Response to the ECTEL consultation regarding the recommendation for Regulatory Impact Analysis Framework

The NTRC of Saint Vincent and the Grenadines has reviewed the consultation document regarding the recommendation for Regulatory Impact Analysis Framework, and below are our comments and recommendations.

General

The framework is almost entirely drawn from large, well-resourced regulators (Australia, New Zealand, the United Kingdom, Canada, Denmark, South Korea, Peru). These jurisdictions differ significantly from SVG in population, GDP, capital, and regulatory staffing, and the Consultation Document does not, in most cases, translate these examples into terms appropriate to an OECS small island state such as ours. Additionally, the document could present a more balanced discussion by explicitly addressing several additional disadvantages or implementation risks. Such as:

1. **NTRCs**

The document recognizes capacity limitations but could discuss more explicitly that NTRCs may struggle to undertake medium or full RIAs without regional assistance from ECTEL.

2. **Institutional resistance**

Introducing RIA changes the way regulatory decisions are made.

Staff may perceive it as:

- additional bureaucracy,
- extra paperwork,
- slowing regulatory decisions.

This organizational change management issue is not discussed.

3. Skills requirements

Although the document notes limited resources, it does not explicitly identify the expertise required.

Successful implementation requires staff capable of:

- economic analysis
- statistics
- forecasting
- competition analysis
- stakeholder engagement
- cost-benefit modelling

For many small regulators this represents a significant investment.

4. Delays to urgent regulation

The paper provides exemptions for emergencies, but does not discuss that RIAs may delay implementation of otherwise straightforward regulations because of the additional analytical requirements.

5. Quality depends on data quality

The document mentions data limitations but could go further.

Poor data can produce poor RIAs.

A poorly supported RIA may create a false sense of confidence in a regulatory decision.

6. Risk of "analysis paralysis"

There is little discussion of the danger that excessive analysis could delay decision-making.

Many OECD countries recognize that RIA should support—not replace—good regulatory judgement.

7. Cost of maintaining the framework

The paper focuses on developing the framework but says relatively little about ongoing costs such as:

- staff training
- updating templates
- maintaining guidance documents
- periodic reviews
- evaluation of completed RIAs

We think these are recurring rather than one-time costs.

Page 4 Executive Summary

The framework should explicitly state that the RIA is intended to support, rather than delay, timely regulatory decision-making. There should be an emphasis on balancing analytical rigor with the limited resources available within small island regulators.

Page 9 Section 1 – Introduction

The document should clarify whether the RIA framework is intended to be mandatory for all ECTEL recommendations or whether each NTRC will have discretion to determine when it is applied.

Section 2.2 – The RIA Process

Pages 3–4, Section 2.2, Exhibit 2.1

The RIA process diagram does not distinguish which steps are to be undertaken by ECTEL's Directorate as opposed to individual NTRCs, nor how RIA findings feed into ECTEL's eventual recommendations to the Council of Ministers. NTRC SVG requests that the final framework clarify ownership of each process step, and confirm how RIA outputs interact with NTRCs' own decision-making functions.

Section 2.2 - The RIA process (Pages 3-4)

RIA Process Framework consideration should be given to including an initial “screening” stage prior to commencing the full RIA.

Section 2.2 The RIA Process - Q1 (Page 4)

Q1. Are the steps in the RIA process framework clear and comprehensive or should additional / different components be included in the high-level overview?

The consultation paper discusses when the Regulatory Impact Assessment should be initiated, but it does not establish a formal trigger mechanism. As such in response to Q1 (pg 4) It is recommended that a new **preliminary stage** is added before the six-step RIA process.

Stage 0 – Screening and Initiation

Questions such as the following would be included:

1. Is a regulatory problem or opportunity being considered?
2. Does the proposal involve:
   - new regulation?
   - amendment of existing regulation?
   - licence conditions?
   - SMP obligations?
   - spectrum policy?
   - consumer protection measures?
   - universal service?
3. Is there likely to be a material impact on:
   - consumers;
   - operators;
   - competition;
   - investment;
   - innovation;
   - government resources?
4. Does the proposal qualify for an exemption?

5. What proportionality level applies?
6. Should an RIA be commenced?

The outcome would simply be one of four decisions:

- No RIA required.
- Rapid (low-impact) RIA.
- Standard RIA.
- Comprehensive RIA.

Page 12 Section 2.2

The RIA Process-Consider adding a preliminary "Issue Identification" or "Preliminary Assessment" stage before defining the problem. This would allow regulators to determine whether an issue actually warrants a full RIA before committing significant resources.

Page 13–18 Sections 2.3–2.5

The document acknowledges limited regulatory resources but does not establish objective thresholds for determining Low, Medium and High impact proposals. Consider providing indicative criteria or scoring guidance to improve consistency across ECTEL Contracting States.

Page 14 Section 2.3

Are RIAs used in small island states? Include examples from the Caribbean telecommunications sector where possible. Most examples are from environmental or financial sectors, whereas telecommunications examples would make the framework more relevant for NTRCs.

Section 2.5 – Proportionality

Pages. 9–10, Section 2.5, Exhibit 2.2.

Section 2.5: Proportionality and the RIA Approach - Page 10 – Exhibit 2.2

The impacts described in the exhibit include economic, competition, environmental and social. It is recommended however that the impact is expanded to include scores for impact on OECS and CARICOM governance as well as regional impact on

- climate resilience
- disaster recovery
- digital inclusion
- affordability
- rural connectivity
- island geography
- administrative feasibility
- implementation capacity

It is recommended that a higher score (possibly out of 5 or 6) is used for impacts that span multiple Caribbean territories inclusive of the ECTEL contracting states.

