

The OCDE PMR Indicators

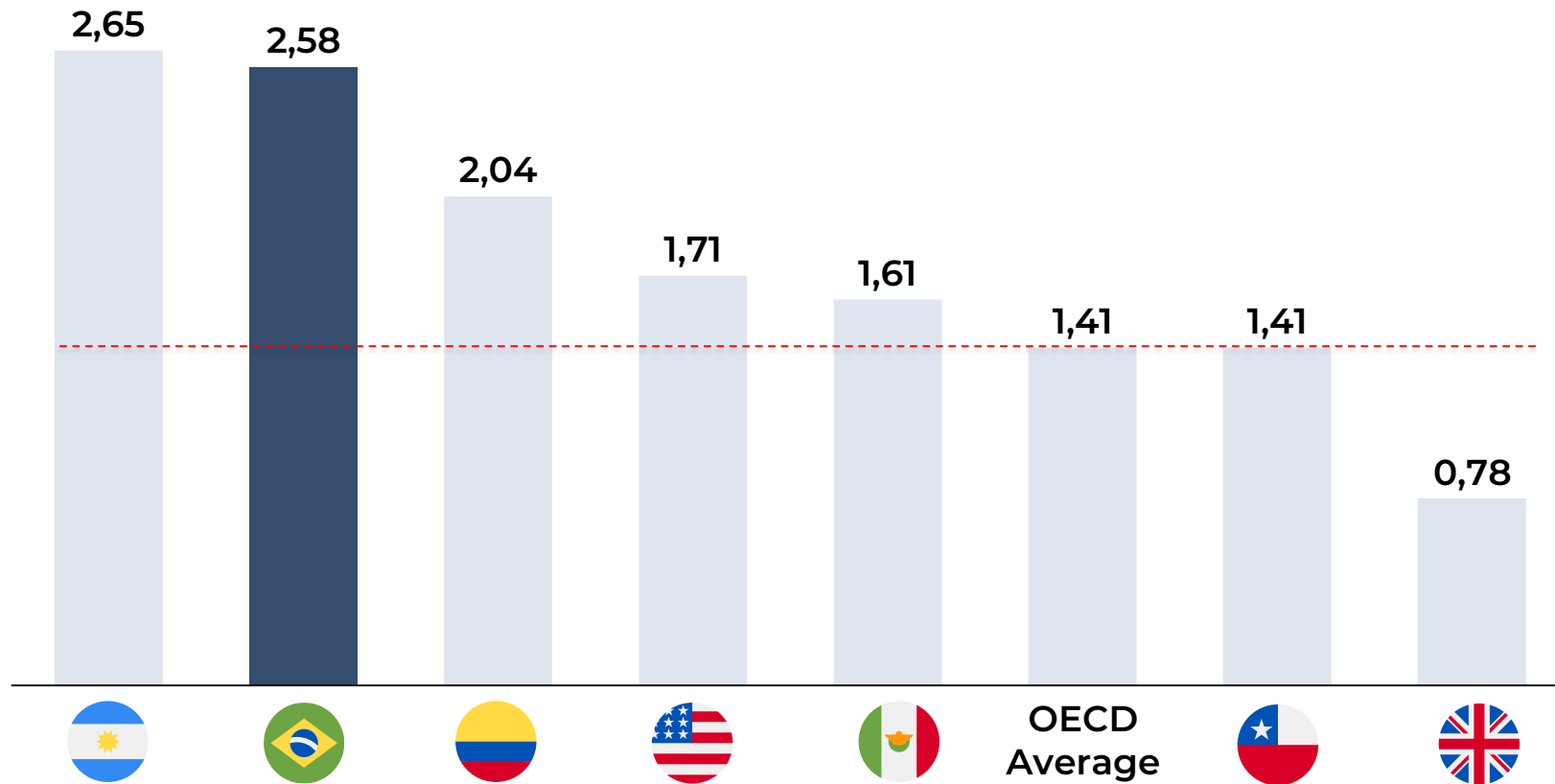
as a tool to identify areas for reform

March 2023

THE RESUMPTION OF PRODUCTIVITY IS HAMPERED BY AN ENVIRONMENT OF LOW REGULATORY QUALITY...

