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14th Global Symposium for Regulators
Capitalizing on the potential of the digital world

Using RIA to improve decision-making in the ICT sector

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The views expressed in this presentation are those of the author and do not necessarily reflect the opinions of the ITU or its Membership.

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What is RIA?

- “A systemic approach to critically assessing the positive and negative effects of proposed and existing regulations and non-regulatory alternatives” (OECD, 2009)
- **Main steps:**
 - Problem definition
 - Identification of alternative options
 - Data collection
 - Comparison of options
 - Preferred policy options
 - Monitoring and evaluation indicators

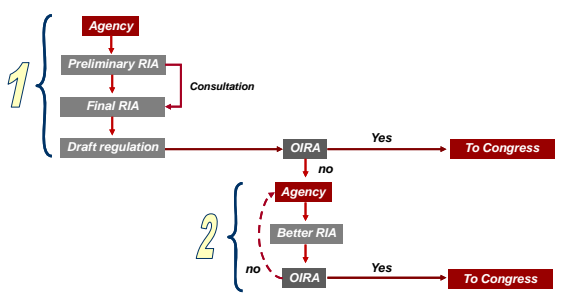
Expected benefits:

- Efficiency
- Transparency
- Accountability

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RIA around the world: the US model



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RIA around the world: other models

- **Canada, Australia, Mexico, UK** have well-developed RIA models, mostly focused on cost-benefit analysis of regulatory proposals
- The **European Commission** applies RIA to a wide range of legislative initiatives, with focus on both CBA and multi-criteria analysis
- **The Netherlands, Germany, France, Scandinavian countries** show more interest for simplification tools such as the Standard Cost Model
- Developing/emerging economies feature a growing interest for RIA:
 - Latin America (**Brazil, Chile, Colombia, Costa Rica, Ecuador**)
 - Asia (**Cambodia, Lao PDR, Malaysia, Mongolia, Philippines and Vietnam**)
 - Africa (**Botswana, Egypt, Uganda, Ghana, Nigeria, South Africa, Tanzania**)

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RIA: main challenges

- **Procedural and organizational challenges**
 - Need for well-designed legislative/regulatory planning
 - Need for adequate governance arrangements, and in particular the existence of a regulatory oversight body
 - Requires wide acceptance in the administration
 - Adequate skills
 - Transparency in the administration and accessibility of public information
- **Methodological challenges**
 - Get the scope right: primary v. secondary legislation
 - Get the scope right: all regulations or only major ones?
 - Choose the methodology carefully

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RIA in the ICT sector: examples

- **Leading countries**
 - UK (OFCOM)
 - European Commission
 - US FCC (cost-benefit analysis)
- **Examples of RIAs**
 - EU Roaming regulations
 - Australian RIS on lot design for clearing the digital dividend
 - Qatar's RIA on the Quality of Service for telecommunications

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RIA in the ICT sector: checklist (1)

- **Adopt a “holistic” approach**
- **Ensure appropriate governance arrangements**
- **Build regulatory capacity in administrations**
- **Sustained focus and political commitment**

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RIA in the ICT sector: checklist (2)

1. What is the policy problem, if any?
2. Is it a market failure or a regulatory failure?
3. What are the main drivers of the policy problem?
4. Who is affected by the current situation?
5. What might happen if no policy action is undertaken?
6. What would happen under the “zero option”?
7. What alternatives would possibly address the problem?
8. What direct costs will be generated by the alternatives?
9. What are the benefits expected from the alternatives?
10. What are the likely indirect impacts of alternatives?
11. What is the appropriate criterion to compare alternatives?
12. What are the major risks?
13. How will the regulation be monitored and evaluated?

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