



The Better Regulator[®]

REGULATORY REFORM AND BETTER BUSINESS ENVIRONMENTS

The Global View from Jacobs
and Associates
Spring/Summer 2005

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Letter from Scott Jacobs

Dear Colleagues,

Countries determined to see real gains are making bold regulatory reforms. In the past year, we were pleased to assist many of our clients take dramatic steps to improve their market regulations.

- *Serbia's* new business registry, designed by Jacobs and Associates (with World Bank and SIDA support), opened its doors on 2 January 2005. The new registry, the first in the Balkans to be moved out of the courts, will reduce registration delays from 31 to 5 days and create a national electronic registry. In May 2005, *Bulgaria's* government, advised by Jacobs and Associates (with Bearing Point/USAID), announced that it, too, will shift business registration out of the judicial courts into a new agency by 2007.
- The Government of *Kenya* set up in February 2005, with the assistance of Jacobs and Associates and FIAS, a Working Committee on Regulatory Reforms for Business Activity. The Working Group is using our Regulatory Guillotine approach to review and simplify 600 national business licenses and fees.
- *Moldova* adopted the Regulatory Guillotine by law in January 2005 and is reviewing hundreds of regulations used in burdensome business inspections. *Ukraine's* State Committee on Regulatory Policy and Entrepreneurship, where we are working with BizPro/USAID, announced similar and rapid reforms in June 2005. *Macedonian* Prime Minister Buckovski committed in April 2005 to adopt a guillotine law and regulatory impact analysis, with input from Jacobs and Associates working with FIAS.

These bold reforms need monitoring to assess results but seem likely to produce substantial benefits for businesses, consumers, and growth. Other innovative reforms include e*RIA™, described on p. 4.

We were delighted to welcome in February 2005 a highly-experienced Director, *Michael Griffin*. Mr. Griffin is leading our Irish company, Jacobs and Associates Europe Ltd., from Dublin.



Michael Griffin

Our newsletter contains highlights of selected regulatory reforms around the globe. It supplements our website at www.regulatoryreform.com. Please contact the Directors at any time with enquiries.

With our best wishes,

Scott Jacobs
Managing Director



REGULATORY REFORMS IN EUROPE: STILL DANGEROUSLY SLOW

Europe continues to move dangerously slowly on regulatory reforms, despite much political chest-thumping. The Single Market program, perhaps the greatest regulatory reform of the last century, is creaking with old age and increasingly ill-suited to European needs of the next ten years.*

The case for more reform is stronger than ever. Output per hour has grown much more slowly in "old Europe" (the 15 members of pre-enlargement EU) than in the U.S. since 1995, according to the Conference Board (a US-based research group). "Even casual observers will have noticed there is something rotten in the economic state of core Europe," Martin Wolf wrote in the Financial Times in May 2005. The economic institutions of the EU are unanimous that the lack of competitive pressures and poor regulation contributes to poor economic performance.

Jacobs and Associates reported in our last newsletter that the European Commission launched new regulatory reform initiatives in 2004 to meet its target of becoming the world's most competitive economy by 2010. Services, accounting for 70 per cent of the EU economy, were targeted for reform. Commission President Prodi promised to cut European laws by 25 per cent within three years.

A year later, results are meager. Most notably, the much-needed Directive on Services in the Internal Market, proposed in January 2004, has stalled and is now being revised after months of polarized debate. One of the bright lights in 2003-2004 was adoption of most of the 42 measures in the Financial Services Action Plan, but the industry has not responded positively. Very little cross-border merger activity has yet taken place, and banks still suffer from low profitability.

A report from a High Level Group chaired by Wim Kok reported frankly in late 2004, "The Lisbon strategy is even more urgent today as the growth gap with North America and Asia has widened, while Europe must meet the combined challenges of low population growth and ageing. Time is running

out... Better implementation is needed to make up for lost time."

Political will is irresolute. "Facing ever lower growth forecasts, some even blame competition for their troubles," Charlie McCreevy, Commission member with responsibility for Internal Market and Services, wrote in May 2005. Commenting on the Lisbon agenda, Jean-Claude Juncker, prime minister of Luxembourg, said gloomily, "We know exactly what to do, but we do not know how to win the next elections once we have done it."

"We know exactly what to do, but we do not know how to win the next elections once we have done it."

