, and Government Departments such as the Department of Labour. Professor Young would like to enhance the establishment of operational risk as a distinguished management discipline in the business environment and is currently involved in various initiatives to achieve this goal.