Product Market Regulation (PMR) Indicator from OECD. 0-6. The LOWER, The BETTER.

CURRENT SITUATION



Brazil is the **47th** out of **49 countries** evaluated by the OECD in the **PMR indicator of regulatory quality**

Latin American countries that are OECD members have an average performance **50%** higher than the Brazilian one

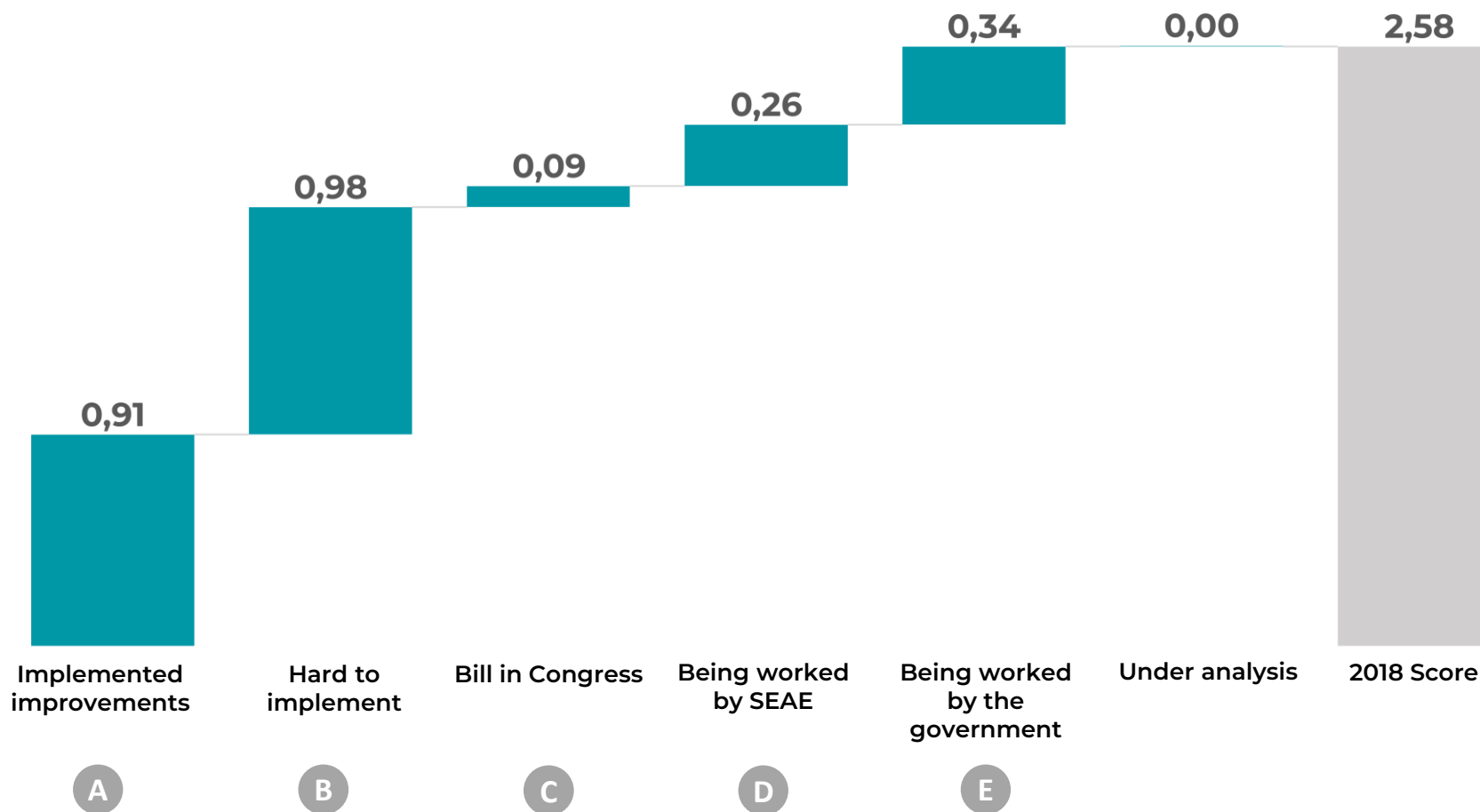
NOTE: THE PMR AVERAGE OF COLOMBIA, CHILE AND MEXICO- LATIN AMERICAN COUNTRIES THAT ARE MEMBERS OF OECD - IS 1.69

