Designing pro-competition reforms

Regulatory policy in Peru

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In the path to development, regulatory quality is not an option

Source: WEF (Global Competitiveness and Burden of Government Regulation indexes; latest available report, 2019).
Elaboration: MEF - Peru
Regulatory Reform Roadmap in Peru

OECD Recommendations
Adopted in Peru’s regulatory improvement policy*

• Issuance of an explicit regulatory quality policy with clear and defined objectives, included in a law.
• Establish an oversight body which concentrates most of the regulatory policy activities and tools.
• Introduction of a regulatory impact analysis system.
• Measurement of administrative burdens.
• Capacity building of public servants to improve regulatory quality.
• Strengthen the governance of economic regulators by reviewing their legal links with the central government to strengthen their decision making.

Building a whole-of-government regulatory policy in Peru

Key initial steps for regulatory reform in place

- **Explicit regulatory quality policy:** General Law on Regulatory Quality Improvement
- **Creation of the oversight body:** Multisectoral Regulatory Quality Commission
- **Specific legal instruments and policies for regulatory reform:**
  - Regulatory impact assessment (rules)
  - Regulatory quality analysis (administrative procedures)
  - Early agenda
  - Public consultation
- **Capacity-building programs for public servants on regulatory quality**
- **Continuous improvement of economic regulators**
Regulatory reform in Peru is progressively promoting stakeholder engagement, competition and competitiveness

Since the recollection of information for the former PMR report (2019):

- Institutionality is continuously enhanced (the oversight body issues manuals on regulatory policy instruments and publishes minutes and evaluation reports)
- The requirement for the executive branch of the government to conduct Regulatory Impact Assessment (RIA) for the development of new laws and regulations is in force, for every government agency at national level
- Regulators are now required to identify and assess the impact of i) the preferred regulatory option, ii) the baseline (“do nothing” option) and iii) alternative regulatory and non-regulatory options
- Among the RIA criteria involved, regulators from the executive branch are required to identify and assess the impact of new primary laws and subordinate regulations on competition and innovation
- Peru requires the executive branch to conduct stakeholder engagement when developing new laws and regulations, including early agenda and public consultation
- Guidelines on RIA and stakeholder engagement are available.
De jure improvement on regulatory policy and its implementation are contributing to improve Peru’s PMR performance

ECONOMY-WIDE PMR UPDATE

Source: PMR Team - OCDE

*The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem, and Israeli settlements in the West Bank under the terms of international law.

**Footnote by Türkiye: The information in this document with reference to "Cyprus" relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Türkiye recognizes the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of United Nations, Türkiye shall preserve its position concerning the "Cyprus issue".

*Footnote by all the European Union Member States of the OECD and the European Union: The Republic of Cyprus is recognized by all members of the United Nations with the exception of Türkiye. The information in this database relates to the area under the effective control of the Government of the Republic of Cyprus.
With initial steps in place, next challenges include to strengthen Peru’s regulatory ecosystem by effectively involve every agent.
Thank you very much,

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