



El Salvador

Indicators of Regulatory Policy and Governance Latin America 2023

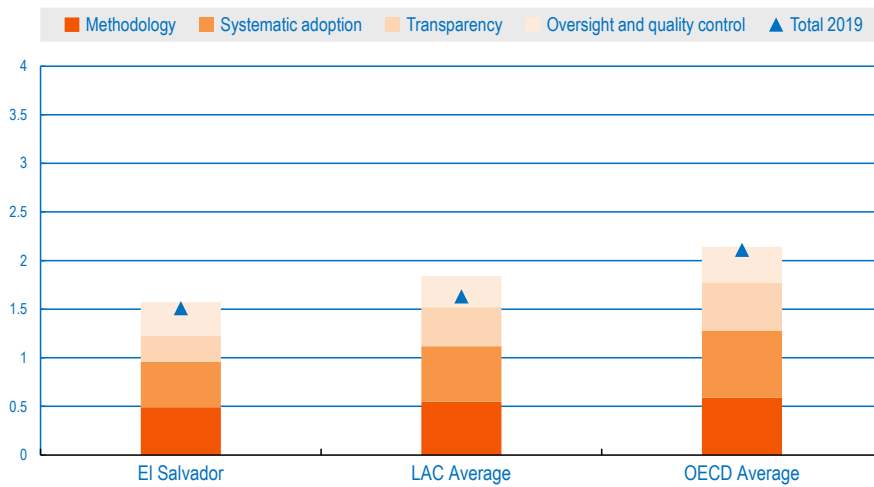
El Salvador recently complemented the legal framework set by the 2018 Law for Better Regulation, and adopted mandatory guidelines for stakeholder engagement, regulatory impact assessment (RIA), administrative simplification processes and for the development of ministries' regulatory agenda. Ministries are now publishing their regulatory agendas, which include planned reviews, reforms, and repeals of regulations. Recent improvements are a result of encouraging steps taken since 2018, when the law established the functions of the Regulatory Improvement Organisation (OMR) as the coordination and oversight body in charge of promoting and enforcing El Salvador's regulatory policy.

While all entities of the executive, independent agencies and municipalities are required to consult stakeholders for the development of all subordinate regulations, in practice consultations are only conducted for some proposals. Furthermore, stakeholder consultations usually only take place once the decision to regulate has been made. El Salvador could benefit from engaging also earlier with stakeholders on defining the nature of the problem and to identify possible policy solutions. The newly introduced guidelines establish the minimum periods during which the public can provide consultation comments. Policymakers usually conduct consultations through in-person meetings, and some ministries conduct consultations online. Policymakers are required to respond to received comments. To improve the transparency and quality of stakeholder engagement, policy makers in El Salvador could make consultations more easily accessible to the general public and report publicly on the stakeholders that were consulted, the comments received and how comments impacted the final proposal.

All executive agencies are required to conduct RIA for the development of subordinate regulations, a requirement recently complemented with the newly published methodological guidelines. The guidelines set the steps to conduct a RIA, including identification of the problem, assessment of alternatives, and assessment of economic, social, cultural and environmental impacts. Regulations that are not expected to generate compliance costs for businesses and citizens are exempted from RIA. Even though requirements and guidelines are in place for all subordinate regulations, in practice, policymakers conduct RIA for the development of only some regulations. Those RIAs that are conducted are available online. The Regulatory Improvement Organisation oversees the quality of the RIAs conducted and approves the exemption not to perform RIA for proposed regulations.

Last, for existing regulations, El Salvador's legal framework establishes mandatory *ex post* evaluation, and the new guidelines expand on administrative simplifications procedures. Policy makers are required to conduct *ex post* evaluation of existing subordinate regulations ten years after their enactment, and of all regulations that by 2018 were older than seven years. *Ex post* evaluations are intended to determine whether regulations are achieving their objectives. The new guidelines establish how agencies of the public administration should register their existing administrative procedures, but also instruct on how to modify or cancel them through the National Administrative Procedure Registry. The guidelines also instruct policymakers how to identify the total number of existing procedures, select and prioritize, and lastly how to identify simplification and improvement objectives and actions.

Indicators of Regulatory Policy and Governance (iREG) for Stakeholder engagement in developing subordinate regulations, 2022



Note: The more regulatory practices as advocated in the OECD Recommendation on Regulatory Policy and Governance a country has implemented, the higher its iREG score.

