

5.2 Stakeholder engagement for regulation

Engaging with stakeholders is key for gathering information and feedback on policy problems, identifying solutions, and developing robust policies to improve their livelihoods. Policy makers should facilitate a range of means of engagement to accommodate diverse stakeholders, as this can both provide better information about the design of regulatory proposals and increase trust and buy-in for regulations. However, trust and buy-in only comes when stakeholders have a feeling of ownership, which happens if comments received in consultations are actually taken into account in the development of final regulations (OECD, 2021).

Latin American and Caribbean (LAC) countries have diversified the way they conduct public consultations in recent years. Countries are making more use of online means of engaging with stakeholders, combined with established non-virtual forms of consultation, such as physical meetings. By 2022, stakeholders in all 11 surveyed LAC countries were able to participate in at least some public consultations on subordinate regulations through websites or by email (up from 9 in 2019), and in 6 of 11 countries (55%) they could participate through virtual meetings (up from 3 in 2019). Likewise, all surveyed LAC countries continue to have physical public meetings for at least some of their regulatory proposals, and 10 out of 11 countries (91%) make consultation documents broadly available for comments to selected stakeholders. Nine of the surveyed LAC countries (82%) consult formally and informally with selected groups, such as labour unions, companies and academia (Figure 5.3).

The effectiveness of engaging with stakeholders depends largely on whether their inputs are made available and how they are used by policy makers. Seven of the 11 countries surveyed publish individual comments received during public consultations online, making opinions on regulatory proposals visible. However, only 4 of the 11 countries (36%) currently require policy makers to respond to comments in writing, and 6 (55%) require them to make any responses public. In addition, only in Brazil, the Dominican Republic, El Salvador, Mexico and Peru are policy makers required to consider consultation comments in the development of final regulations (Figure 5.4).

The OECD Indicator of Regulatory Policy and Governance (iREG) measures the quality of consultation and stakeholder engagement when developing subordinate regulations. Between 2019 and 2022, 8 out of 11 surveyed countries (73%) improved their iREG score on stakeholder engagement in this area, especially when it comes to its oversight. Brazil, the Dominican Republic and Peru are among the countries showing the greatest improvement, particularly in oversight, by creating new regulatory oversight bodies with mandates to ensure that public consultations are conducted appropriately. Ecuador has also improved its consultation processes by

adopting guidelines on how to conduct consultations and diversifying how it engages with stakeholders (Figure 5.5). While most countries in the region have begun enhancing their engagement with stakeholders, there is still substantial room for improvement. Countries can benefit from improving in several areas, including transparency of consultations, considering comments for final regulatory proposals, and fully implementing legally established consultation tools.

Methodology and definitions

iREG indicators for Latin America and the Caribbean draw on responses to the OECD-IDB iREG Surveys 2015-16, 2019 and 2022, and the OECD iREG Survey 2021. Responses were provided by government officials and reflect the situation as at 31 October 2022 for Argentina, Brazil, the Dominican Republic, Ecuador, El Salvador, Paraguay and Peru, and as at 1 January 2021 for Chile, Colombia, Costa Rica and Mexico. See Annex A for more information.

iREG is based on the 2012 OECD Recommendation on Regulatory Policy and Governance. It assesses the quality of stakeholder engagement using a composite indicator with four equally weighted categories: *Methodology*, *Oversight and Quality Control*, *Systematic Adoption*, and *Transparency*. The more practices a country has adopted, the higher its score. The maximum score for each category is 1; the total score ranges from 0 to 4.

The data cover regulations initiated by the executive at the national level, with a focus on subordinate regulations. Regulation refers to the diverse set of instruments by which governments establish requirements on enterprises and citizens. Subordinate regulations are created by the executive and are generally approved by the head of government, a minister or the cabinet.

Further reading

OECD (2021), *OECD Regulatory Policy Outlook 2021*, OECD Publishing, Paris, <https://doi.org/10.1787/38b0fdb1-en>.

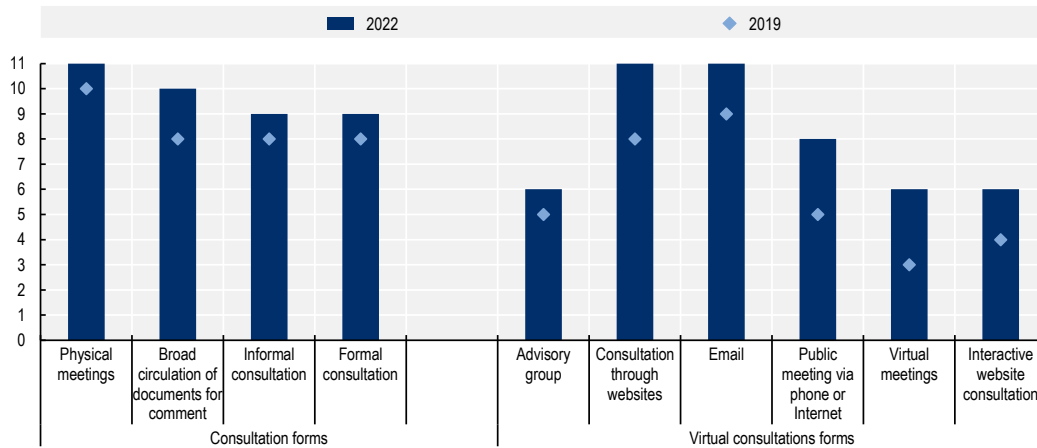
OECD (2012), *Recommendation of the Council on Regulatory Policy and Governance*, OECD, Paris, www.oecd.org/gov/regulatory-policy/2012-recommendation.htm.

