



Peru

Indicators of Regulatory Policy and Governance Latin America 2023

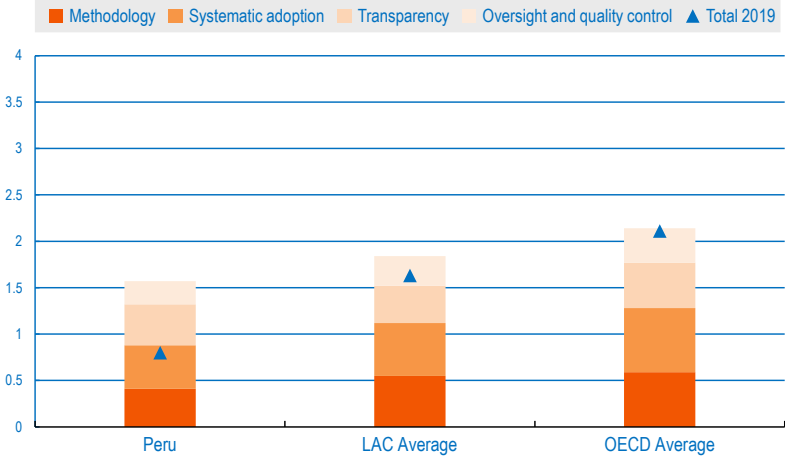
Peru continues to consolidate its regulatory policy framework by expanding the scope of its tools for developing regulations and adopting new instruments. In 2021, Decree 063-2021 strengthened regulatory impact assessment (RIA) requirements and enshrined stakeholder engagement as an essential part of developing regulations. All entities of the executive power are now required to publish a regulatory agenda once a year listing their potential regulatory interventions aiming at improving predictability and transparency of the policymaking process, which is pending implementation. The Multisectoral Commission for Regulatory Quality is mandated with overseeing that regulatory management tools are used as mandated, including the quality of conducted RIAs and consultations.

Entities of the executive power must conduct RIA for developing subordinate regulations that create or modify compliance costs. This expands the previous RIA scope, which was limited to regulations that created administrative procedures. The government has issued RIA guidelines including identification of policy option and the impacts to be considered during the assessment. In practice, more ministries and entities of the executive are conducting RIA for developing their regulations than in previous years. These ministries also publish their RIAs on their websites, which contributes to the transparency of the policymaking process. Peru should take a proportional approach to RIA, to encourage the systematic use of the tool across the public administration and become more efficient in the use of resources.

Since 2021, policymakers in Peru are required to engage with stakeholders when drafting regulatory proposals that create or modify compliance costs. Previously, policymakers only had to consult stakeholders on proposals that might affect indigenous populations. Recently issued guidelines set the principles for engaging with stakeholders, including transparency, participation, openness, and accountability, highlighting different forms of engagement for more effective consultations. Policymakers are now consulting more often with stakeholders on draft regulations, conducting consultations on their websites and through other means. Some regulators also consult with stakeholders at an earlier stage when the policy problem is being identified and discussed. In addition, policymakers are now required to consider received feedback to inform resulting regulations, which should be implemented in practice to incentivise stakeholders' participation in future consultations. Peru could also benefit from having a centralised consultation portal to further facilitate public participation.

Decree 063-2021 also mandates policymakers to conduct *ex post* evaluations of existing regulations to determine if regulations are addressing the policy problem effectively, if regulatory objectives have been met, and if there are any unforeseen impacts. The government created a consulting commission formed by the public sector, academia and civil society, in charge of proposing recommendations or alerting when existing regulations are obsolete or are not achieving their intended objectives. Peru could benefit from adopting guidelines for policymakers to conduct *ex post* evaluations and making sure that evaluations become a systematic practice to keep the regulatory stock up to date.

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>.

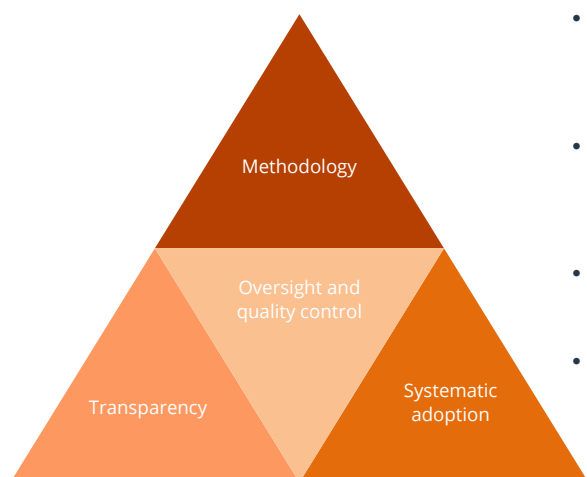
Snapshot of Regulatory Policy Framework, 2022

Institutional settings		Regulatory oversight body		
Regulatory policy promoting regulatory quality Yes		Regulatory oversight body Yes		
Legal instrument: <u>Decreto Legislativo 1448</u>		Responsible for: <ul style="list-style-type: none"> Stakeholder engagement ✓ Regulatory impact assessment ✓ Administrative simplification ✓ Ex post evaluation ✗ 		
	Stakeholder engagement	Regulatory Impact Assessment	Ex post evaluation / Admin simplification	
Requirement to conduct:	For some subordinate regulations 	Some subordinate regulations 	Yes Ex post evaluation 	
Written guidance available on:	Yes 	Yes 	Administrative simplification Yes 	
Better regulation in practice:	Early stage For some subordinate regulations Late Stage For some subordinate regulations 	Conducted to inform the development of regulations Some subordinate regulations 	Administrative simplification conducted in the last four years Yes 	
Available online:	Consultations conducted online Sometimes 	Ongoing consultations published on a central consultation website No 	RIA On the webpage of each ministry 	Regulations to be drafted, reformed or repealed No

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](#)

CONTACT

Measuring Regulatory Performance programme,
mrp@oecd.org