

I. Purpose of SEIAS and differences with RIA

- 1.1. Socio-Economic Impact Assessment System (SEIAS) is a uniquely designed methodology for assessing the social and economic impact of policies, legislation, regulations and other subordinate legislation in line with our national priorities. SEIAS is aimed at improving legislative environment to ensure that assessments help departments to analyse risks and propose ways to mitigate them.
- 1.2. The primary objective of SEIAS is to assist departments to better formulate policies, legislation & regulations and ensure:
 - Alignment with national priorities in promoting inclusive growth, addressing inequality, spatial imbalances, and environmental degradation;
 - Risks associated with the implementation of such laws are thereof mitigated, thus unintended consequences are minimised;
 - Costs of implementing such prescripts are reduced while benefits by the deprived service recipients are optimised; and
 - Regulatory burden is reduced, thus a better and efficient administrative mechanisms of implementing the national priorities.
- 1.3. The system encourages policy and legislative biasness towards historically excluded and vulnerable groups of the society who still have limited access to social and economic benefits and bear high costs of living such as transportation, food and energy. These high costs of livelihood are exacerbated by among others unemployment, old settlement patterns where residential areas are located far from areas of economic activities and high compliance costs placed on business.



1.4. The Regulatory Impact Assessment (RIA) is an international instrument to measure the impact of draft legislation. RIA however had limitations in South African context such as:

- Being narrowed to look at likely economic cost of the draft legislation and thus influencing the decision to reject or approve a proposed bill;
- Judgement/decision to proceed with a particular policy or legislative proposal should be based on the Constitution and the NDP priorities;
- RIA was unevenly implemented in departments and mostly outsourced thus limiting ownership and active involvement by policy and legislative drafters; and
- The Central coordination of RIA was meant to be through National Treasury and Policy Coordination and Advisory Services (PCAS). The latter was replaced by the Department of Planning, Monitoring and Evaluation (DPME) in 2009.

2. Process of undertaking SEIAS

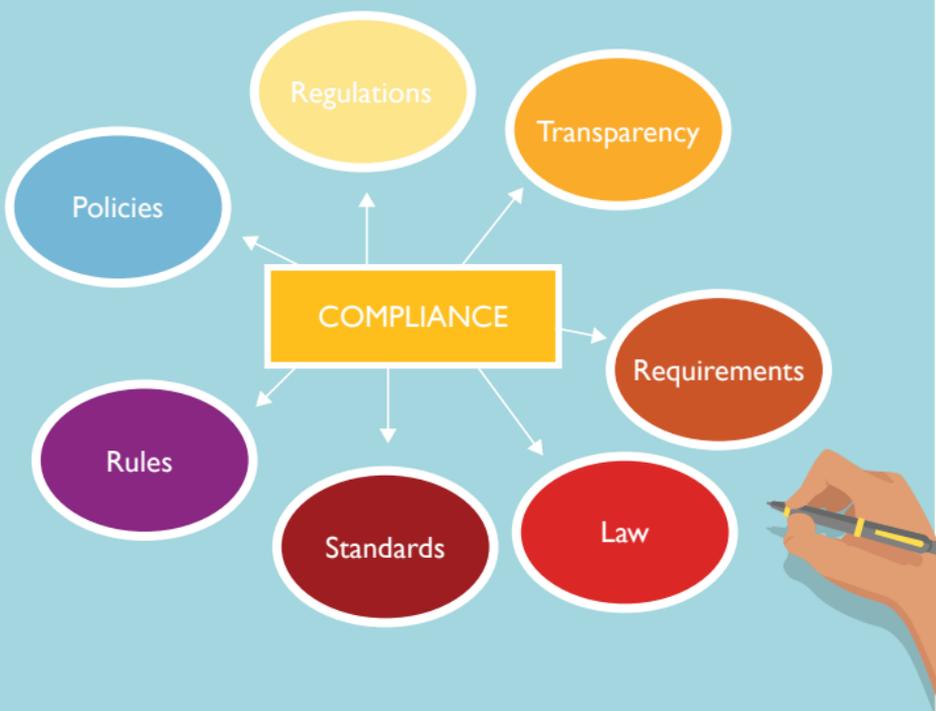
2.1. SEIAS follows two types of assessments namely Initial and Final Impact Assessments, these assessments are applied concurrently to different stages for development of proposal (policy/legislation or regulations).

2.2. SEIAS Initial Impact Assessment (Phase I):

- This assessment is applied at a conceptual phase or green paper phase to stimulate discussions about problems and options to address identified problems. The initial impact assessment assists to understand problems, root causes and causative behaviours by different groups.
- It also facilitates mapping the extent of the problem/s to different groups of society and implications to the national priorities. The initial impact assessment phase allows policy or legislation developers to explore options of addressing identified problems.
- Whether new interventions will be introduced or improving existing mechanisms. The process allows drafters to understand the extent at which proposed options will reverse identified problems, understanding their costs, risks, and groups that will benefit or incur costs for implementation. It further guides on how a department arrived at a particular option and the motivation thereof.

2.3. SEIAS Final Impact Assessment (Phase 2):

- The Final Impact Assessment is more of a validation and provides a more detailed assessment of the ultimately policy or legislative proposal.
- It also considers the intended outcomes, costs, benefits, a system for managing appeals that could emerge around implementation process, consultations with stakeholders, impact assessment to different groups, risks, monitoring and evaluation and impact to the National priorities.



Inputs to Policy or Legislative Development/
Reviews Entrance of new Challenges or
Opportunities through:

- PESTEL (Political, Economic, Social, Technological, Environmental and Legal)
- Monitoring on implementation of existing initiatives which exposes delivery bottlenecks
- Outcomes from Evaluations conducted against existing interventions
- Concerns or needs from Stakeholders
- Need to align with International Treaties (Protocols/Conventions/Agreements/Obligations)



3. Institutional Arrangements for implementation of SEIAS

- Custodians of drafted policies/legislation/regulations are responsible for application of SEIAS;
- Departments' SEIAS Champions assist with coordination and ensure that all policies/ bills and regulations are subjected to SEIAS by initiating units; and
- The Policy and Research Services (PRS) Branch in The Presidency coordinates the implementation of SEIAS, support departments and quality assure (QA) SEIAS reports as developed by departments.