Page 18 Section 2.5

Proportionality Test- In addition to assessing economic and social impacts, the proportionality test should explicitly consider implementation capacity, including staffing, technical expertise and available financial resources within the NTRCs.

Pages. 9–10, Section 2.5, Exhibit 2.2.

The triage system requires NTRC staff to self-score proposals from 0 to 4 across four impact categories, but no worked examples or calibration guidance specific to telecommunications/ICT regulatory proposals are provided. NTRC SVG is concerned that, absent such guidance, scoring could be applied inconsistently across Contracting States. NTRC SVG recommends that ECTEL develop a small library of worked ICT-sector scoring examples to accompany the final framework.

Section 2.6 – Reporting and Documentation (Pages 12–13)

Consider developing and including standard RIA templates, reporting formats, and sample completed RIA reports as part of the framework or as a supplementary guidance document.

While the proposed framework clearly outlines the information that should be included in an RIA and emphasizes transparency and consistency in reporting, standardized templates would assist ECTEL and the NTRCs in applying the framework uniformly. They would also reduce the administrative burden on regulators, particularly during the initial implementation phase, and promote consistency in the presentation and quality of RIAs across all ECTEL Member States. Additionally, the framework should encourage the use of plain language in consultation documents and RIA reports so that non-technical stakeholders can more easily understand the issues and provide meaningful feedback

Where practical, RIAs addressing similar regulatory issues should apply consistent assumptions and methodologies across ECTEL Member States to support harmonized regional regulation.

Page 20 Section 2.6 - Reporting and Documentation

Consider providing a standardized RIA report template that all ECTEL Contracting States can use. This would improve consistency, simplify preparation, and facilitate comparison of RIAs across jurisdictions.

Page 22–25 Section 3 – Define the Problem

Include guidance on the minimum evidence required where reliable statistical data is unavailable. Small island states often have limited datasets and may need to rely on stakeholder consultations or regional benchmarks.

Section 4 – Establish the Objectives (Pages 19–20)

Consider explicitly encouraging the use of measurable Key Performance Indicators (KPIs) when establishing regulatory objectives.

In addition, objectives should also:

- align with national digital transformation strategies and regional policy objectives;
- identify measurable performance indicators at the outset;
- consider affordability, accessibility and consumer welfare; and
- include measurable outcomes relating to competition, service quality and investment where appropriate.

Page 26–27 Section 4 – Establish the Objectives

The document recommends measurable objectives but does not provide sample Key Performance Indicators (KPIs). Consider including examples of measurable indicators for common telecommunications regulatory issues such as Quality of Service, consumer complaints, broadband penetration and market competition.

Page 28–32 Section 5 – Identify the Policy Options

Include examples of regulatory and non-regulatory options specific to telecommunications, such as consumer education campaigns, industry codes of practice, regulatory sandboxes, incentive-based approaches and voluntary compliance mechanisms.

Page 33–40 Section 6 – Estimate the Net Benefit

Greater guidance should be provided on how to estimate costs and benefits where quantitative financial data is unavailable. Many telecommunications regulatory decisions involve qualitative benefits that may not easily be monetized.

Pg 36:

However, MCA has limitations: it can be highly subjective and open to bias it cannot undertake value for money assessment.

This is a weakness because the recommendations could lead to inconsistent decisions if scoring and weighting depend too heavily on individual judgement rather than objective evidence

Pg 43-44:

Some potential effects of proposed policies might be expected to have a significant impact on outcomes, yet these may be difficult or even impossible to quantify or monetise.

This limitation means NTRC may find it difficult to accurately compare policy options because important benefits or costs, such as privacy, trust, or innovation, cannot easily be expressed in monetary terms.

Section 6.8: Qualitative impacts - Q7 (Page 44)

Q7. Are the processes described in this section for assessment of net benefit / cost sufficiently clear and workable or is further clarification required? Are there any additional tools which would add value to the appraisal process if included in the RIA framework?

The framework describes an iterative process. Following the assessment of net benefit for each option which is inclusive of the consultation process, it is recommended that an assessment is specifically made to determine whether:

- the analysis thus far is sufficient to proceed to a recommendation;
- further analysis is required (return to an earlier step); or
- the proposal should be discontinued because regulatory intervention is not justified.

Page 33–40 Section 6 – Estimate the Net Benefit

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Page 37–40 Section 6.4 – Cost-Benefit Analysis

Consider including a simplified cost-benefit methodology for lower-impact regulatory proposals. A full economic appraisal may not be proportionate or feasible for every regulatory intervention.

Page 47 Section 7 – Stakeholder Consultation

The framework should provide recommended minimum consultation periods while still allowing flexibility for urgent matters. Consistency across Member States would improve transparency and stakeholder participation.

Section 8.2 - Implementation plan (Page 52)

The framework could encourage regulators to include indicative implementation timelines within RIAs to provide stakeholders with greater certainty regarding regulatory changes.

Page 51–52 Section 8 – Implementation and Evaluation

The framework should recommend periodic post-implementation reviews (for example, after 12 or 24 months) to determine whether the regulatory intervention achieved its intended objectives and whether amendments are required

Annex A

Annex A-RIA Checklist

The checklist could include an item requiring regulators to identify implementation risks, resource requirements, and monitoring indicators before making a final recommendation.