*- Prime Minister Juncker,
Luxembourg*

The Commission, to its credit, continues to push hard for reform. New Commission President José Manuel Barroso announced in February 2005 "A new start for the Lisbon Strategy" at the Mid-Term Review of the Lisbon Strategy.** He charged that "In a number of Member States, key markets like telecoms, energy and transport are open only on paper - long after the expiry of the deadlines." He promised to complete the Single Market in services, regulated professions, energy, public procurement and financial services, and to create a SME friendly business environment. Member State action plans on the Lisbon Agenda will be integrated into an EU-wide action plan by 2006.

In March 2005, the Commission announced a new regulatory reform initiative, "Less red-tape = more growth." The Commission will screen the 900 pieces of EU legislation pending before the Council and Parliament to reduce excessive administrative burdens on businesses, and SMEs. Other elements of the new strategy: improve impact assessments (IAs), apply better regulation tools at the EU level (picking up the OECD agenda), work with Members to ensure that better regulation principles

are applied consistently throughout the EU, and increase stakeholder dialogue.

At the working levels of the Commission, regulatory quality reforms such as the use of impact analysis are the most visible sign of progress. The Commission has completed more than 50 Impact Assessments of varying quality, covering about 50 percent of its major proposals. A useful commission assessment of IA in late 2004 found, correctly, that more investment and refinement in IA would boost its contribution to good decision-making.***

A case in point is the use of IA since 2003 in the REACH proposal to extend precautionary testing of chemicals to some 30,000 substances. IA has been extremely successful in enriching the public debate on the pros and cons of regulation and alternatives, such as risk-based approaches. Contrary to the fears of some environmental groups that IA weighs against protection, recent IAs project lower costs and job losses than anticipated, and hence reduce opposition to regulation.

The Commission has loudly criticized Member states for failing to implement many of the measures needed to complete the EU single market. Germany and France have been singled out for their poor record in implementing EU law. In April 2005, Brussels launched legal proceedings against 10 EU members for failing to implement key laws to open up the Union's €600bn telecom market, such as laws strengthening national regulatory authorities.

Ironically, the impact of the failure of constitutional reforms in 2005 might be beneficial for the Lisbon Agenda, as political attention returns to the day-to-day measures of accelerating European growth through a better business environment.

**Download The Cure For Eurosclerosis by Scott Jacobs on www.regulatoryreform.com.*

***See http://europa.eu.int/growthandjobs/pdf/COM2005_024_en.pdf*

****See http://europa.eu.int/comm/secretariat_general/impact/docs/progress_report_council_sec_1377.pdf*



MARCHING ONWARD: REGULATORY IMPACT ANALYSIS

One of the most important capacities of a modern regulator is the ability to assess the market impacts of a regulation before it is adopted. Regulatory Impact Analysis (RIA) is a process that:

- asks the right questions in a structured format to support a wider and more transparent policy debate,
- systematically examines selected potential impacts arising from government action or non-action,
- communicates the information to decisionmakers and stakeholders.

Developing and transition economies, large and small, are increasingly aware of the importance of carrying out high quality RIA, or IA as it is known in Europe.*

A 2004 forum on "How Can Developing Countries Use Regulatory Impact Analysis to Foster Growth? ", held by the World Bank's Rapid Response Unit **, concluded, "RIA is a valuable tool that is especially needed in low income countries with weak governance and an urgent need for good economic policy."

The table below shows that RIA began as an OECD-country discipline, but its use has spread to a growing number of countries in transition.

Country	Year that RIA was adopted
United States	Initially adopted 1974, substantially strengthened in 1981
Canada	Initial benefit-cost analysis adopted in 1978, expanded in 1986
United Kingdom	Initially adopted in 1985, strengthened in 1996 and 1998
Netherlands	1985, substantially strengthened in 1994-95
Korea	Adopted in 1993, legislated in 1997
Denmark	1993, substantially strengthened in 1998
South Africa	1995 (National Small Business Act provides a review of the impact of proposed legislation on small businesses)
Mexico	1995 (Presidential Decree for Business Deregulation), strengthened and legislated in 2000
Spain	1997
Ukraine	1997 (Regulatory Policy Law requires RIAs for national and local laws and regulations)
Ireland	1999
Italy	1999
Czech Republic	2000 (government resolved to develop RIA program)
Greece	2001 (decision to develop RIA program)
Hungary	Initial steps taken in 1987, strengthened in 1996
European Commission	2002, RIA program expanded in 2004.
Poland	2002
Romania	2003
Japan	2005?
Macedonia	2006 (forthcoming)

RIA Training Courses: 30 years of RIA experience in the classroom

Many governments have found that building good RIA capacities is hampered by a lack of RIA skills.

