Main findings of the Capacity to Combat Corruption Index 2023 (Americas Society/Control Risks)

- Key countries:
  - Brazil
  - Mexico
  - Chile
  - Argentina
  - Colombia
  - Panama

What drives successful anti-corruption efforts?

Challenges and achievements in Latin America’s efforts to tackle corruption
The CCC Index

About the Capacity to Combat Corruption (CCC) Index
- Annual index and report assessing Latin American countries’ ability to detect, punish, and prevent corruption
- Co-produced by Control Risks and AS/COA
- 2023 report (5th edition) covers 15 countries in LatAm

Rather than measuring perceived levels of corruption, the CCC Index evaluates and ranks Latin American countries based on how effectively they combat corruption.

- **Data** fed into the index’s model is drawn from two sources:
  - Publicly available data generated or gathered by renowned institutions.
  - A proprietary survey conducted by leading anti-corruption experts from Control Risks, academia, civil society, media and the private sector.
- **The overall CCC Index score evaluates three principal categories**, which are in turn broken down into 14 key variables

### LEGAL CAPACITY
- Judicial independence and efficiency
- Anti-corruption agencies’ independence and efficiency
- Access to public information and overall government transparency
- Independence and resources for the Chief Prosecutor’s Office and investigators
- Level of expertise and resources available to combat white collar crime
- Quality of testimony and plea bargain instruments
- Level of international cooperation on law enforcement

### DEMOCRACY AND POLITICAL INSTITUTIONS
- Quality and enforceability of campaign finance legislation
- Lawmaking and ruling processes
- Overall quality of democracy

### CIVIL SOCIETY, MEDIA AND THE PRIVATE SECTOR
- Civil society mobilization against corruption
- Education improvements
- Quality of the press and investigative journalism
- Digital communications and social media
Methodology

Calculating the overall final score
- The variables are weighted differently according to their relevance for fostering an anti-corruption environment
  - This weighting is reflected in the final scoring of the variables

Results
- Countries with higher scores are deemed more likely to see corrupt actors prosecuted and punished
- Lower scores suggest that corrupt actors are likely to operate with impunity

Overall Scores 2023

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<th>Country</th>
<th>Score</th>
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<td>Venezuela</td>
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Key findings

A mixed picture

- The 2023 CCC Index reflects an anti-corruption environment under continued strain across Latin America. With democracies and critical institutions under duress in many countries, the Index registered a decline in the regional average score for the first time since 2020. Scores fell, to varying degrees, in ten of the 15 countries studied.

- Declines occurred in countries at both the top and bottom of the Index, indicating that no country is immune from either stagnation or regression in the fight against corruption.

- The net result is an anti-corruption environment that in many countries is less active and mobilized than in previous years. However, there has been a steady erosion, rather than dramatic deterioration, in the regional anti-corruption.

Highs and lows

- Uruguay has the highest score in the 2023 CCC Index (6.99 out of 10), meaning that it is deemed the country (among the 15 in the study) where it is most likely for corruption to be detected, punished and prevented.

- Uruguay was followed by Costa Rica (6.76), Chile (6.67), Peru (5.53), the Dominican Republic (5.42), Panama (5.39), Argentina (5.07), Brazil (4.83), Colombia (4.78), Ecuador (4.68), Paraguay (4.61)

- The four lowest performing countries in the 2023 CCC Index are Mexico (3.87), Guatemala (2.86), Bolivia (2.56) and Venezuela (1.46).

Key countries

Brazil (2023: rank 8, score 4.83 //2022: rank 10, score 4.76)

- Following a three-year decline in the Index, Brazil's overall score was relatively stable with a moderate 2.5% year-on-year increase.

- Brazil's largest variable-level setback was in the quality of lawmaking and ruling processes. While the Supreme Court declared the opaque practice of the "orçamento secreto" ("secret budget") unconstitutional, negotiations between the executive and legislative branches remain conditioned to pork-barrel practices.

- Brazil recorded a 5% decline in the category of civil society and media category as these actors focused less on corruption and more on concerns about democratic institutions and the legitimacy of the electoral process following the 2022 election and the January 8 riots.

Mexico (2023: rank 12, score 3.87 // 2022: rank 12, score 4.05)

- Mexico's score continued its downward trend for a fourth consecutive year, declining by 4% but retaining its 12th place ranking.

- The most pronounced downgrade came in the category of civil society and media, as Mexican journalists continue to face adverse working conditions. Moreover, there have been no demonstrations targeted at the government's scarce attempts to curb graft over the last year.

