

World Bank Group



private sector | development

**DFID** Department for  
International  
Development



# Better Regulation for Growth

## Improving the Governance Framework for Investment

**Donor Committee for Enterprise Development  
Africa Regional Consultative Conference on the Business Environment  
Accra, Ghana, 5 – 7 November 2007**

**Nick Godfrey, DFID, and Peter Ladegaard, FIAS/World Bank Group**

# Better Regulation for Growth Programme

- A joint initiative between FIAS, DFID, and The Netherlands
- Objective is to strengthen regulatory frameworks to promote investment, growth and poverty reduction
- Programme outputs to include:
  - *Operational guidance on managing national regulatory reform programmes*
  - *Improved institutional design for effective regulatory governance*
  - *Tools to improve both existing and new regulations*
  - *Dissemination of guidance to support project implementation*

# Reasons for the BRG Programme

- Improved legal and regulatory framework crucial for the investment climate and growth
- Demand from policy-makers/donor staff for practical operational guidance
- Lack of policy guidance geared to developing country needs and contexts
- Regulatory Governance issues critical for impact and sustainability of PSD reforms

# Focus Areas and Key Deliverables (1)

## *Political context and government regulatory capacity*

- Country case studies and lessons learned
- Guidance on:
  - *political economy and governance aspects*
  - *managing capacity related issues*
  - *institutional aspects*
  - *change management*
- Regulatory capacity review diagnostic tool

# Focus Areas and Key Deliverables (2)

- *Adaptation of regulatory tools*
- Tools to review existing regulation
  - e.g.
    - *Staged Repeal (aka the Guillotine)*
    - *Scrap-and-build*
    - *Standard Cost Model*
- Tools to review new regulation
  - *Guidance on adapting and institutionalising vetting mechanisms (“RIA light”)*

# Focus Areas and Key Deliverables (3)

## *Measuring regulatory governance*

- Case studies of M&E approaches in selected countries
- M&E framework for regulatory governance
  - *Baseline measurements e.g. Standard Cost Model*
  - *Governance indicators*
  - *Regulatory quality standards*

- Key stakeholders
  - *Governments*
  - *Donors (incl. DFID country offices)*
  - *Project practitioners*
  - *Consultants*
  - *Academics*
  - *Private sector*
  - *NGOs*
- Deliverables:
  - *Dissemination plan*
  - *Regional/country workshops*
  - *Dedicated website for regulatory governance*

- Project duration March 2007-March 2009
- Programme Steering Committee
- Expert Advisory Panel
- FIAS programme management
- Integration with country reform programmes

# Possible implications for PSD Policy and Advice to African countries

private sector | development

*(A look into the crystal ball)*

- Moving beyond the “OECD Agenda” for Regulatory Reform and RIA in developing countries;
- Regulatory Policy a key ingredient in any PSD Strategy;
- A more balanced understanding of the realistic possibilities of regulatory reform in Africa;
- Generally accepted standard indicators for good Regulatory Management processes and outcomes, and how they relate to development impacts.

# Thank you

private sector | development

## Contacts

The BRG Program:  
[RegulatoryGovernance@Worldbank.org](mailto:RegulatoryGovernance@Worldbank.org)

[N-Godfrey@DFID.gov.uk](mailto:N-Godfrey@DFID.gov.uk)

[Pladegaard@IFC.org](mailto:Pladegaard@IFC.org)