Jacobs and Associates is among the world's leading expert firms on promoting the effective use of regulatory impact analysis (RIA). We offer a menu of training courses on regulatory impact analysis (RIA) expressly designed for civil servants who want to understand how to use RIA to improve the performance of their agency. We have conducted training for hundreds of civil servants in many countries, including Korea, China, Ukraine, Serbia, and Moldova. In June 2005, we will hold a RIA training course for the Health and Consumer Protection DG of the European Commission.

The courses are built on our 30 years of experience in carrying out IA and building IA capacities in national and regional governments.

The courses, covering the concepts, methods, and practices of RIA, are available on-site in the client's preferred location. The courses, based on case studies of the strengths and weaknesses of actual RIAs, assist in developing the human skills and institutions needed to design, oversee, and implement a RIA program, at whatever level and mix of skills is needed.

COURSE 1. Two-day RIA course for 30-100 participants. The two-day training course for civil servants details the principles, concepts, and practices of RIA, using examples and mini-cases from around the world. This is our most popular course.

COURSE 2. Our 4-hour executive course enables high-level officials to judge if their ministry or agency is using RIA optimally to improve performance.

COURSE 3. One-week RIA course for 30 (up to 40) civil servants. The one-week training course for civil servants is designed for policy officials who routinely assess the quality of the RIA, interpret RIA, and advise their ministers on policy.

COURSE 4. Two-week RIA course on methods for analysts. The two-week hands-on course is designed for analysts who design and carry out RIA studies.

Our European IA Course will begin later in 2005, open by subscription. This new IA training course is designed expressly for the needs of civil servants in Europe who use impact analysis in making regulatory and public policy decisions. Course schedules, location, and fees will be listed on our website in July 2005. If you wish to be placed on our email list for this course announcement, please send an email to ria@regulatoryreform.com.

* *Assisting economic transition: an RIA strategy for developing countries, a speech by Scott Jacobs delivered at the Centre on Regulation and Competition, University of Manchester, 26-27 November 2003, can be downloaded from our website.*

**rru.worldbank.org/Discussions/Discussion.aspx?id=35



REGULATORY REFORM, MEET E-GOVERNMENT: E*RIA™

Many governments are working to improve the quality of new laws and ministerial rules by making more systematic their internal processes for production, quality control, regulatory impact analysis, and stakeholder consultation. Yet building these good regulatory practices across many ministries and agencies is difficult, costly, and slow.

e*RIA is the first integrated software solution for systematizing the entire process of developing draft laws and other regulations through better design, RIA, stakeholder consultation, and quality control so that governments can produce higher quality, more market-friendly regulations at lower cost. To produce this innovative e-Government platform, Jacobs and Associates has teamed with The Ergo Group, a leading technology provider in the e-Government field.

e*RIA is an e-Government platform designed from concrete experiences and OECD best practices, and inspired by solutions already implemented in Mexico. e*RIA:

- seamlessly ties together all government agencies into a single, fast, coordinated, paperless, collaborative and transparent process. Governments can track and coordinate legal and regulatory projects from inception to adoption;
- guides regulators in drafting regulations and conducting regulatory analyses with the help of prompts and templates that improve decision-making. e*RIA integrates every step of successful regulatory impact analysis from design of the process to identification of impacts to consultation and review by independent experts;
- provides an effective process for stakeholder consultation and publication on each regulation and RIA. e*RIA is a tool for greater regulatory transparency and stakeholder participation. It can



be designed to produce an online registry of regulations to expand access for businesses and citizens.

- helps regulators through the process of reviewing, formatting, and submitting the draft to a regulatory oversight body (the regulatory review and management function recommended by the OECD).

We provide a full range of services to ensure that e*RIA works for you, including customization of the software in close consultation with your government, on-site implementation, user training, and user support. For further information, contact Cesar Cordova at cesarcordova@regulatoryreform.com or Diana Rowen at janda@regulatoryreform.com.

e*RIA™ in practice: the case of Mexico, RIA, and e-government

Mexico's Federal Commission for Regulatory Improvement (COFEMER) illustrates how a regulatory oversight body can benefit from an e-Government strategy. COFEMER manages Mexico's regulatory system, ensuring that a Regulatory Impact Analysis (RIA) accompanies all new regulations and that they are published online for public comments.

