



Sectoral Regulatory Assessments

Empowering sector-specific growth for sustainable development and job creation

For businesses, markets, and workers to thrive, a conducive business environment is essential. Evidence shows that firms operating in sectors and regions with stronger business climates enjoy significant advantages: higher sales, more and better jobs, increased productivity, and greater investments.

Yet each industry faces its own regulatory challenges.

Without robust, primary data in strategic sectors, policymakers risk blind spots that can hinder private sector growth, an essential driver of job-rich growth.

Sectoral Regulatory Assessments, a core program of the Regulatory Efficiency Unit in the World Bank's Policy Indicators Group, addresses this gap by generating actionable, sector-specific data. The program produces in-depth studies that identify regulatory barriers faced by firms in sectors crucial for job creation and private investment attractiveness (such as mining, energy, and tourism).

TAILORED SECTORAL ASSESSMENTS

The Sectoral Regulatory Assessments program collects comprehensive primary data on sector-level business conditions and conducts quantitative assessments of bureaucratic efficiency. These assessments generate actionable insights and practical recommendations to streamline regulations, enhance public service delivery, guide both national and local reforms, enhance sector performance and unlock industry potential, advancing the World Bank Group's mission to promote economic growth and job creation.

By taking a data-driven approach, the Sectoral Regulatory Assessments program also fosters a platform for policy dialogue, knowledge exchange, and peer-to-peer learning, enabling industries, countries, regions to share experiences, replicate successes, and tackle common challenges.

IDENTIFYING REGULATORY BOTTLENECKS, ENABLING REFORM

Sectoral assessments include a strategic process mapping exercise tailored to a country's priorities. This approach identifies regulatory bottlenecks slowing business operation, timeframes and costs for key procedures, agencies involved in regulatory processes. By uncovering inefficiencies, such as redundant steps, delays, or overly complex requirements, process mapping produces actionable data that helps governments simplify compliance, reduce regulatory burdens, and make informed policy and investment decisions.

These assessments generate sector-specific insights that guide reforms to promote private sector development, address inequalities in the business climate, and improve efficiency at both national and regional levels. To ensure accuracy and relevance, the studies combine:

- Comprehensive background research
- Primary data collection from public and private sector stakeholders
- Extensive consultations and follow-ups with key actors

NATURAL RESOURCES SECTOR

The natural resources sector is a cornerstone of economic growth, technological innovation, and sustainable development. The Sectoral Regulatory Assessments program collects granular business climate data and assesses bureaucratic efficiency at both central and local levels, uncovering regulations and practices that either enable or constrain business activity. This equips policymakers with a diagnostic toolkit and a repository of replicable good practices.

Sectoral methodology is highly adaptable: for example, in mining, studies can target specific segments of the value chain where firms face the biggest challenges. They can also expand

to cover small-scale and artisanal mining, ensuring no part of the sector is overlooked.

Spotlight on Zambia: Our team zoomed in on the copper mining sector in the Copperbelt and North-Western provinces, mapping the regulatory and administrative procedures faced by mining companies on the ground. The study produced primary, location-specific data to pinpoint bottlenecks and inform targeted reforms designed to enhance regulatory quality, efficiency, and private sector growth. The findings illustrate how the Sectoral Regulatory Assessments program generates actionable insights for policymakers.

RENEWABLE ENERGY SECTOR

Renewable energy drives inclusive, low-carbon growth, creating jobs, expanding electricity access, and reducing emissions. Maximizing the potential of renewable energy projects requires a supportive business environment, efficient implementation, and grid stability. The Sectoral Regulatory Assessments program examines regulatory frameworks and practical business conditions, pinpointing barriers and opportunities for both distributed generation (e.g., rooftop panels) and utility-scale projects, based on country-specific priorities.

Process mapping captures critical procedures—from permitting and technical inspections to tendering processes for large-scale projects—uncovering bureaucratic obstacles and regulatory gaps while highlighting sectoral best practices. These insights support evidence-based reforms that accelerate renewable energy deployment at the local and national level.

TOURISM SECTOR

The tourism sector is a key driver of local economic development, job creation, and cultural promotion. The Sectoral Regulatory Assessments program collects detailed, evidence-based data on the regulatory and operational landscape, uncovering regulations and practices that either enable or constrain private sector growth. This equips policymakers with actionable insights and a repository of replicable good practices.

Sectoral methodology recognizes the diversity of tourism, distinguishing four main operator categories: hotel operators, short-term rentals, restaurants (with and without alcohol), and tour operators or guides. Data are collected separately for each subsector using tailored questionnaires, ensuring that unique challenges and bottlenecks are accurately identified.

Process mapping identifies licensing and permitting barriers, systematically documenting requirements, procedures, and public sector agencies involved. By highlighting regulatory complexity, overlap, or lack of transparency, these studies provide a clear roadmap for targeted reforms that improve the business environment, facilitate investment, and foster private sector growth in tourism.

WHAT DO SECTORAL REGULATORY ASSESSMENTS DELIVER?

- ✓ **Actionable data-driven findings:** Micro-level data specifically collected for particular sectors of the economy, revealing the realities of business climates and informing smarter policy decisions.
- ✓ **Areas for improvement:** Sectoral profiles with process mapping pinpoint regulatory bottlenecks and provide practical recommendations.

- ✓ **Targeted analysis of constraints:** Highlights key administrative barriers at national and local levels for effective reform planning.
- ✓ **Identification of replicable good practices:** Highlights sectoral approaches that work and can be adapted to improve business environments, often without requiring changes to national laws.
- ✓ **Peer-to-peer learning:** Facilitates knowledge exchange between countries and regions, helping jurisdictions adopt proven solutions.
- ✓ **Boosted visibility and credibility with investors and donors:** Showcases regions' commitment to improving the business climate and attracting investment in strategic sectors.
- ✓ **Roadmap for potential subsequent technical assistance projects** coupled with a measurement framework to assess the effectiveness of existing initiatives.
- ✓ **Interactive website** that provides instant access to sectoral profiles, reports, and microdata for quick comparisons and deep exploration.

COLLABORATION WITH DEVELOPMENT PARTNERS

The Sectoral Regulatory Assessments are tailored to meet the needs of client governments, with funding provided both by the governments themselves and through strategic partnerships with key development donors. These partnerships have been instrumental in supporting subnational business environment assessments across various countries, including: Kenya and Nigeria (through UKAid), Central America (CIDA), Afghanistan (USAID), Colombia, Peru, South Africa and Mozambique (SECO), and European Union (European Commission).

CONNECT WITH US

For more information on Sectoral Regulatory Assessments and potential collaboration opportunities with the Regulatory Efficiency team, please contact Valentina Saltane, Manager - vsaltane@worldbank.org

Further details are available on our website:
Visit our website: www.worldbank.org/regulatoryefficiency

