Peru is institutionalising its regulatory policy

Executive entities in Peru are required to conduct a Regulatory Quality Analysis on all proposed subordinate regulations that establish administrative procedures. The analysis was introduced as a way of reducing administrative burdens by Legislative Decree N.1310; and the criteria and methodology for assessment was established by the Guidelines for the Application of Regulatory Quality Analysis. In addition, the Cross-sectoral Commission on Regulatory Quality was created as the body responsible for reviewing the quality of the analyses. In 2018, Legislative Decree N.1448 was issued to further Peru’s regulatory policy and established RIA, as well as other instruments, as tools for improving regulations.

Peru has defined RIA as instrument for policy assessment

RIA has been defined as a tool for regulatory assessment by Decree N.1448; however, its use is not yet mandatory for the development of subordinate regulations. For its implementation, a second decree is necessary, which has not yet been issued by the government. Nevertheless, some regulators have already introduced RIA in their regulatory-making processes, and have developed their own guidelines. Peru would benefit from making efforts to adopt the necessary legal instruments to make RIA mandatory for the development of regulations. Once there is a legal requirement, having an oversight body with the mandate to review the quality of RIAs would ensure its consistent use.

Some regulators are conducting early-stage stakeholder engagement for some subordinate regulations

In Peru, it is only mandatory to consult stakeholders for regulations that might affect the indigenous population. Nevertheless, in practice, stakeholders are sometimes consulted in the development of some subordinate regulations, and only after a regulatory draft exists. Some regulators that have introduced RIA consult with stakeholders at an early stage of the regulation making process, when the policy problem is being identified and discussed. In addition, there are now guidelines that set minimum requirements for consultation during the development of subordinate regulations issued by the Ministry of Justice and Human Rights. Specific regulators (e.g., telecommunications, energy, and transport infrastructure) have also issued bespoke stakeholder engagement guidelines. Besides furthering and formalising these efforts, it is advisable for regulators to inform stakeholders of how their contributions are taken into account, by responding to their comments and by informing them how their feedback has affected the final draft regulation. Also, the practice of stakeholder engagement in rule making and revision should be extended across all government agencies.

Regulators do not yet evaluate whether regulations have achieved their objectives.

Ex post evaluation remains in its infancy in Peru. The evaluation of existing regulations largely focuses on the reduction of administrative burdens and on administrative simplification. Evaluations thus far do not assess whether existing regulations are achieving their objectives. In that sense, it would be beneficial for regulators to conduct systematic assessments of regulations to determine whether they remain fit for purpose.

Spotlight: Single System for Administrative Procedures (SUT)

The SUT is a digital tool for registering, integrating and optimising all processes regarding the elaboration, approval and publication of the Single Texts of Administrative Procedures (TUPA). The TUPA are documents issued by agencies of the executive to provide citizens and businesses with information on how to complete administrative procedures. By having these processes digitalised, SUT improves the efficiency of administrative simplification practices and facilitates compliance.
iREG composite indicator: Stakeholder engagement during the development of subordinate regulations, 2016 and 2019

- Methodology
- Systematic adoption
- Transparency
- Oversight and quality control
- Total Peru, 2016

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.

Stakeholder engagement and RIA during the development of subordinate regulations, 2019

- For all subordinate regulations
- For major subordinate regulations
- For some subordinate regulations
- Never

Source: OECD Indicators of Regulatory Policy and Governance (iREG) for Latin America 2019, http://oe.cd/ireg-lac

Administrative simplification and review of existing regulations, 2019

- Conducted reviews that include an analysis of whether the objectives of the regulation have been achieved

Source: OECD Indicators of Regulatory Policy and Governance (iREG) for Latin America 2019, http://oe.cd/ireg-lac
Indicators of Regulatory Policy and Governance for Latin America 2019

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**

Measuring Regulatory Performance programme,

mnp@oecd.org