In January 2001, COFEMER launched an ambitious program to enhance compliance with the RIA obligations, reduce burdens on RIA drafters and increase the quality of RIAs. A central task was to reengineer the processes through which the ministries submitted RIAs to COFEMER and to provide a just-in-time mechanism for COFEMER to monitor compliance.

COFEMER and its partner — The ERGO Group — developed a solution based on an Internet application feeding a RIA central repository.

More than a simple mechanism to transmit data and information, the new software creates a "collaborative space" where agents from ministries, stakeholders, and COFEMER interact. The website (www.cofemermir.org) includes two parallel sites — a public site where stakeholders can download draft rules and RIAs, and provide comments; and an "Intranet" site where ministries and agencies draft the RIAs, consult an online manual, and communicate with COFEMER. The Intranet permits COFEMER to track the rulemaking process and to assess and comment on individual RIAs. It is also linked to the system managing the federal registry of licenses and permits (Registro Federal de Trámites y Servicios).

The use of the public interface and the notice-and-comment features has hugely enhanced public consultation in Mexico, and has deepened democratic aspects of Mexican public life.

REGULATORY REFORM IN SOUTH ASIA: A CALL TO ACTION

There is no alternative to faster private sector growth in South Asia, home to nearly 40 percent of the world's poor living on less than \$1 a day. India alone must create 100 million new jobs in the next decade to keep the unemployment rate stable.

The 1990s was a decade of rapid growth for much of the region, averaging 5.3 percent annually, which has helped to reduce the poverty rate substantially. One of the reasons for this growth was that South Asian nations tackled many overt barriers to investment and trade.

Yet South Asia is still underperforming economically. South Asia continues to perform far worse than Southeast Asia and Eastern Europe in attracting investment.

A forthcoming report by Scott Jacobs for the FIAS/SEDF/DFID Regulatory Reform Roundtable in Dhaka in June 2005 finds that business environments across the region remain hostile to the start-up and growth of private firms, particularly SMEs. The region lags behind other regions such as South East Asia and Eastern/Central Europe in reforming the business environment. As the figure below suggests, the quality of the regulatory business environment might even be declining.

Progress on regulatory and administrative reform varies substantially across the 8 countries. However, progress has been almost entirely restricted to reforms that are usually considered the easiest - reducing barriers to entry such as border barriers, eliminating overt barriers to FDI, and demonopolizing key sectors.

All eight countries in the region suffer from common systemic, structural, and institutional problems that damage the business environment for growth:

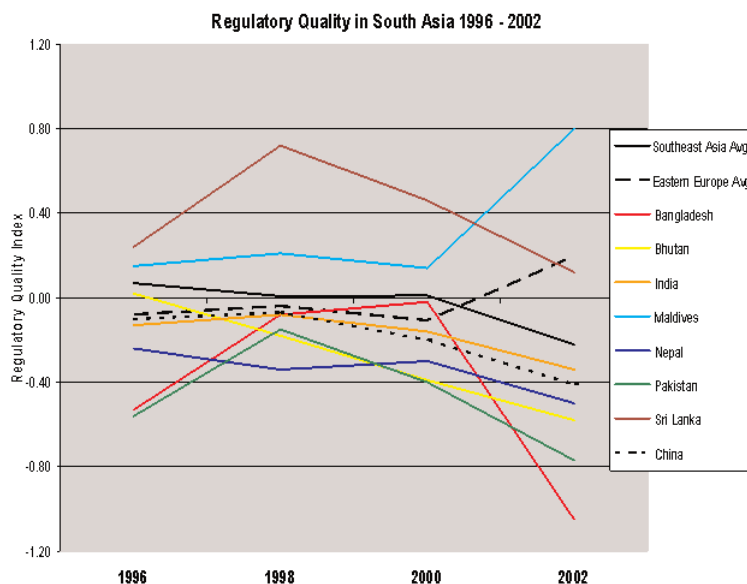
- Lack of commitment to market reforms by the political elite
- Habits of intervention in the public sector, with a lack of understanding and skills in how to regulate the market
- Poor working relations between the public and private sectors
- Lack of attention to competition principles in public policy and regulation
- Lack of civil service reform, hence weak accountability, poor coordination, little focus on results, corruption, and weak customer orientation in the public sector
- Weak due process and property rights protection
- Rigid labor laws

The strategy now requires that these more difficult issues be resolved. Jacobs calls for more systematic and sustained regulatory reforms in South Asia. International experiences in regulatory reform offer concrete tools that can speed up change and support faster growth in the coming decade.

