Organisation for Economic Co-operation and Development

GOV/PGC/INT(2018)6

For Official Use **English - Or. English**

3 August 2018

PUBLIC GOVERNANCE DIRECTORATE
PUBLIC GOVERNANCE COMMITTEE

Working Party of Senior Public Integrity Officials

Integrity Review of Argentina

This Review builds on the Government of Argentina's recent efforts to transform its integrity framework from isolated initiatives into a whole of society integrity system. The Review proposes concrete actions to develop an integrity strategy in order to enhance and provide sustainability of current reforms. To institutionalise the integrity system Argentina could intensify its coordination efforts among relevant entities. Furthermore, Argentina could create integrity contact points in public entities to mainstream integrity into the whole public administration. The ongoing debate on amending the public ethics law provides the opportunity for an overhaul of the whole ethics framework for public officials and greater coherence with the disciplinary system. The Review also provides insights into how to operationalise a risk management approach to corruption and upgrade the internal audit function within government. In addition, the Review assesses the government decision making process and provides options for increasing its transparency and integrity for more accountable and equitable policies.

Delegates are invited to provide comments and approve by 31 August 2018 before the document is shared with the Public Governance Committee for declassification.

Frederic Boehm (Frederic.boehm@oecd.org)
Giulio Nessi (Giulio.nessi@oecd.org)

JT03434918

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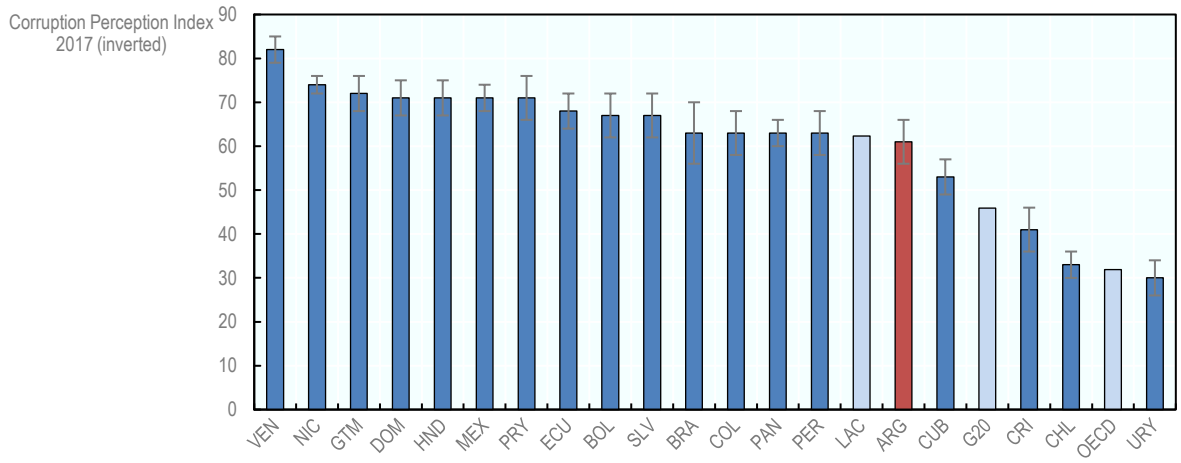
1. Towards a coherent and co-ordinated public integrity system in Argentina

This chapter analyses Argentina's current institutional arrangements related to integrity policies. In particular, it calls for implementing the Public Ethics Law throughout all branches, and proposes to strengthen the policy dialogue between the executive, the legislative and the judiciary. A Federal Council for Integrity could promote, within the constitutional mandates, the development of integrity systems in the Provinces that are coherent with the national level while adapted to subnational realities. Furthermore, a strategic approach towards a National Integrity System in the executive branch could be encouraged through enhanced co-ordination between key actors. In addition, dedicated integrity contact points in each public entity could mainstreaming integrity policies throughout the national public administration. A National Integrity Strategy could provide both the strategic goals of the integrity system and allow an operationalisation at organisational levels. Finally, the chapter presents measures to strengthen the Anti-corruption Office by addressing the risks related to its current dual role of policy advisor and investigator.