SOURCE: PMR - INDICATORS OF PRODUCT MARKET REGULATION. OCDE 2018

ALL PMR ITEMS UNDERWENT A POSSIBILITY AND PROGRESS CATEGORIZATION

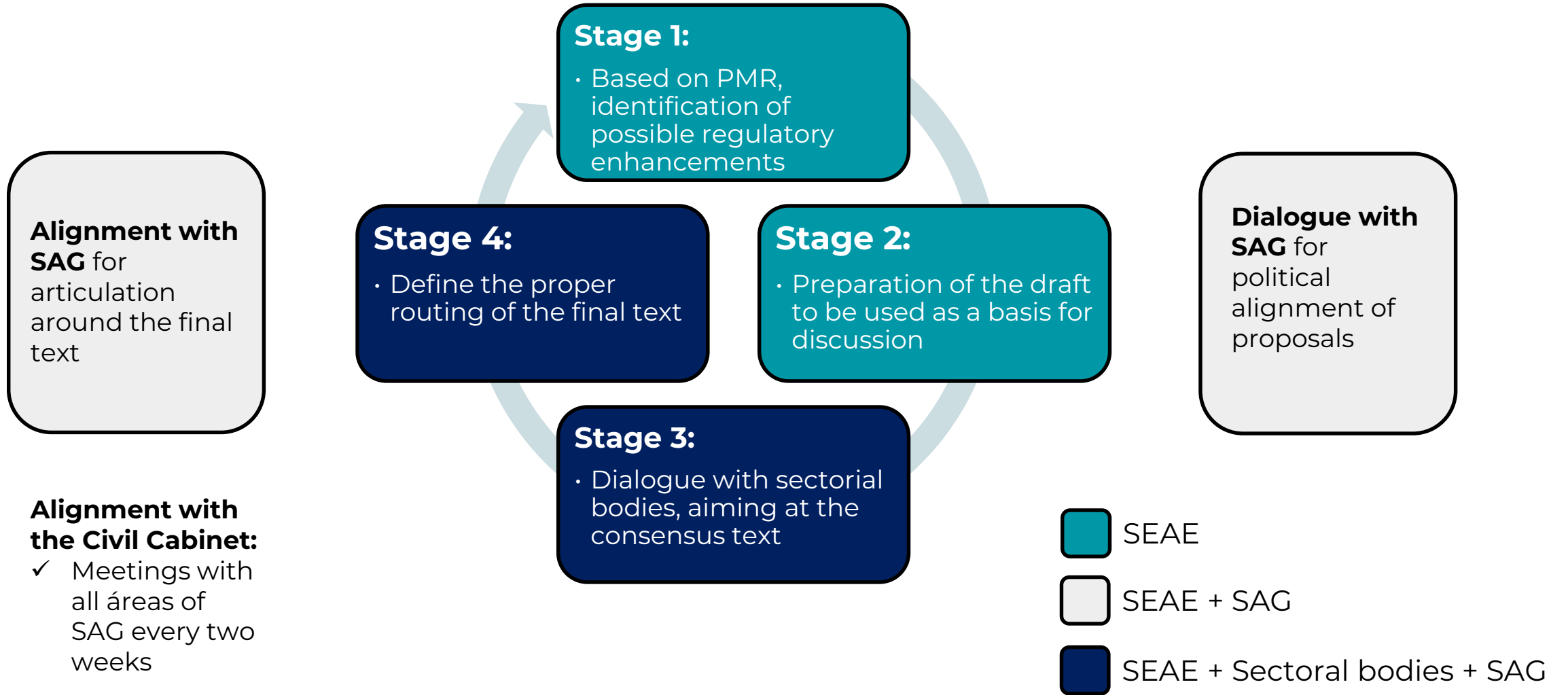
PROGRESS

Example: Evolution of the Reg-OCDE Agenda (November 2022)