THE REGULATORY STATE OF TOMORROW: BIG, COMPLEX, AND UNACCOUNTABLE

The "Regulatory State of Tomorrow" will be bigger and more complex, says the SmartTape Centre for Regulatory Innovation (www.smart-tape.ca), an initiative of the Institute of Public Administration of Canada, after a conference in December 2004. Its conclusions:

- More regulation across society and within governments. There will be more internal regulation of international organizations and more regulation of member states by international organizations. Civil society - the "audit society" - will increase auditing to support social goals.
- Greater variety in the forms of regulation. As regulation increases, governments are becoming more sophisticated about using other tools to accomplish public goals - deregulation, market-based approaches, traditional command-and-controls, dissemination of information, and government negotiations directly with those regulated.
- Less government accountability and expertise, as national regulatory authorities are dispersed among more institutions. The national government may rely more on overseeing regulators rather than regulating directly. Each national government must consider how best to structure public and private institutional relationships for effective, regulatory oversight.



Note: Afghanistan fell below this range with a reg quality index of -3.57 in 2000 & -1.82 in 2002.
Source: Governance Matters III: Governance Indicators for 1996-2002, Kauffman, Kaay & Mustuzzi, The World Bank, June 2003.

REDUCING RED TAPE AND ADMINISTRATIVE FORMALITIES IS STILL A TOP PRIORITY...EVERYWHERE

Regulatory and administrative costs and barriers faced by private companies of all sizes in developing countries are daunting. The Foreign Investment Advisory Service (FIAS) has described the paradox: countries fight for investment, but "when someone has finally made the decision to invest, he then is subjected to some of the worst treatment imaginable."

The operating costs of complying with red tape are only the smaller part of the picture. The most costly impact of burdensome rules and administrative procedures is that they can raise barriers to market entry for new businesses, investors, products, and services.

Such barriers condemn millions of entrepreneurs to the informal or grey economies, reduce investment and trade across borders, and diminish market competition that would increase consumer welfare and household income in poor countries:

- FIAS notes that, to start a business in a developing country, an investor may need to comply with as many as 53 different procedures that may take about 443 days and cost around US\$6,000 (often over 10 times the annual income of the average citizen in that country).
- The World Bank's "Doing Business 2005" reports that businesses in the poorest developing countries face three times the administrative costs and nearly twice as many bureaucratic procedures and delays than their counterparts in industrialized countries. In effect, the countries that most need entrepreneurs to create jobs and boost growth - the poorest countries - put the most obstacles in their way.
- Trade facilitation is essential to expanding trade under Doha, but importers and exporters still face high barriers at the border.

This is not just a "developing country" problem. Government red tape in Europe costs over 3 percent of European GDP each year, or more than the annual value-added of Europe's agriculture, forestry and fishing sectors combined. Recent estimates place the cost of red tape in Europe even higher, as much as 340 billion euro per year, or almost 7 percent of European GDP.*

**See Government of the Netherlands (2004) "Fostering Growth by reducing Administrative Burdens," available at www.minfin.nl/default.asp?CMS_ITEM=MFCDWD228A38C155834E63B7B427CCF43816A5X2X53563X11*

REGULATORY GUILLOTINE™: A TOOL TO ASSIST COUNTRIES IN RAPID REGULATORY SIMPLIFICATION

Countries in transition face an enormous task of reviewing and updating the legacy of laws, rules, and other instruments dating back decades. Yet reviewing, assessing, and revising the hundreds and even thousands of rules on the books imposes huge administrative, legal, and political costs, and takes a long time.



