



**FOR THE PURPOSE OF
ERADICATING POVERTY,
PROTECTING THE PLANET
AND ASSURING PROSPERITY
FOR EVERYONE**

**Regional Report on the
Implementation of SDG 16
in The Americas**

Author: Michel Figueroa M.

Translation: William Skewes-Cox

This report counts with the collaboration of:

Poder Ciudadano, Argentine Chapter of Transparency International.

Transparency International Brazil Program.

Chile Transparente, Chilean Chapter of Transparency International.

Asociación Costa Rica Integra, National contact of Transparency International.

Fundación Nacional para el Desarrollo, Salvadoran Chapter of Transparency International.

Acción Ciudadana, Guatemalan Chapter of Transparency International.

Asociación para una Sociedad más Justa, Honduran Chapter of Transparency International.

Pro Ética, Peruvian Chapter of Transparency International.

TABLE OF CONTENTS

CONTENTS	3
I. INTRODUCTION	4
II. METHODOLOGY	4
III. CONTEXT	5
IV. PRINCIPAL FINDINGS	6
Final Beneficiary Transparency	6
Asset Recovery	7
Transparency and Integrity in Public Administration	7
Transparency in Electoral Campaigns and Political Parties	8
Fiscal Transparency	9
Access to Information	10
Public Purchasing	11
Open Government and Data	11
V. CONCLUSIONS	12
VI. RECOMMENDATIONS	12
ANNEX	13
National Researchers	13
Abbreviations	13
Acronyms	13

I. INTRODUCTION

For the purpose of eradicating poverty, protecting the planet and assuring prosperity for everyone, on December 25th 2015 world leaders adopted the 2030 Agenda, which includes the 17 Sustainable Development Goals (SDGs). All the SDGs include specific goals that countries should reach in the next 15 years in addition to indicators to measure their progress. SDG 16, titled “Peace, Justice and Solid Institutions”, contains at least three targets (16.4, 16.5, and 16.10) related to the fight against corruption.

Transparency International (TI), the global coalition against corruption, designed a methodology to evaluate the implementation of the targets of SDG 16 and together with seven of its national chapters (Argentina, Brazil, Chile, Costa Rica, El Salvador, Honduras y Peru) drafted independent reports on each one. The countries involved in this effort will be evaluated at the High-level Political Forum in 2019. The document presented here is a preliminary summary that contains the most relevant findings and conclusions on the previously mentioned targets for these countries.

II. METHODOLOGY

The methodology was designed by the Secretary of TI to help its national chapters to evaluate the implementation of SDG 16. With this in mind, the methodology separated the official targets and indicators and for each one included specific questions. The answers provide information about the degree of implementation of SDG 16 as well as allowing for the evaluation of progress in the area of anti-corruption in each country from a general perspective, thus widening the scope of the official indicators.

Each thematic area was evaluated according to three elements. First, the legal and institutional framework of each country was evaluated. Second, the relevant data for the evaluated countries and indexes produced by civil society and international organizations were considered. Lastly, researchers carried out a qualitative evaluation of the de facto efforts of each country to fight corruption.

Each one of the evaluated dimensions was scored on a scale from 0 to 1, with intermediates points that represent a traffic signal color code for the purpose of facilitating the understanding of the degree of progress in each area, for each country evaluated.

Dark Green 1 point	Light Red 0,25 points
Light Green 0,75 points	Dark Red 0 points
Yellow 0,5 points	Grey N/A or No Data

III. CONTEXT

The way in which states put into practice the implementation of the SDGs is key. States have created specific organizations or empowered already existing ones with coordinating and leading the national development agenda. In some cases there are even national plans for their implementation. Even still, the participation of non-state actors (civil society and the private sector) in the definition of particular goals and local plans can be strengthened.

The implementation and evaluation of the SDGs faces three key challenges: the multi-dimensional nature of the SDGs, the availability of data and the objectivity of the information generated by government bodies. These challenges make clear the need for independent evaluation of the efforts of governments to fight corruption and other initiatives related to the SDGs.

With the resulting methodology and reports, TI hopes to offer a more complete panorama of each country's progress in the fight against corruption in a series of different areas and make up for the insufficient coverage and availability of data for the official indicators of SDG 16.

The information obtained through independent reports is key to completing the national evaluations at the High-level Political Forum. At the same time, it can also be useful for the government review processes that each country regularly carries out.

The implementation and monitoring of the SDGs requires the formation of alliances and broad mutual-help agreements that allow for coordinated work and the leveraging of different viewpoints of each country. Therefore, national, regional and global efforts must go beyond those of governments and must attain the inclusion of civil society and other interested parties.