1.1. Introduction

1. The lack of integrity in public decision-making, which is not limited to corrupt practices, is a threat to inclusive growth, undermines the values of democracy and trust in governments, and impedes an effective delivery of public services. Corruption is indeed an issue in Argentina. Transparency International's 2017 Corruption Perception Index (CPI), Argentina's score was 39 on a scale of 0 (highly corrupt) to 100 (very clean). As such, the score is close to the average of Latin America (38), and it is not significantly different from the scores of countries such as Brazil, Colombia, Panama and Peru. However, Argentina scores significantly worse than Cuba, Costa Rica, Chile and Uruguay, in Latin America, as well as the average of the OECD (68) or the G20 (54) (Figure 1.1).

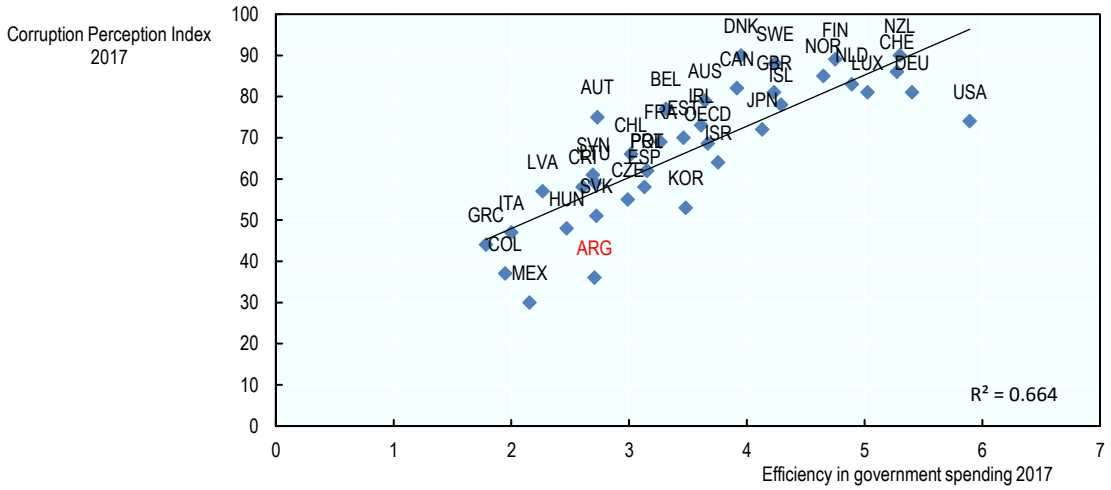
Figure 1.1. Argentina's perceived level of corruption is close to the average of the region, but significantly lower than the average of the G20 and the OECD



Note: The score of the Corruption Perception Index (CPI) has been inverted to facilitate the interpretation as perceived levels of corruption.
Source: Transparency International (2017).

2. In particular, corruption endangers efficient government spending, and represents a waste of scarce resources that could be used otherwise to address a country's most pressing issues (Figure 1.2). While cases of corruption need to be detected, investigated and sanctioned, more in-depth preventive actions are necessary to address systemic and institutional weaknesses that facilitate corruption and other unethical practices in the first place. Put differently, countries face the challenge to move from a merely reactive "culture of cases" to a proactive "culture of integrity", defined as a culture where there is a consistent alignment of, and adherence to, shared ethical values, principles and norms for upholding and prioritising the public interest over private interests (OECD, 2017[1]).

Figure 1.2. Argentina could improve its efficiency of government spending by preventing corruption



Source: World Economic Forum (2017), The Global Competitiveness Index 2017-2018, and Transparency International.

3. Given the complexity of the task to prevent corruption and promote a culture of integrity, various institutions have mandates and functions that are necessary to advance towards such goal. Only in a joint and coherent strategic approach, the measures taken are able to mutually reinforce each other, unfold their potential and contribute to a positive change. Country practices and experiences show that appropriate legislative and institutional frameworks enable public-sector organisations to take responsibility for managing the integrity of their activities. Clear institutional responsibilities at the relevant levels (national, subnational, sectorial, and organisational) for designing, leading and implementing the elements of the integrity system are key to ensure an effective implementation of the normative requirements. The responsibilities should of course come along with the mandate, resources and capacities to fulfil them effectively.

4. The 2017 OECD Recommendation on Public Integrity provides policy makers with a vision for such a coherent and comprehensive public integrity system (OECD, 2017[2]). It shifts the focus from fragmented and ad hoc integrity policies to a context dependent, behavioural and risk-based approach with an emphasis on cultivating a culture of integrity across government and the whole of society (Figure 1.3).

