

ANNEX B

OECD Indicators of Regulatory Policy and Governance (iREG) for Latin America 2016

The Indicators of Regulatory Policy and Governance (iREG) for Latin America 2016 provide an up-to-date overview of regulatory systems in selected Latin American countries, by which they develop, implement and evaluate regulations. They cover three principles of the 2012 *OECD Recommendation on Regulatory Policy and Governance*: stakeholder engagement, Regulatory Impact Assessment (RIA) as well as *ex post* evaluation and administrative simplification.

iREG for Latin America 2016 draws upon responses to the OECD-IDB Survey on Regulatory Policy and Governance 2015 from Brazil, Chile, Colombia, Costa Rica, Ecuador, Mexico and Peru. Responses to the survey were provided by government officials from the respective institutions responsible for regulatory policy in each country. Unless explicitly stated differently, survey answers refer to national regulations only i.e. regulation enacted at the central or federal level of government. Survey answers on stakeholder engagement and Regulatory Impact Assessment only cover subordinate regulations, which are defined as “regulations that can be approved by the head of government, by the cabinet or by an individual minister or high level official, i.e. by an authority other than parliament/congress”. The information collected through the survey reflects the situation as of 31 December 2015.

The OECD-IDB Survey on Regulatory Policy and Governance 2015 is an adapted version of the 2014 OECD Regulatory Indicators Survey with a particular focus on stakeholder engagement. Direct comparison between survey results, notably in the form of a composite indicator on stakeholder engagement in developing subordinate regulations, has only been made based on identical questions.

The survey is based on an ambitious and forward-looking regulatory policy agenda and is designed to track progress in the implementation of regulatory policy over time. It captures progress in countries that already have advanced regulatory practices, whilst recognising the efforts of countries that are just starting to develop their regulatory policy. In addition to collecting information on formal requirements, the survey gathers evidence on the implementation of these formal requirements and the uptake of regulatory management practices.

Survey answers underwent a thorough data cleaning process carried out jointly by the OECD and IDB in close cooperation with the participating countries, which involved notably ensuring consistency between survey answers and the verification of examples provided by countries to support individual survey questions.

The composite indicator

Following the established methodology of the OECD Indicators of Regulatory Policy and Governance, a composite indicator on stakeholder engagement in developing subordinate regulations, was developed based on information collected through the survey.

The composite indicator on stakeholder engagement in developing subordinate 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 in four equally weighted categories (Figure B.1):

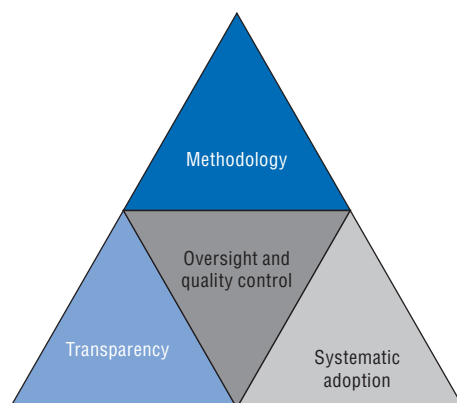
Systematic adoption records formal requirements and how often and at what stage in the rule-making process these requirements are conducted in practice.

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.

Figure B.1. **Structure of the composite indicator**

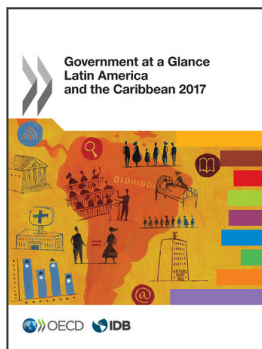


The maximum score for each category is 1, and the maximum aggregate score for the composite indicator is 4. The more regulatory practices as advocated in the 2012 *OECD Recommendation of the Council on Regulatory Policy and Governance* a country has implemented, the higher its indicator score. Each category is composed of several equally weighted sub-categories built around specific questions in the OECD-IDB Survey on Regulatory Policy and Governance 2015. The separate sub-categories are listed in Table B.2.

The full dataset underlying the composite indicator can be accessed on the website dedicated to the OECD Indicators of Regulatory Policy and Governance for Latin America (www.oecd.org/gov/regulatory-policy/ireg-lac.htm). The complete methodology, including all underlying questions, can be found in “2015 Indicators of Regulatory Policy and Governance: Design, Methodology and Key Results” (Arndt, C., Custance Baker, A., Querbach, T., Schultz, R., 2015), <http://dx.doi.org/10.1787/5jrnwqm3zp43-en>.

Table B.2. **Categories and sub-categories of the composite indicator**

Categories	Sub-categories	Number of questions included
Methodology	<ul style="list-style-type: none"> – Consultation open to the general public: during early stages of developing regulations – Consultation open to the general public: during later stages of developing regulations – Guidance – Methods of stakeholder engagement adopted in early stages of developing regulations – Methods of stakeholder engagement adopted in later stages of developing regulations – Minimum periods – Use of interactive websites during early stages of developing regulations – Use of interactive websites during later stages of developing regulations 	12
Systematic adoption	<ul style="list-style-type: none"> – Formal requirements – Stakeholder engagement conducted in practice in early stages of developing regulations – Stakeholder engagement conducted in practice in later stages of developing regulations 	7
Transparency	<ul style="list-style-type: none"> – Transparency of process – Consultations are made open to general public – Consideration of and response to stakeholder comments – Availability of information 	8
Oversight and quality control	<ul style="list-style-type: none"> – Oversight and quality control function – Publicly available evaluation of stakeholder engagement 	10



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