IV. PRINCIPAL FINDINGS

Final Beneficiary Transparency

A beneficiary is the real person who in the end possesses, controls or benefits from a business or trust fund and the income that it produces. The term is utilized to distinguish from the legal or nominal owners of a business and its administrators, all of whom can be registered as the legal owners of an asset without having the right to its profits. Using complex and opaque corporate structures created across different jurisdictions, someone can easily hide who the effective beneficiary is, especially when others are used in their place and when part of the structure is incorporated in a jurisdiction with strong privacy protections that keep the identity of the real owner secret.

	ARG	BRA	CHI	CRI	SLV	HND	PER
Existing legal definition	1	0	0	1	0	1	1
Financial institutions have procedures to disclose the identity of the beneficiary	1	0,5	0,5	1	0	1	1
Existence of an organization with access to this information	0,25	0,25	0,75	1	0,25	0,25	0,25
Authorities have access to this information	1	NR	0,5	NR	NR	0,5	0,5
Information about ownership that is required to be reported	1	NR	0,75	SR	SR	0,75	1
Information available to the public	0	0	0,5	NA	0	0	0
Obligation to update information	0,5	NR	0,75	SR	NR	0,75	NR
Existence of a registry with information about trusts	0,5	NR	0,5	SR	NR	0,5	NR

There is broad disparity with regards to regulations on the final beneficiary. Argentina, Costa Rica, Honduras and Peru have made concrete efforts to legislate in this area, but the implementation mechanisms need to be strengthened and access to information about the registries needs to be assured in order to allow for active oversight by civil society. Brazil, Chile and El Salvador, on the other hand, are still in the stage of deregulation, though access to certain information about legal beneficiaries is possible thanks to other legal mechanisms.

Asset Recovery

Asset recovery refers to the legal process through which a country, a government and/or its citizens can recover from another jurisdiction the resources and other assets that were stolen through corruption.

	ARG	BRA	CHI	CRI	SLV	HND	PER
Existence of a specific policy	0,5	1	1	0,5	1	1	0
Existing mechanisms	0,75	0,25	0,25	0,25	0,25	1	0,75
Existence of specialized units or teams	0,75	0,75	0,5	0,75	0,75	0,75	0,75

In most countries, with the exception of Peru, there are policies or legal regulations that allow for the recovery of assets. Mechanisms should be strengthened that allow for their effective recuperation, especially in Brazil, Chile, Costa Rica and El Salvador, where existing mechanisms are weak or depend on political decisions. Moreover, it is necessary to incentivize alliances and intergovernmental cooperation in order to increase the effectiveness of attempts to recover assets.

Transparency and Integrity in Public Administration

Transparency is the characteristic of governments to be open to the clear revelation of information, norms, plans, processes and actions. As a principle, public employees have the duty to act in a visible, predictable and comprehensible way in order to promote public participation and financial accountability, in addition to allowing third parties to easily understand the purpose behind actions.

Integrity refers to the behaviors and actions coherent with a set of moral and ethical principles and norms, accepted by both institutions and individuals, that create a barrier to corruption.

Even though the majority of countries in the region that were evaluated have regulations that protect the integrity of the exercise of the public role, with the exception of Honduras, problems reside in the implementation, oversight and sanctioning of these policies. There are worrying delays in the regulation of the movement of officials from the public sector to the private sector, since only Argentina and Brazil have norms to protect and avoid possible conflicts of interest.

The publishing and continuing access to information about declarations of interest and the wealth of authorities and public employees must be strengthened, since there is only an obligation to declare but not to publish these declarations. The obligation to publish this information varies depending on if the official that makes the declaration is part of the executive, legislative or judicial branch.

	ARG	BRA	CHI	CRI	SLV	HND	PER
Existence of regulations on integrity and conflict of interests	0,75	1	1	1	0,25	0	1
Existence of “revolving door” regulation	1	1	0	0	0	0	0
The “revolving door” applies to all public employees	0,25	0,25	0	0	0	0	0,25
Existence of a required waiting period	0,5	0,5	0,5	NA	0	0	0,5
Existence of public body that supervises the regulation of the “revolving door”	1	1	NA	NA	NA	NA	1
Existence of proportional and dissuasive sanctions	0,5	0,5	NA	NA	NA	NA	NA
Existence of regulations regarding conflict of interest and personal wealth	0,5	1	1	1	0	1	0,5
Information is made public regarding the interests of employees of the state and its autonomous bodies	0,75	0,25	1	1	0	1	0
Information is made public regarding the personal wealth of employees of the state and its autonomous bodies	1	0,75	1	1	1	1	1
Access to info. about assets	0,25	0	0,25	0	0,25	0,25	0,25
Existence of a supervisory body for the declaration and publication of conflict of interests and personal wealth	0,25	0,25	0,75	1	0,75	1	1
Existence of proportional and dissuasive sanctions	0,5	0,5	1	1	0,5	0,25	0,75

Transparency in Electoral Campaigns and Political Parties

Transparency in this context is understood as the opening up of information regarding electoral processes, activities and actions involved with the financing of and spending by campaigns so that public entities and citizens have the ability to regulate and supervise them.

