ERRADA إرادة
Egyptian Regulatory Reform & Development Activity المبادرة المصرية لإصلاح مناخ الأعمال

Egypt's Experience

ERRADA: Building A Regulatory Management System

EuroMed – OECD

Paris, 5 December 2012

Why ERRADA?

> No clarity of regulations and poor enforcement, monitoring and evaluation mechanisms [lack of expertise, training; equipements; ...etc]

> Large number of complex regulations that often overlap or are inconsistent or obsolete.

> Lack of Accessibility of Regulations

> Implicitly repealed regulations.

> Multiplicity of authorities concerned with issuing / implementing regulations.

> High non-compliance rate.

> Overlooking interests of some stakeholders as a result of absence of societal dialog in preparing regulations

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Vision, Mission & Objectives

Vision
Enhance business environment through better regulation.

Mission
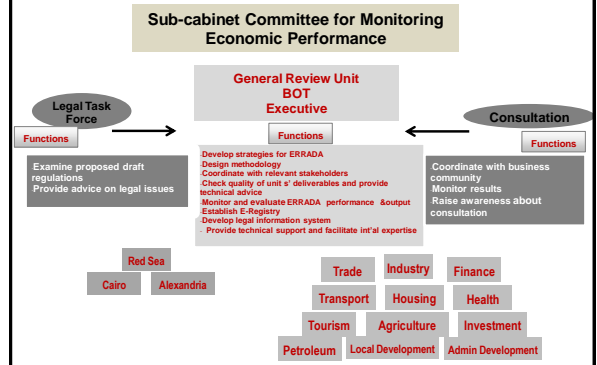Support government efforts to build a regulatory management system, based on a dialogue between *public* and *private* institutions and *civil society*, aimed at increasing *efficiency*, *competitiveness* and creating more *job opportunities*.
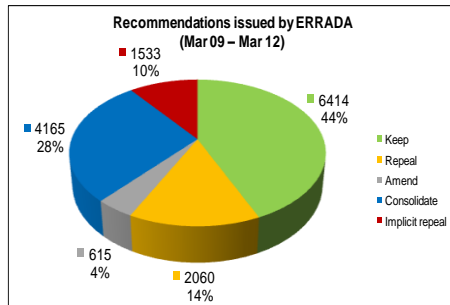
Objectives
> Identify all valid business related regulations through *inventory*.

> Streamline business related regulations through systematic *review* of inventory, in consultation with business community and civil society.

> Make all business related regulations *accessible* to the public through an *electronic registry.*

> Seek to introduce **regulatory impact assessment (RIA)**, in order to lay down the foundation for principles of transparency and decision making based on analysis.

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ERRADA Operational Structure

Sub-cabinet Committee for Monitoring Economic Performance

General Review Unit BOT Executive

Legal Task Force — Consultation

Functions — **Functions** — **Functions**

Examine proposed draft regulations
Provide advice on legal issues

Develop strategies for ERRADA
Design methodology
Coordinate with relevant stakeholders
Check quality of unit s' deliverables and provide technical advice
Monitor and evaluate ERRADA performance &output
Establish E-Registry
Develop legal information system
· Provide technical support and facilitate int'al expertise

Coordinate with business community
Monitor results
Raise awareness about consultation

Red Sea
Cairo — Alexandria

Trade — Industry — Finance
Transport — Housing — Health
Tourism — Agriculture — Investment
Petroleum — Local Development — Admin Development

Recommendations
Mid 09 – Mid 12

Recommendations issued by ERRADA
(Mar 09 – Mar 12)

- 1533 10%
- 6414 44%
- 4165 28%
- 615 4%
- 2060 14%

Legend:
- ■ Keep
- ■ Repeal
- ■ Amend
- ■ Consolidate
- ■ Implicit repeal

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ERRADA Accomplishments

➤ Established required structure (GRU, 11 GMUs, 3 GUs).

➤ Developed systematic methodology for inventory, review and RIA.

➤ Inventoried around 35,000 business related regulations and classified them into nearly 170 topics.

➤ Complete review of regulations in 3 years.

➤ Achieved annual savings to business of LE9m through admin burden reduction.

➤ Raised state revenue by LE86m annually through revision of outdated fees.

➤ Streamlined more than 2,000 regulations through 31 ministerial decrees.

➤ Conducted RIA on allocation of arable land, increasing heights of buildings and shipping agencies.

➤ Streamlined licensing and permits for food activities.

➤ Launched e-registry for the public for free,

➤ Praised consultation by the private and business community

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Consultation

➤ Diving and marine activities, bazaars, hotel establishment, tourist companies (June 2010)

➤ Outdoor advertising with housing, local development, and transport ministries (February 2010).

➤ Maritime transport sector: safety of vessels and maritime professions (March 2010).

➤ Slaughterhouses and veteran quarantine (July 2010).

➤ Allocation of arable land (September-October 2010, January 2011).

➤ Shipping agencies (October 2011).

➤ Increasing heights of buildings (November 2011)

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Outcome

➤ Contribution to removal of Egypt from IMO's black list to grey list.

➤ Regulation of issues not regulated before.

➤ Identification of implicit repeals and seeking to find a solution for this issue.

➤ Formation of appeal committees to ensure that investors have a channel to make appeals.

➤ Repeal of overlapping regulations.

➤ Identification of inconsistent regulations which led policy makers to refer to GMUs before issuing new regulations.

➤ Requirement of enterprises in some economic activities to obtain ISO certificate to enhance standards in these activities.

➤ Classification of circulars governing a certain issue for ease of reference.

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International Coopertion and Recognition

➢**Visits by international delegations:** Vietnamese (March 2010). Syrian Initiative "ISRAR"(October 2010, June 1011).

➢**ERRADA participated in:** Study tour to Turkey-2010; Ireland 2011; SIGMA organized networking with beneficiaries; Germany-2012.

➢Egypt: Business Climate Development Strategy – OECD in 2010

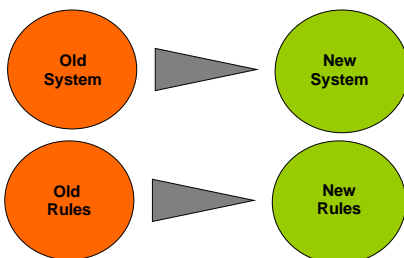➢Progress in Public Management in the Middle East and North Africa: Case studies on Policy Reform – OECD 2011

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ERRADA Moving ahead to RIA

➢Stronger political support of Cabinet of Ministers and Potential Parliament in Egypt.

➢Increasing public and private awareness of regulatory reforms

➢Rising pro-business environment commitment.

➢Increased national and international interest in funding streaming.

➢Growing importance of human and institutional capacity building.

➢Vectors towards e-Registry, e-filing, e-payment, e-trade

➢Enhanced importance for governance, anti-corruption,transparency, and economic efficiency and welfare

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Shift Towards Economic Governance and Social Equity

Old System → New System

Old Rules → New Rules

YOU CAN'T HAVE ONE WITHOUT THE OTHER !