One of the most rapidly spreading regulatory reform innovations is the Regulatory Guillotine™, a reform strategy that has been refined and developed by Jacobs and Associates for application in a wide range of countries. The guillotine is usually wielded to chop back the jungle of regulations that choke business growth:

- Mexico used the guillotine in the 1990s to eliminate 47 percent of government formalities and create its famous Federal Registry of Formalities and Services, online at www.cde.gob.mx;
- As part of its economic recovery after the financial crisis of 1997, Korea used the guillotine to review 11,000 business regulations and eliminate 50 percent in less than a year;
- In its economic transition, Hungary used the guillotine effectively in reviewing, eliminating, and replacing regulations.
- The guillotine is now being used in an expanding group of countries:
- In 2004, Moldova used a guillotine approach to reduce fees on businesses. In 2005, Moldova adopted a more comprehensive guillotine approach to streamline hundreds of business regulations over a six month period.
- Kenya in 2005 launched a guillotine process that, in only 8 weeks, reviewed the 80 most costly business licenses and recommended elimination of 26. Kenya will review the remaining 600 licenses over the next 10 months.
- Ukraine issued a decree in June 2005 on "rapid deregulation," adapting the Jacobs and Associates guillotine approach, to be completed in only 10 weeks. Macedonia's Prime Minister announced in April 2005 that the government will adopt a Regulatory Guillotine™ law.

For more information on how the Regulatory Guillotine can be used to speed up regulatory reforms please contact us at janda@regulatoryreform.com.



AT LAST, QUIET PROGRESS ON REGULATORY REFORM IN JAPAN?

Japan's regulatory reforms to open its domestic markets and strengthen competition have been an uphill battle for two decades. Most analysts blame Japan's economic malaise and slow growth on rigid and anti-competitive regulations, and a public sector addicted to controls.

These controls are hugely costly. Government analysts estimate that even the weak regulatory reforms to date (such as getting rid of entry barriers in the trucking industry and allowing large consumers of electricity to choose suppliers) have boosted consumer surplus by almost 5 per cent of national income.

While Japan continues to lag far behind other OECD countries on regulatory reform, some potentially important regulatory and competition reforms are underway:

総合規制改革会議

- Prime Minister Koizumi is carrying out a bold plan to privatize Japan's postal businesses. Japan Post is the world's largest financial institution, and its privatization has been resisted for many years.
- Japan's Council for the Promotion of Regulatory Reform, composed of all cabinet members, has helped to consolidate support for the government's agenda, according to an OECD assessment. The Council has proposed reforms in social regulation such as medical care, social services and education. Highlights include continuation of the Council in the cabinet office as a private-sector advisory body and introduction of Regulatory Impact Analysis.

- The competition authority is getting tougher after years of little action. In May 2005, the authority prosecuted 47 companies linked to rigged construction contracts worth ¥350bn (\$3.24bn) a year. The collusion has been going on since the 1960s.
- The program of special zones for structural reforms that went into effect in April 2003 has led to local initiatives and accelerated the revision of regulations. Special zones for structural reform are designated areas where businesses can carry out activities that are prohibited on nationally laws and ordinances. The objectives of the zones are to revitalize regional economies through deregulation and to showcase successful examples of structural reform for possible later implementation on a nationwide basis. Some 328 zones have been created with 120 special measures.

Japan's ability to disappoint on regulatory reform is legendary, but these initiatives hold real promise if political will is sustained.



BOOSTING PRIVATE SECTOR DEVELOPMENT IN ASIA

Gross domestic product in developing Asia grew by well over 7% in 2004 - the highest rate since the 1997 financial crisis. A major driver behind the high rate of growth was a marked revival of business investment, stated the Asian Development Bank at a Regional Workshop on Achieving Results in Private Sector Development - A Strategic Process (Manila, 18-20 April 2005).

However, private investors see economic and regulatory uncertainties, macroeconomic instability, high tax rates, regulatory and administrative requirements, corruption, and insufficient infrastructure, finance and skills as significant barriers to investment. A recent study by ADB, the World Bank and the Japan Bank for International Cooperation shows that East Asia alone will require \$1 trillion in infrastructure investments over the next five years. This can be met only through dramatic PSD reforms to create an environment

more conducive to private investment and growth.

China continues to be a beacon of market reforms in Asia. Prof. Yang Yao Yao of the China Center for Economic Research at Beijing University concluded that, in China, national-level initiatives to stimulate local review were essential to launch reform, while public input and institutions to facilitate stakeholder activity have been critical to push reforms and identify bottlenecks. But China has no pre-defined route to policy reform; instead, reform is framed by interactions among the government and stakeholders.

