Ecuador has changed its institutional arrangement for regulatory policy

In 2018, Ecuador adopted new legal instruments to reform its regulatory policy. Legislative Decree 372 declared better regulation and administrative simplification as a country policy, and the Organic Law for the Optimization and Efficiency of Administrative Procedures regulated the administrative simplification processes. Likewise, the functions previously attributed to the Department of Planning and Development (SENPLADES) for leading the country’s regulatory policy have been transferred to the General Secretariat of the Presidency together with all the responsibilities concerning the better regulation agenda. Additionally, the Interinstitutional Committee for Administrative Simplification was recently created to coordinate the efforts and actions for the elimination and simplification of administrative procedures and to establish corresponding guidelines. It is advisable for Ecuador to monitor that these recent changes contribute to the promotion and implementation of the country’s regulatory policy.

Stakeholders should be engaged systematically during the development of all subordinate regulations

In Ecuador, only some regulators engage with stakeholders to consult on draft subordinate regulations, and only for some of their regulations, showing little improvement since 2015 in this area. Even though some regulators have developed their own guidelines for stakeholder engagement, Ecuador could benefit from having a mandatory instrument to foster this practice. A new mandatory instrument could require regulators to consult with stakeholders in the development of subordinate regulations and establish minimum requirements for all regulators, such as an obligation to respond to comments and to consider those comments during the policymaking process. It is worth noting that some regulators consult with stakeholders through their website, even though this is not a widespread practice. In addition, Ecuador collects statistics on the average number of people involved in public consultations, which is useful to assess the level of public engagement and to provide a benchmark for improvement.

There is a new legal requirement to conduct RIA for the assessment of proposals of regulations

Since 2018, there is a new legal obligation to conduct impact assessment on proposed subordinate regulations. However, for its implementation, the General Secretariat of the Presidency is mandated with regulating how the RIAs will be performed and with reviewing the quality of the RIAs once conducted. Notwithstanding the lack of rule, in practice, RIA is conducted sporadically by some regulators. The new legal requirement is an important improvement and Ecuador would benefit from adopting the needed regulations for the consolidated use of RIA for the enactment of subordinate regulations.

Ecuador has established a framework for administrative simplification

All agencies and bodies of the state are required to simplify existing burdensome administrative procedures, to eliminate unnecessary ones and to assess positive and negative impacts of new administrative procedures, according to the Organic Law for Optimisation and Efficiency of Administrative Procedures. These are important steps towards furthering the country’s regulatory policy. In addition, Ecuador could benefit from conducting ex post evaluations of regulations to determine if they remain fit for purpose, with a focus beyond regulations that create administrative procedures and that includes all subordinate regulations.

Spotlight: Single Register of Formalities and Regulations (RUTER)

The RUTER is a digital platform used to generate, register, administrate and provide timely information to citizens and businesses on the requirements that each executive entity requires when undertaking their administrative procedures and for complying with their regulations. The RUTER is managed by the Ministry of Telecommunications of Ecuador and was developed in 2018 with contributions and feedback from actors from civil society, academia, public and private sectors.
**Administrative simplification and review of existing regulations, 2019**

<table>
<thead>
<tr>
<th>Administrative simplification processes in the last four years</th>
<th>Conducted reviews that include an analysis of whether the objectives of the regulation have been achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ecuador (ECU)</td>
<td>Yes</td>
</tr>
<tr>
<td>Latin America (LAC)</td>
<td>No</td>
</tr>
<tr>
<td>OECD Average</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Source: OECD Indicators of Regulatory Policy and Governance (iREG) for Latin America 2019, [http://oe.cd/ireg-lac](http://oe.cd/ireg-lac)
The Indicators of Regulatory Policy and Governance (iREG) for Latin America 2019 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 and 2019 Indicators of Regulatory Policy and Governance Survey jointly conducted by the OECD and the Inter-American Development Bank (IDB). The survey gathers information from 7 countries for 2015 and 10 countries in 2019 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 March 2019.

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 2020 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 2018.

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**Links**

Indicators and underlying data  
Regulatory policy in Latin America and the Caribbean  
Regulatory Policy Outlook 2018  
OECD work on regulatory policy  
Government at a Glance - Latin America and the Caribbean 2020

**Contact**

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