	ARG	BRA	CHI	CRI	SLV	HND	PER
Regulation about the financing of political parties	1	1	0,5	1	0	1	0,5
Regulation about the financing of candidates	NA	1	0,5	1	0	NP	0
Electoral fundraising and spending and individual donors are published	NP	1	0,5	1	1	NA	1
Parties publish income, expenses and individual donations	NP	1	0	1	1	NA	1
Electoral spending is subject to independent scrutiny	NP	0,5	0,5	1	0,5	0,5	0,5
The accounts of parties are subject to independent scrutiny	NP	0,5	0,5	1	0,5	0,5	0,5

Equalizing the conditions of competition between political parties and candidates is essential for a healthy democracy. In the region, only El Salvador shows delays in the regulation in the financing of parties and electoral campaigns. However, it is necessary to improve the publishing mechanisms of electoral accounts in such a way as to give citizens the role of overseer and to strengthen the electoral oversight bodies so that they may carry out processes of exhaustive revision of electoral accounts.

Fiscal Transparency

Fiscal Transparency is the broad disclosure of all information related to the expected objectives, goals and results of the fiscal policy of a government and of the assumptions upon which they are all based so that the correlation between revenue, spending and government management is clear.

	ARG	BRA	CHI	CRI	SLV	HND	PER
Regulations on fiscal transparency	0,5	1	0,75	0,75	0,75	0	0,5

In the countries evaluated, there was an acceptable level of disclosure of budget information (Argentina, Brazil, Chile, Costa Rica, El Salvador y Peru). There are even some initiatives like that of Brazil that has introduced digital methods for the monitoring of the budget. Honduras, however, is a worrying case since despite having a general law for the access of public information the government is not obligated to divulge budget data. On the whole, even though the region does well in the availability of this information, it is still hard for the average citizen to understand budgetary information.

Access to Information

This refers to the right, that normally is related to the freedom of information, to access to information and key data from the government and all public organizations based on the idea that citizens should be able to obtain information that is in the hands of the state.

	ARG	BRA	CHI	CRI	SLV	HND	PER
A fundamental right of access to information	1	1	0	1	1	0	1
This right is applied in all areas	0,5	1	1	1	0,5	0,5	0,5
It applies to all the branches of the state, autonomous bodies and public businesses	1	0,75	0,75	1	1	0,75	1
Clear deadlines to respond to requests	0,75	0,25	0,25	0,75	0,75	0,75	0,75
Exceptions are compatible with international norms	0,75	0,25	0,75	1	0,75	0,5	1
Application of damages test	0,5	0,75	1	1	1	0	NA
Restrictions to the exceptions in special cases	0,75	0,25	0,25	1	1	0	0,25
Existence of an independent organization in charge	0,75	0,75	1	0,25	1	0,75	0,25
Norms of proactive transparency	1	1	1	1	1	1	1

In general the countries of the region have a solid regulatory framework in the area of access to information, with constitutional recognition and access laws. Chile and Honduras, however, still have not constitutionally protected the right to access to information. The application of exceptions, the periods that the laws allow to give responses to persons and the lack of a judicial regime that is applicable to all branches of the state are some of the deficiencies that were reported for the evaluated countries. Another deficiency is the obligation to identify oneself at the moment of making a request, since this represents an obstacle for the free exercise of the right to information.

Public Purchasing

This refers to the decision making, planning, and bidding process as well as the acquisition of goods and/or services that the various bodies of the state require to carry out the tasks in the public interest for which they are responsible.

The tendency in this area is to regulate the contracting of goods and services through laws. However, Argentina is the only country in the region that does not have a specific law dealing with this topic and it currently deals with it through low-level bureaucratic norm setting. Most of the countries evaluated have ordered regulatory frameworks that incentivize the utilization of digital tools for contracting, with some defined exceptions for the application of norms. Despite this, there are deficiencies in the implementation and rolling out of these policies. The ambiguity of exceptions and their scope, the lack of transparency in distinct stages of the purchasing process, the non-existent monitoring of the fulfillment of contracts and the lack of a common regime between the different branches of the state are areas which are vulnerable to corruption.