Figure 1.3. A Strategy for Public Integrity: The 2017 OECD Recommendation

Source: (OECD, 2017[2])

1.1. Ensuring integrity policies across branches and levels of government in Argentina

1.1.1. The implementation of the Public Ethics Laws is heterogeneous across branches and there is little dialogue between branches

5. To achieve an effective change in the public sector, the experience from OECD member and non-member countries emphasises that together with the executive branch, legislative and judiciary bodies have a vital role in ensuring integrity in a country. As such, the 2017 OECD Recommendation on Public Integrity defines the public sector as including "… the legislative, executive, administrative, and judicial bodies, and their public officials whether appointed or elected, paid or unpaid, in a permanent or temporary position at the central and subnational levels of government. It can include public corporations, state-owned enterprises and public-private partnerships and their officials, as well as officials and entities that deliver public services (e.g. health, education and public transport), which can be contracted out or privately funded in some countries" (OECD, 2017[3]).

6. In Argentina, a variety of Laws and regulations are relevant for integrity policies, and many of them will be analysed in the following chapters. However, for the national level, the Law 25.188 on Ethics in the Public Sector (*Ley de Ética en el Ejercicio de la Función Pública*, Public Ethics Law) is the core integrity Law. It establishes a set of duties, prohibitions and disqualifying factors (*incompatibilidades*) to be applied, without exception, to all those performing public functions at all levels and ranks in all three branches, including State Owned Enterprises (SOE), be it on a permanent or temporary basis, as a result of the popular vote, direct appointment, competition, or any other legal

means (see details and additional normative frameworks in chapter 3). As such, the Public Ethics Law is in line with an encompassing whole-of-government approach across all branches, at least for the national level.

7. The picture is less clear with respect to the institutional responsibilities for the implementation and enforcement of the Public Ethics Law. The Law refers to the establishment of an Authority of Application (Autoridad de aplicación). Chapter VIII of the Law foresaw the creation of an independent National Public Ethics Commission (Comisión Nacional de Ética Pública), attached to the Congress (Art. 23, 24, 25). However, this Commission was never established, amongst other because of a decision by the Supreme Court of Argentina that this Commission would constitute an interference of the legislative with the executive and the judiciary. Eventually, in 2013, Article 8 of Law 26.857 derogated Chapter XIII. Interestingly, however, Articles 6 and 18 of the Public Ethics Law are still referring to this Authority, and the Commission is even explicitly mentioned in Articles 7, 11, 19, 20, 21, 40 and 46.

8. As a result, the implementation of the Public Ethics Laws is quite heterogeneous across branches. For the National Executive Branch (Poder Ejecutivo Nacional, or PEN), Decree 164 defined already in 1999 the Ministry of Justice and Human Rights (Ministerio de Justicia y Derechos Humanos) as the authority responsible for the application of the Law in the executive. This task then has been delegated by the Ministry of Justice to the Anti-corruption Office (Oficina Anticorrupción, or OA) through Resolution 17 /2000. The mandate provided to the OA, reformed recently by Decree 838/2017, clearly defines the office as the lead entity for the executive branch in developing, promoting and implementing all regulations, policies and activities related to ethics in the public administration and the management of conflict-of-interest situations. For the Judiciary, the Supreme Court is responsible for the Asset Declarations, and sanctions can be applied following Article 16 of Law Decree 1285 (see also chapter 3 and 4). In the legislative branch, however, there is currently neither an authority of application nor an implementing regulation for the Public Ethics Law and no sanctions are specified. As a consequence of this fragmentation, in practice, there is no coherent public integrity framework across all branches despite the broad scope of the Public Ethics Law.

9. Therefore, Argentina could take advantage of the currently ongoing legislative reform of the Public Ethics Law to ensure its coherent application across all branches. Considering the past experience, mandating a single authority responsible for enforcing the Public Ethics Law seems unrealistic, at least in the short and medium term. Argentina should thus move towards mandating and establishing a responsible authority for each of the other branches, as foreseen in the Public Ethics Law. In the end, it should be clear to all public officials who is leading the implementation and is responsible for the enforcement of the Law, irrespective of the branch they are working in.