All presentations and background papers can be found at <http://www.adb.org/Documents/Events/2005/Achieving-Results-PSD/default.asp>. In 2005, the ADB will publish a good practice guide for a strategic approach to private sector development. Jacobs and Associates is the lead author on the guide.

New international indicators for regulatory reformers

In each newsletter, we note important advances in the industry of international indicators of business environments. Two recent developments:

- The Millennium Development Goals (MDGs) website maintained by the World Bank (in association with numerous partners) has been updated with recent data from the World Development Indicators 2005.
- The World Bank's Governance Indicators have been updated and expanded. They now cover 209 countries between 1996-2004. See www.worldbank.org/wbi/governance/pubs/govmatters4.html



JACOBS & ASSOCIATES
international consultants in regulatory reform

Jacobs and Associates is a consulting firm on regulatory reform and business environments based in Washington, D.C., Seoul, and Dublin. Our Directors have advised national governments in over 60 developing, transitional, and developed economies in Asia, the Americas, Europe, and Africa.

- We specialize in assessing, designing, and implementing high-quality rules and institutions to boost the performance of competitive markets. As international leaders in regulatory reform, we have helped develop many tools of regulatory reform, including regulatory impact analysis, market instruments, building government capacities for better regulation, regulatory transparency, due process, and trade and investment facilitation through good regulation;
- We diagnose market performance, identify the impacts of policy reforms, and develop practical and tested solutions, based on international good practices, to maximize the benefits of moving to markets;
- We provide a multi-disciplinary and strategic understanding of how interactive problems and policy reforms relate to the macro- and micro-environment for private sector development.

Our approach to good regulation is hands-on and pragmatic. A focus on practical institutional designs tailored to individual country needs and capacities is essential.

Our Directors are top international experts in regulatory reform and competitiveness. Their CVs can be downloaded from our website.

Scott H. Jacobs, Managing Director, developed and directed the influential Program on Regulatory Reform in the Paris-based Organisation for Economic Co-Operation and Development (OECD) from 1995 to 2001, working with its 30 Member countries. He has written 18 books and many articles on regulation. Contact him at scott.jacobs@regulatoryreform.com

Michael Griffin is Director of our European operations. He was previously the Head of Market Development in the Office of the Director of

Telecommunications Regulation in Ireland. A Chartered Accountant, he worked as a management consultant with Deloitte Dublin for 16 years where he was Director of Operations and Strategic Consulting. He has wide experience in evaluation and expenditure review. Contact him at michaelgriffin@regulatoryreform.com

Jong Seok Kim, professor of economics at Hong Ik University in Seoul, specializes in economic regulation, industrial policy, competition policy, and public enterprise reform. He was Chair of the Policy Evaluation Committee of the Korean Fair Trade Commission, and member of Korea's Presidential Committee on Regulatory Reform. Contact him at jongseokkim@regulatoryreform.com.

Cesar Cordova-Novion was, until January 2004, the Deputy Head of the OECD Program on Regulatory Reform, where he worked with OECD, APEC, and South East European countries in cutting-edge regulatory design. He has published work on regulatory governance, administrative simplification, measuring red tape, and institutional design of sectoral regulators. He was a NAFTA negotiator and General Director of Mexico's Economic Deregulation Unit. Contact him at cesarcordova@regulatoryreform.com

Jeff Hill has worked, for 25 years, at the highest levels of regulatory reform in the U.S. Office of Information and Regulatory Affairs in the Office of the President, where he worked to strengthen regulatory review and quality control. He specializes in due process, transparency, reducing red tape, and improving the quality of information used by government agencies. He graduated from Harvard Law School. Contact him at jefhill@regulatoryreform.com

Jacobs and Associates assembles a worldwide team of consultants who are among the leading experts in their fields in tackling complex regulatory problems. Our Associates include:

- **Ivy Broder** is Dean of Academic Affairs and Professor of Economics at American University in Washington, DC.
- **Do Hoon Kim**, senior fellow and director in Korea Institute of Economics and Technology.

- **Tae Yun Kim**, former Director of the Research Center for Regulatory Reform at the Korea Institute of Public Administration.
- **Claudio M. Radaelli**, Professor in the Department of European Studies at Bradford University, and Jean Monnet Fellow at European University Institute in Florence.
- **Patrick Xavier**, an international economist and telecommunications expert based in Australia.
- **Caroline Varley**, a former official in the International Energy Agency and a telecom regulator.

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