



Fifth Regional Integrity Week

ReactivAcción Colectiva in Latin America - Regional Cooperation for a Transparent, Integral and Sustainable Recovery – Key Takeaways

#CollectiveAction #Integrity #Compliance #Recovery

Monday, 23 November 2020

The Covid-19 pandemic has particularly affected the Latin American region, which has become the focus of the global crisis. In addition to the health challenges, economic crises deepened, affecting especially local businesses and small and medium-sized enterprises (SMEs). Economic incentives can become a motivation to set aside the standards of transparency and integrity that were achieved in recent decades. Coming out of the health crisis, the next step will be economic reactivation. What lessons have we learnt from the pandemic in terms of integrity and transparency? How do we motivate companies and public officials to not neglect integrity standards? Can regional cooperation be a tool to achieve a more efficient recovery?

Speakers:

- 1) Dr Camilo D. Benítez Aldana, Comptroller General of the Republic of Paraguay
- 2) Dalma Parisi, Legal Director for Argentina and Head of the Compliance Area for South America without Brazil, Siemens
- 3) Eduardo Bohórquez, Director of Transparency Mexico
- 4) Rocio Franco, Social Media Manager at United Nations (presenter)

Main challenges:

- Purchasing medical supplies under an environment of international competition between countries.
- Lack of understanding and ability to predict and justify high prices in an emergency situation.
- Perception of a dilemma between following processes and saving lives; in reality, there is no dilemma and this is only an argument given by corrupt actors. „What really saves lives is to spend public resources properly“.
- The public and private sector need to understand the challenges that the other sector is experiencing, so that there can be mutual support and understanding, which is especially relevant in situations of crisis characterised by uncertainty and quick changes.
- Strict focus of the press on public procurement, which only represents 10% of the resources spent in the pandemic, obscures other instruments through which public resources are disbursed and makes it hard to control this disbursement.
- In federal systems, the lack of coordination between the federal, state and municipal level hinders oversight and control.
- Lack of real-time audit in the oversight structures which puts enforcement institutions at a lower pace than the transactions in emergency situations.



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Best practices shared

- Emergency law in Paraguay which stipulated that oversight and controlling authorities are directly involved in the processes related to the funds for fighting the pandemic, which ensures that even if processes were more flexible, on time action was undertaken when corruption was suspected.
- Pursuing an active transparency approach, where all data related to public expenditures are publicly, permanently and digitally available, which allows citizens to work as partners of the enforcement and oversight agencies in the detection and flagging of corruption.
- Promoting capacity building for citizens so that they can understand their role as comptrollers and understand their rights.
- Getting involved in collective action initiatives with business partners from the supply chain improves business relationships and reduces the risks for both multinationals and suppliers.

Future recommendations

- Economic reactivation requires confidence and trust, which is only possible if integrity and compliance are present in the economic system.
- It is important to take a bi-focal approach, not only looking at corruption but also at the whole economic system and stakeholders.
- Integrity needs to be seen as a collective mission, where all actors need to be involved to make it work and because of that, multi-stakeholder spaces for interaction are very relevant to foster discussion and disrupt inert behaviour.
- Companies profit from joining such initiatives as they can join forces to counteract corrupt practices.
- The public sector and public officials should not be afraid of more transparency and should lead by example to build public confidence.
- Oversight and enforcement institutions need to be involved in procurement processes from the start; the focus should be on real-time oversight instead of removing controls to ensure ex-ante corrections and protect lives.
- The increased sensibilisation of the population to and visibility of corruption during the pandemic due to the fact that unaccounted public resources represent a threat to human life can be an opportunity to involve the civil society more strongly in the fight against corruption.
- On the short term, fostering the participation of civil society in oversight processes can be a quick solution to prevent and remediate corruption.
- On the long term, it is important to invest in technology such as big data to support the work of oversight and enforce institutions.
- For topics that are relevant for all countries, such as the vaccine, a coordinated international oversight approach is important to make sure that access is inclusive and that controls are in place.