Chile

Overview and recent developments

Chile recently introduced the overarching 2014-18 National Agenda for Productivity, Innovation and Growth which comprises measures for improving regulatory governance and increasing the quality of regulations. Chile also took steps to embed stakeholder engagement and Regulatory Impact Assessment (RIA) into the rule making process.

Presidential Instructive No. 2/2016 introduced the obligation to carry out RIA, focusing on productivity, for ministries with portfolios with impact on economic matters. Ministries are obliged to submit a productivity impact assessment to the Ministry of the Presidency (SEGPRES) along draft legislation before introducing it to Congress. In January 2018, the Government introduced a Bill to Congress that would require RIAs for major draft primary laws. At the time of writing, approval of the Bill is pending. Presidential Instructive No. 7/2014 provided voluntary guidelines on consultation mechanisms which were coupled with a webpage (gobierno abierto) that serves as a platform to centralise public consultations. Stakeholder engagement is only formally required in the development of certain laws, e.g. concerning indigenous people’s rights and certain environmental issues, and securities and insurance for subordinate regulations. Chile could boost regulatory quality by adopting criteria for systematic implementation of consultation practices in the rule-making process more broadly.

Though regulations are not systematically reviewed ex post, encouraging initiatives are in place. The Law Evaluation Department of the Chamber of Deputies conducts ex post evaluations of selected laws and the National Productivity Commission, when consulted, can advise the government on improvements to the regulatory framework to boost productivity. Chile could benefit from consolidating its current approach via a stronger oversight body in charge of good regulatory practices. This could include strengthening its nascent oversight of RIA and stakeholder engagement, promoting adoption across government and a stronger legal foundation to ensure stability.

Institutional setup for regulatory oversight

Institutional responsibility for regulatory policy is spread amongst several institutions at different stages of the regulatory process. The SEGPRES is responsible for legal quality and procedural requirements. The General Comptroller and the Constitutional Court of Chile are both responsible for providing legal scrutiny of regulations. The Law Evaluation Department of the Chamber of Deputies provides ex post evaluations of regulations. As part of that role it is also responsible for advocating for changes to the regulatory policy framework.
7. COUNTRY PROFILES

Indicators of Regulatory Policy and Governance (iREG): Chile, 2018

Notes: The more regulatory practices as advocated in the OECD Recommendation on Regulatory Policy and Governance a country has implemented, the higher its iREG score. The indicators on stakeholder engagement and RIA for primary laws only cover those initiated by the executive (85% of all primary laws in Chile).

StatLink https://doi.org/10.1787/888933815490

Location of regulatory oversight functions: Chile

Notes: ● indicates that a given regulatory oversight function is covered by at least one body in a particular location. Data present the situation as of 31 December 2017 and do not reflect changes that may have taken place in 2018.