Open Government and Data

An open government is a government that opens its doors to the world; co-innovates with everyone, especially citizens; shares resources that were previously closely guarded; harnesses the power of mass collaboration; drives transparency throughout its operations; and behaves not as an isolated department or jurisdiction, but as something new — a truly integrated and networked organization (Tapscott, 2010).

Today technology and new social dynamics offer new forms for the state-citizen relationship as well as countless tools to facilitate the work of public administration. The countries of the region show a growing interest in offering information in the form of public data, but they show some difficulties in the implementation and rolling out of the plans that support this. Nevertheless, organized civil society has developed projects and initiatives that utilize currently available public data to detect practices that can be corrupt and then use these in the fight against corruption.

The Alliance for Open Government has found fertile ground in Latin America and the Caribbean to put into practice the values that guide the alliance. In general, countries have implemented, at least, two national action plans. Chile and El Salvador stand out for having fulfilled more than 50% of the promises contained in such plans.

V. CONCLUSIONS

The efforts of governments of Latin America and the Caribbean to implement SDG 16 “Peace, Justice and Solid Institutions” of the 2030 Agenda represent the first step towards achieving the goals of sustainable development. Still, civil society must play an active role in the discussion and implementation of local plans. A broad dialogue is necessary to define next steps, obtain the participation of all social sectors and generate a critical evaluation of the work that is underway to address the challenges of goals 16.4, 16.5 and 16.10 of the 2030 Agenda.

VI. RECOMMENDATIONS

1. Strengthen and incentivize the role of non-state actors (civil society and the private sector) when defining actions and national goals.

2. Perfect the processes for the implementation of policies regarding the final beneficiary and assure the access to information of its registries so as to allow active oversight by organized civil society and/or citizens in general.

3. Incentivize alliances and intergovernmental cooperation to increase the effectiveness of attempts to recover assets.

4. Improve the implementation, oversight and sanctions of policies to protect integrity in order to assure their effectiveness.

5. Regulate the movement of officials from the public sector to the private sector by having a policy regarding the “revolving door” that prevents possible conflicts of interest.

6. Assure the publishing and access to information about the declaration of interests and wealth, as well as extending the requirement to officials and employees of all the branches of the state.

7. Strengthen measures to publish electoral spending declarations in order to allow citizens to take on the role of regulator and to give autonomy to electoral bodies to audit them.

8. Utilize clear and understandable language for all citizens and do so using digital media that facilitates the disclosure of budgetary and accounting information.

9. Perfect existing judicial frameworks by diminishing the response period and limiting the exceptions that apply to the right of access to information.

10. Create, unify and/or perfect public contracting systems.

ANNEX

National Researchers

COUNTRY	NATIONAL RESEARCHERS
Argentina	Karina Kalpschtrej, Poder Ciudadano, Argentine chapter of Transparency International.
Brazil	Fabiano Angelico, Transparency International Brazil Program .
Chile	Michel Figueroa, Chile Transparente, Chilean Chapter of Transparency International. Pamela López, Chile Transparente, Chilean Chapter of Transparency International. Francisca González, Chile Transparente, Chilean Chapter of Transparency International.
Costa Rica	Juan Pablo Sáenz, Asociación Costa Rica Integra, National contact of Transparency International.
El Salvador	Jessica Estrada, Fundación Nacional para el Desarrollo, Salvadoran Chapter of Transparency International.
Honduras	Lester Ramírez, Asociación para una Sociedad más Justa, Honduran Chapter of Transparency International.
Peru	Samuel Rotta, Pro Ética, Peruvian chapter of Transparency International.

Abbreviations

COUNTRY	ABBREVIATION
Argentina	→ ARG
Brazil	→ BRA
Chile	→ CHL
Costa Rica	→ CRI
El Salvador	→ SLV
Honduras	→ HND
Peru	→ PER

Acronyms

ACRONYM	MEANING
NA	→ Does not apply
NP	→ No points
NR	→ No response

Coordinating Chapter: Chile Transparente

Chilean Chapter of Transparency International
Pérez Valenzuela 1687, office 1, Providencia
Santiago, Chile
Phone: 2 2236 4507
chiletransparente@chiletransparente.cl
www.chiletransparente.cl
[Facebook.com/chtransparente](https://www.facebook.com/chtransparente)
[Twitter.com/Ch_transparente](https://twitter.com/Ch_transparente)