Source: Indicators of Regulatory Policy and Governance for Latin America 2019 and 2022, <http://oe.cd/ireg-lac>

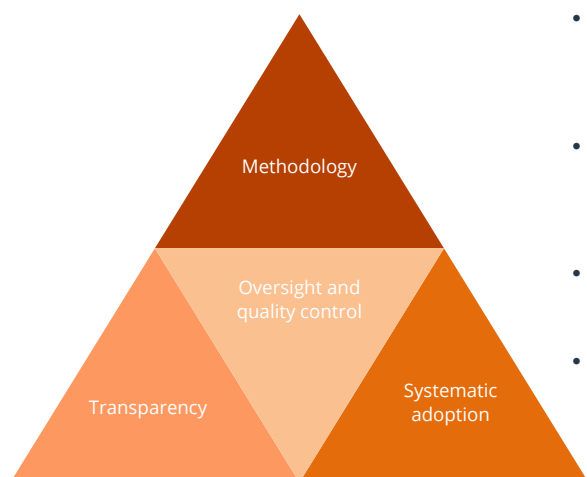
Snapshot of Regulatory Policy Framework, 2022

Institutional settings		Regulatory oversight body		
Regulatory policy promoting regulatory quality Yes		Regulatory oversight body Yes		
Legal instrument: Ley de Mejora Regulatoria		Responsible for:		
		Stakeholder engagement ✓		
		Regulatory impact assessment ✓		
		Administrative simplification ✓		
		Ex post evaluation ✓		
	Stakeholder engagement	Regulatory Impact Assessment	Ex post evaluation / Admin simplification	
Requirement to conduct:	For all subordinate regulations	Some subordinate regulations	Ex post evaluation Yes	
Written guidance available on:	Yes	Yes	Administrative simplification Yes	
Better regulation in practice:	Early stage Late Stage Never For some subordinate regulations	Conducted to inform the development of regulations Some subordinate regulations	Administrative simplification conducted in the last four years Yes	
	Consultations conducted online	Ongoing consultations published on a central consultation website	RIA	Regulations to be drafted, reformed or repealed
Available online:	Sometimes	Yes, some ongoing consultations	No	Yes

Source: Indicators of Regulatory Policy and Governance for Latin America 2022, <http://oe.cd/ireg-lac>

The Indicators of Regulatory Policy and Governance (iREG) for Latin America 2023 provide an up-to-date overview of regulatory systems in selected Latin American and Caribbean (LAC) countries, by which they develop, implement and evaluate regulations. The indicators partially cover three principles of the [2012 OECD Recommendation on Regulatory Policy and Governance](#): 1) stakeholder engagement; 2) regulatory impact assessment (RIA); and 3) *ex post* evaluation and administrative simplification.

The composite indicator on stakeholder engagement for developing regulations measures the adoption of good practices to engage with interested parties when developing new regulations, including different methods and openness of consultations as well as transparency and response to comments received. It consolidates information into four equally weighted categories.



- Systematic adoption records formal requirements and how often and at what stage in the rulemaking process these requirements are conducted in practice.
- Methodology gathers information on the methods used to engage with stakeholders, e.g. forms of consultation and documents to support them.
- Oversight and quality control records the role of oversight bodies and publicly available evaluations of the consultation system.
- Transparency records information from the questions that relate to the principles of open government, e.g. whether consultations are open to the general public and if comments and responses by authorities are published.

The LAC iREG is based on the results of the 2015, 2019 and 2022 Indicators of Regulatory Policy and Governance Survey jointly conducted by the OECD and the Inter-American Development Bank (IDB) and the OECD iREG Survey 2021. The survey gathers information from 7 countries for 2015, 10 countries for 2019 and 11 countries for 2022 in Latin America and the Caribbean, with a particular focus on stakeholder engagement. The data underlying the composite indicator reflect practices and requirements put in place at the national level of government, as of 31 October 2022.

Whilst the indicators provide an overview of a country's regulatory system, they cannot fully capture the complex realities of its quality, use and impact. In-depth country reviews are therefore required to complement the indicators and to provide specific recommendations for reform.

Further analysis based on the LAC iREG and other indicators to benchmark government performance in the region can be found in the [Government at a Glance - Latin America and the Caribbean 2024](#) publication.

An in-depth analysis of regulatory practices amongst OECD countries including composite indicators in the areas of stakeholder engagement, RIA and *ex post* evaluation can be found in the [OECD Regulatory Policy Outlook 2021](#).

LINKS

[Indicators and underlying data](#)
[Regulatory policy in Latin America and the Caribbean](#)
[Regulatory Policy Outlook 2021](#)
[OECD work on regulatory policy](#)
[Government at a Glance - Latin America and the Caribbean 2024](#)

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