Figure notes

Figure 5.3, Figure 5.4 and Figure 5.5. Data for Chile, Colombia, Costa Rica, and Mexico are for 2021 instead of 2022.

Figure 5.5. Data for 2015 do not include Argentina, the Dominican Republic, El Salvador and Paraguay. Data for 2019 do not include Paraguay.

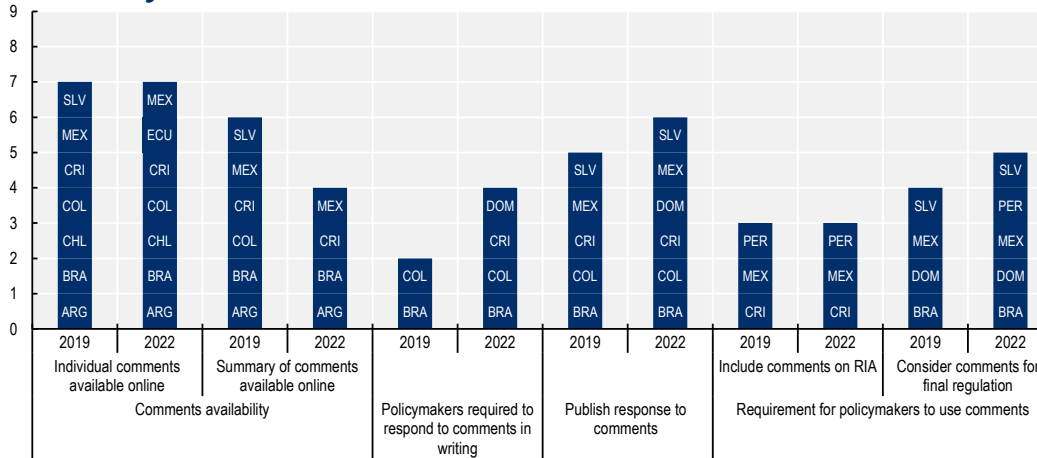
Figure 5.3. Forms of stakeholder engagement in developing subordinate regulations, 2019 and 2022



Source: OECD-IBD Indicators of Regulatory Policy and Governance (iREG) for Latin America and the Caribbean Surveys 2019 and 2022, www.oecd.org/gov/regulatory-policy/ireg-lac.htm; OECD iREG Survey 2021, oe.cd/ireg.

StatLink <https://stat.link/vnwpgqr>

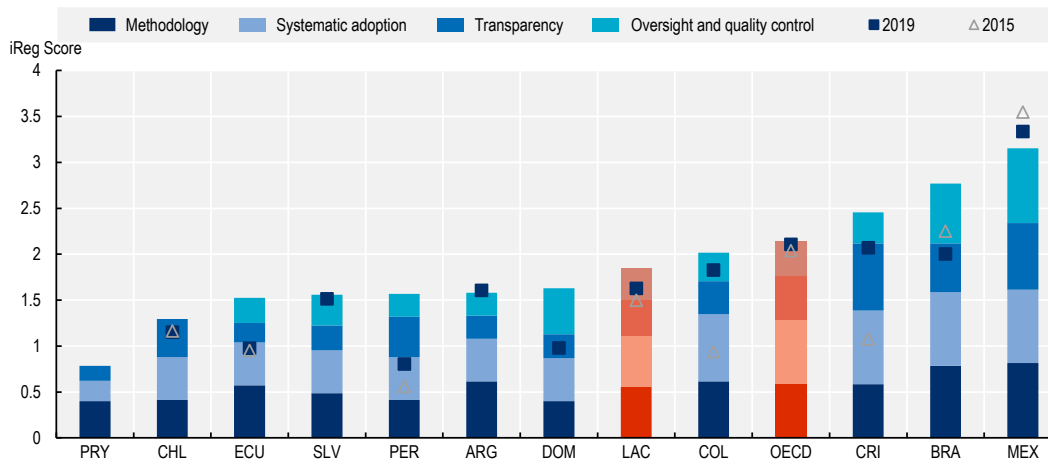
Figure 5.4. Availability and use of consultation comments, 2019 and 2022



Source: OECD-IBD Indicators of Regulatory Policy and Governance (iREG) for Latin America and the Caribbean Surveys 2019 and 2022, www.oecd.org/gov/regulatory-policy/ireg-lac.htm; OECD iREG Survey 2021, oe.cd/ireg.

StatLink <https://stat.link/man5l8>

Figure 5.5. Stakeholder engagement in developing subordinate regulations, 2022, and total score in 2015 and 2019



Source: OECD-IBD Indicators of Regulatory Policy and Governance (iREG) for Latin America and the Caribbean Surveys 2015, 2019 and 2022, www.oecd.org/gov/regulatory-policy/ireg-lac.htm; OECD iREG Survey 2021, oe.cd/ireg.

StatLink <https://stat.link/8f6510>



From:
Government at a Glance: Latin America and the Caribbean 2024

Access the complete publication at:

<https://doi.org/10.1787/4abdba16-en>

Please cite this chapter as:

OECD (2024), "Stakeholder engagement for regulation", in *Government at a Glance: Latin America and the Caribbean 2024*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/fe3cb3a3-en>

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area. Extracts from publications may be subject to additional disclaimers, which are set out in the complete version of the publication, available at the link provided.

The use of this work, whether digital or print, is governed by the Terms and Conditions to be found at <http://www.oecd.org/termsandconditions>.