* Chile

Indicators of Regulatory Policy and Governance 2021







Overview and recent developments

Chile has made important improvements to its regulatory management tools over the last years. In 2019, Chile adopted Presidential Instructive No. 3/2019, which broadens the requirement to conduct regulatory impact assessments (RIA), making it mandatory for all primary laws initiated by the executive and for subordinate regulations. It establishes a threshold for conducting RIAs, which will determine whether a standard or high impact RIA should be conducted. RIAs are now required to consider alternative non-regulatory options, assess the potential impact that proposed regulations might have on competition, small businesses, trade, environment, gender equality and other relevant factors, as well as likely distributional effects. Once a RIA is conducted, the government publishes a RIA report on a central website. Chile should ensure that the requirements and improvements brought forward by the new instructive are systematically implemented in practice by all ministries.

Stakeholder engagement is formally required in the development of certain laws, for example concerning indigenous people's rights and certain environmental issues, and securities and insurance for subordinate regulations. As of 2019, public consultations are also required for major regulatory proposals for which a high impact RIA is to be conducted. Chile makes voluntary guidelines on consultation mechanisms available to regulators

and links to ministries' consultation portals are listed on a central website. In order to continue improving stakeholder engagement practices, Chile needs to ensure that these recent requirements are systematically implemented in practice, including involving stakeholders earlier in the decision-making process, and not only when there is already a draft regulation.

Presidential Instructive No. 4/2019 introduced new requirements for *ex post* evaluation and administrative simplification. Subordinate regulations for which a high impact RIA was conducted are now required to be evaluated four years after their enactment. In addition, each ministry publishes on their website a list of existing regulations for the public to provide comments and feedback for potential review.

The referred Presidential Instructive No. 3/2019 also requires policy makers to submit their RIAs to the Ministry General Secretariat of the Presidency (SEGPRES) for review. In addition, the Ministry of Economy, Development and Tourism can provide technical assistance to ministries when conducting their RIAs. Chile could benefit from extending the oversight of their regulatory management tools to stakeholder engagement and *ex post* evaluations, and from reinforcing its nascent oversight of RIA.

Indicators of Regulatory Policy and Governance (iREG): Chile, 2021



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 (59% of all primary laws in Chile). Source: Indicators of Regulatory Policy and Governance Surveys 2017 and 2021, http://oe.cd/ireg.

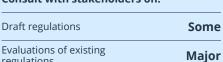
Chile: Transparency throughout the policy cycle





Inform the public in advance that: Consult with stakeholders on:

A public consultation is planned to take place	Some
Regulatory impact assessment (RIA) is due to take place	No
Ex post evaluations are planned to take place	Never





Publish online:

Ongoing consultations*	Some
Views of participants in the consultation process	Yes
RIAs	All
Evaluations of existing regulations	No





regulations

Policy makers use:

Interactive website(s) to consult with stakeholders	No
Website(s) for the public to	
make recommendations on	Yes
existing regulations	

Policy makers provide a public response to:

Consultation comments	Yes
Recommendations made in ex post evaluations	Never

^{*} Publish on a single central government website.

Note: The data reflects Chile's practices regarding primary laws initiated by the executive. Source: Indicators of Regulatory Policy and Governance Survey 2021, http://oe.cd/ireg.



THE OECD REGULATORY INDICATORS SURVEY AND THE IREG COMPOSITE INDICATORS

The data presented in the 2021 Regulatory Policy Outlook are the results of the 2014, 2017 and 2021 Indicators of Regulatory Policy and Governance (iREG) surveys.

The iREG survey investigates in detail three principles of the 2012 OECD Recommendation of the Council on Regulatory Policy and Governance: stakeholder engagement, regulatory impact assessment (RIA) and *ex post* evaluation. Three composite indicators were developed based on information collected through the surveys for these areas. Each composite indicator is composed of four equally weighted categories:

- Systematic adoption comprises formal requirements and how often these requirements are conducted in practice;
- Methodology presents information on the methods used in each area, e.g. the type of impacts assessed or how frequently different forms of consultation are used;
- Oversight and quality control reflects the role of oversight bodies and publicly available evaluations; and
- Transparency comprises information which relates to the principles of open government e.g. whether government decisions are made publicly available.

The data underlying the composite indicators reflect practices and requirements in place at the national level of government, as of 1 January 2021. The indicators for stakeholder engagement and RIA relate to regulations initiated by the executive, while the indicator on *ex post* evaluation relates to all regulations. Whilst the indicators provide an overview of a country's regulatory policy 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. A full score on the composite indicators does not imply full implementation of the Recommendation. To ensure full transparency, the methodology for constructing the composite indicators and underlying data as well as the results of sensitivity analysis are available publicly on the OECD website (http://oe.cd/ireg).

Related links:

- Regulatory Policy Outlook 2021
- · Indicators and underlying data and methodology
- 2012 Recommendation of the Council on Regulatory Policy and Governance
- OECD Measuring Regulatory Performance Programme
- OECD work on regulatory policy

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