- Mexico lags behind the regional average in the legal capacity category and had a 14% year-on-year setback in the variable assessing anti-corruption agencies' independence and efficiency.
Argentina (2023: rank 7, score 5.07 // 2022: rank 6, score 5.04)

- Argentina’s score was almost unchanged from 2022, stabilizing after a three-year negative trajectory. Argentina remains behind the regional average in terms of legal capacity.
- In December 2022, current Vice President and former President Cristina Fernández de Kirchner was sentenced to six years in prison and received a lifetime ban from holding public office for alleged fraudulent administration. She has claimed a judicial and political persecution against her.
- Executive-judicial branch tensions came to the fore again in January 2023, when President Alberto Fernández announced his intention to impeach the president of the Supreme Court, following a dispute over the allocation of public funds that favoured the opposition-controlled city of Buenos Aires.

Chile (2023: rank 3, score 6.67 // 2022: rank 3, score 6.88)

- Chile’s overall score dropped by 3%, indicating a degree of stagnation in its fight against corruption. However, the country retained its third-place ranking and remains well above the regional average across all three categories.
- Following the end of the previous attorney general’s term in September 2022, the Gabriel Boric administration unsuccessfully nominated two candidates to replace him. The Senate finally approved Boric’s third nominee in January 2023. Critics described the process as politicized and lacking in transparency.
- Chile’s largest category-level setback in 2023 was in civil society and media, down 8%. Chile’s media and civil society remain independent and robust, but public interest in corruption is perceived as having diminished, as organized crime and the economy took higher priority.

Colombia (2023: rank 9, score 4.78 // 2022: rank 8, score 4.87)

- Colombia’s score was relatively stable, dropping by 2%, resulting in it falling from eighth to ninth in the overall ranking. Colombia’s score declined mainly in the category of civil society and media (down 7%), followed by legal capacity (down 2%).
- There was moderate improvement in the democracy and political institutions category, reversing a previous downward trend, but Colombia remains behind the regional average in that category.
- President Gustavo Petro, in office since August 2022, made combating corruption a key feature of his presidential campaign but so far has not translated these statements into a clear anti-corruption strategy.

Panama (2023: rank 6, score 5.39 // 2022: rank 7, score 4.96)

- Panama’s overall score increased by 9% year-on-year, continuing its three-year upward trajectory in the Index. Most gains were registered in the legal capacity category (up by 14% since 2022)–Panama’s performance in the other two categories had minor variations.
- Improvements in key variables that evaluate anti-corruption agencies and the chief public prosecutor’s office have enabled investigations into former presidents for alleged corruption to go forward.
- The administration of President Laurentino Cortizo passed some reforms to address corruption, including a law requiring senior government officials to declare conflicts of interest in affidavits and a decree creating a Citizen Commission Against Corruption.
What drives successful anti-corruption efforts?

The key ingredients to fight corruption are independent institutions and the quality of democracy

- Civil society mobilization against corruption.
- NGOs’ scrutiny on government transparency.
- Freedom of the press.
- Law enforcement agencies with enough funding and expertise to detect, investigate and punish corruption.
- Independence of key positions, such as the Chief Prosecutor’s Office and heads of oversight bodies (police, intelligence agencies etc).
- Level of expertise of law enforcement agencies to detect money laundering and other white-collar crime.
- Resources to conduct corruption investigations.
- Efficient judiciary to independently prosecute and trial corruption cases, regardless of size and media repercussion.
- Effective compliance practices within the private sector.

Challenges and achievements

**What is not working**

- Anti-corruption agencies in several countries are underfunded and/or under political interference.
- Lack of transparency and independence in selecting judicial authorities and oversight bodies.
- Diminishing independence of the Public Prosecutor’s Office.
- Appointment of loyalists to key positions in government agencies.
- Weak oversight of governments’ handling of public resources (Brazil).
- Lack of independence in electoral bodies (Mexico).
- Security threats to investigative journalists (Mexico).
- Systematic dismantling of institutions and anti-corruption agencies (Venezuela, Bolivia, Guatemala).

**Shifting priorities**

Corruption took the back seat in the public debate.

The COVID-19 pandemic, the inflation surge, the expansion of organised crime and democratic backsliding became priorities for governments and civil society in the region over the past years.

Media outlets and NGOs shifted their attention and are not as active regarding anti-corruption topics as they were when the CCC was launched in 2020.
Challenges and achievements

What is working

- Increased level of international cooperation on law enforcement and anti-corruption mechanisms and investigations.
- Modest advancements in digital communications and social media indicate that citizens are demanding accountability.
- Independent investigations into former presidents and current administrations (Panamá and Dominican Republic).
- Solid check and balance system after years of anti-corruption efforts (Uruguay, Costa Rica, Chile).
- Stronger corporate compliance practices as a longer-term trend on the back of reaction.