THE GOVERNANCE AIMS AT THE POLITICAL AND TECHNICAL ALIGNMENT OF THE PROPOSALS

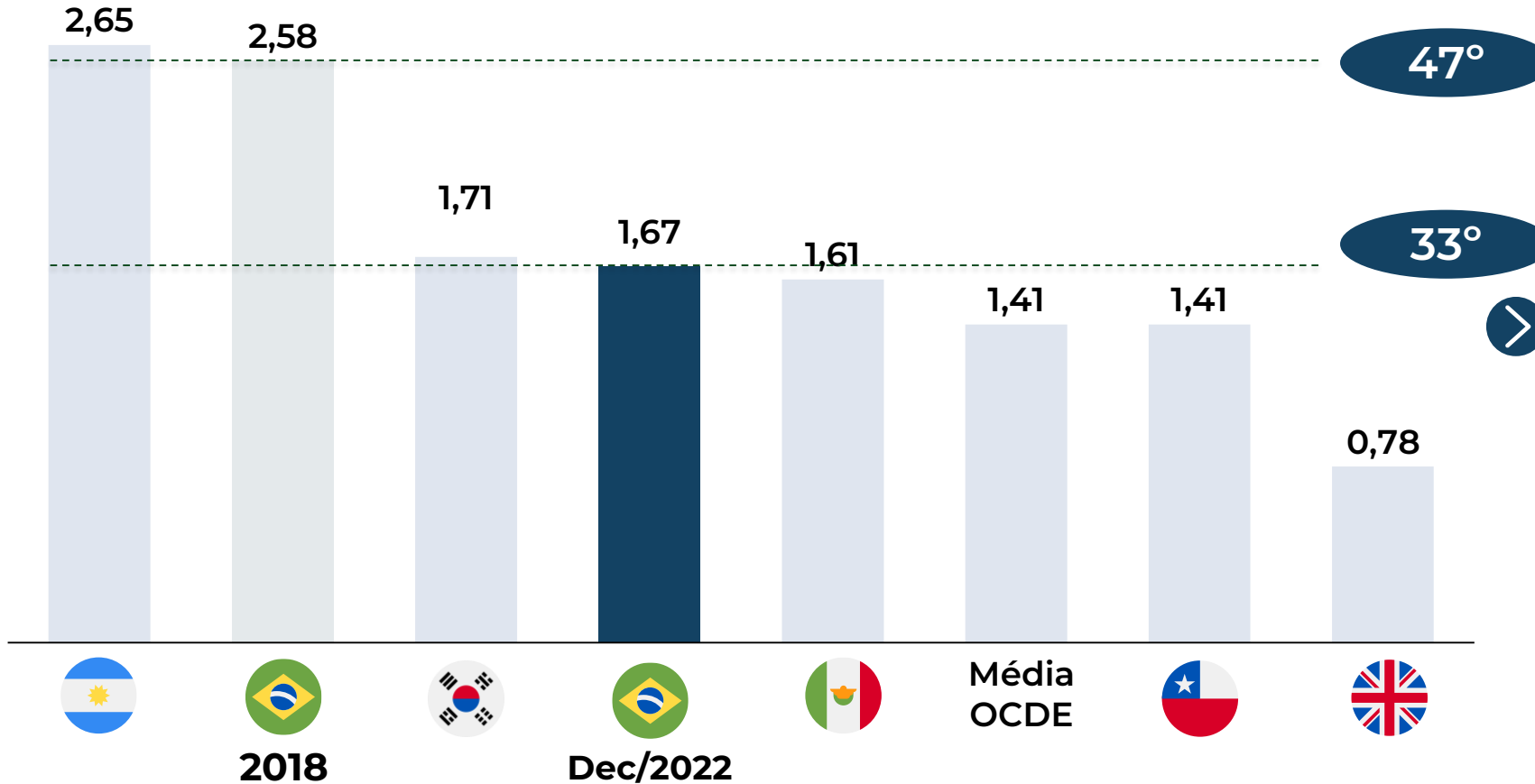
PERFORMANCE



WITH THE IMPROVEMENTS ALREADY IMPLEMENTED, BRAZIL WOULD REACH THE 33TH PLACE IN THE PMR INDICATOR (ACCORDING TO OUR ESTIMATE)

A pontuação projetada do Brasil no Ranking PMR

Estimativa baseada na análise feita pela SEAE



Panorama regulamentar PMR

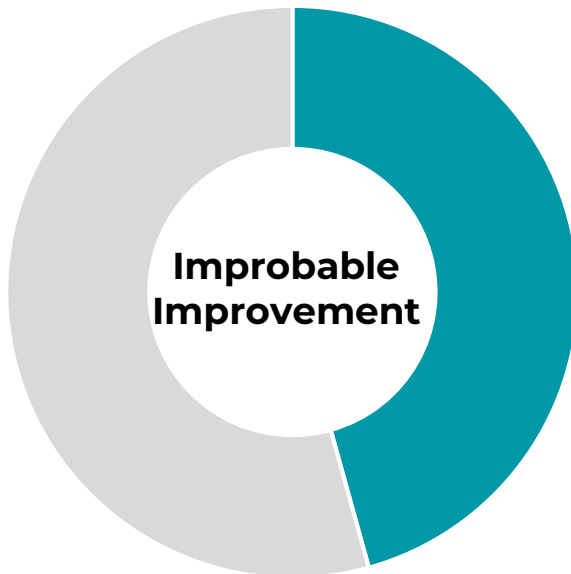
- **Rationalization of regulations for O&G** (Law 14,134/2021)
- **End of restriction on foreign capital in the airline industry** (Law 13,842/2019)
- **End of restriction on foreign capital in Telecommunications** (Law 14,195/2021)
- **New broadband law** (Law 13,879/2019)
- **Incentives to perform cost-benefit analysis** (CalReg)
- **Reduction of bureaucracy and regulatory burden** (Decree 10,411/2020)
- **New legal framework for the foreign exchange Market** (Law 14,286/2021)
- **BR do Mar** (Law 14,301/2022)
- **New Legal Framework for Railways** (Law 14,273/2021)
- **Priority Legislative Agenda of the Federal Government**
- **The Regulatory Results Analysis Guide**
- **Simple Flight Program** (Law 14,368/2022)
- **Brazil-USA Protocol** (Decree 11092/2022)

Some of the implemented regulatory improvements

B A SIGNIFICANT PART OF THE IMPROVEMENTS CLASSIFIED AS UNLIKELY ARE CONSENSUS AMONG THE TOP 5



A significant part of the measures considered unlikely are implemented by all leading PMR economies, signaling a need for paradigm shift



Equivalent to about **45,7%** of the improvements considered unlikely are consensus among the top 5 PMR countries

- Implementadas por todas as economias Top 5 do PMR
- Não implementadas por todas as economias Top 5 do PMR

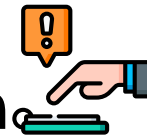
Source: Elaborated by the author.

Examples



State-owned.
State-owned governance.
Import tax.
Public procurement

Conclusion



Need for paradigm shifts for greater advancement



Bills of Laws in Congress

Effort with Congress for the approval of the proposals.

Topics being worked on by the government

Articulation for the proper implementation of the necessary improvements. For this, the work with the Civil Cabinet is essential.

Topics being worked on internally

Finalization of proposals, to start articulation within the government.

SECRETARIA DE COMPETITIVIDADE E REGULAÇÃO

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