10. A similar arrangement opting for different authorities of application for a single Law has been introduced recently in Argentina through Article 28 of the Law 27.275 on Access to Public Information (Ley de Acceso a la Información Pública). It requires that beyond the executive, Access to Public Information Agencies have to be created in the legislative, the judiciary (Poder Judicial de la Nación), the Attorney General's office (Ministerio Público Fiscal de la Nación), the Defender General's Office (Ministerio Público de la Defensa), and the Council of Magistrates (Consejo de la Magistratura). The respective agencies are responsible for implementing and enforcing the Access to Information Law. However, by the time of this report, Argentina has only implemented the Access to Information Agency of the executive branch (see chapter 7).

11. In addition, to exchange good practices and discuss challenges, Argentina could consider establishing a policy dialogue between the different branches without creating additional bureaucracy. For example, the authorities of application, once implemented, could meet twice a year, and the meetings could be organised based on the principle of a rotating lead. The corresponding lead authority could be in charge of preparing the meeting, organising the venue, and moderating the discussions. By rotating the lead responsibility every year, the appearance of one branch dominating the policy dialogue could be minimised, and avoid repeating the failure to establish a National Public Ethics Commission responsible for all branches. The need for such a policy dialogue could be clearly specified in any revision of the Public Ethics Law.

1.1.2. The majority of provinces do not have an integrity system in place

12. Provincial and municipal authorities are responsible for providing a wide range of public services and have higher levels of direct contact with citizens. As such, they also provide strong opportunities for increasing trust in government. However, opportunities for certain types of corruption can also be encountered more, and more likely, at subnational levels. Indeed, subnational governments' responsibilities for certain services (e.g. education, health, security/justice, waste management, utilities, granting licences and permits) increase the frequency and directness of interactions between government authorities and citizens and firms, creating thereby opportunities for corruption. By strengthening local integrity systems, subnational governments thus can capitalise on the opportunity to forge trust between citizens and governments (Nolan-Flecha, 2017[4]).

13. In addition, when some laws apply to the national level only, especially in federal countries like Argentina, there may be a certain risk of legal loopholes if subnational levels fail to address a cross-cutting issue such as corruption through an adequate legal and institutional framework. In turn, looking only at the national level may hide the complexity and diversity of contexts often encountered at the subnational levels, which may require specific laws. Indeed, ensuring a high-quality institutional framework at all levels of government can only be achieved if countries take into consideration the diversity of local needs and the particularities of lower levels of government (Rodrigo, Allio and Andres-Amo, 2009[5]).

14. Also, interdependencies between levels of government require a certain degree of coherence. There can be institutional interdependencies, when the allocation of roles and responsibilities is not exclusive; financial interdependencies, when central and sub national governments are co-funders of public spending in regions and socio-economic interdependencies, when issues and/or outcomes of public policy at one level have impact on other regions and the national level (spill-over effects). In such a context, a full separation of responsibilities and outcomes in policy making cannot be achieved. Even in countries as federalised as the US, the federal government has progressively increased its role through intergovernmental regulations imposed on state and local governments through direct to more indirect actions that force subnational levels policy change (Charbit and Michalun, 2009[6]). Also, while in the majority of OECD countries (71%) state and local governments are considered autonomous and able to determine their own integrity policies, almost all countries do have some formal or informal mechanisms in place to ensure co-ordination between the central and subnational level (OECD, 2017[7]).

15. In Argentina, Provinces are not subject to the national Public Ethics Law, and are not obliged to draft own ethics laws or similar frameworks as a basis for subnational integrity systems. Similar gaps can be observed for other relevant integrity laws, such as

political finance regulations (see chapter 7). With respect to public ethics, out of the 23 Provinces and the city of Buenos Aires, 11 provinces currently do not have a Public Ethics Law or similar. With respect to the quality and level of enforcement of the existing public ethics laws in the provinces the panorama is less clear, and the Anti-corruption Office could consider conducting a comprehensive review of existing laws and authorities of implementation at provincial level. Because of this legal fragmentation, a majority of public officials in the provinces are not subject to a public ethics law creating loopholes and risks of corruption. In December 2016, 66% of all public officials were working at the provincial level and 13% at the municipal. As such, they fall outside the effective reach of the national Public Ethics Law and may or may not be subject to a provincial ethics law (Subsecretaría de Políticas, Estadísticas y Estudios Laborales, Ministerio de Trabajo, 2017).

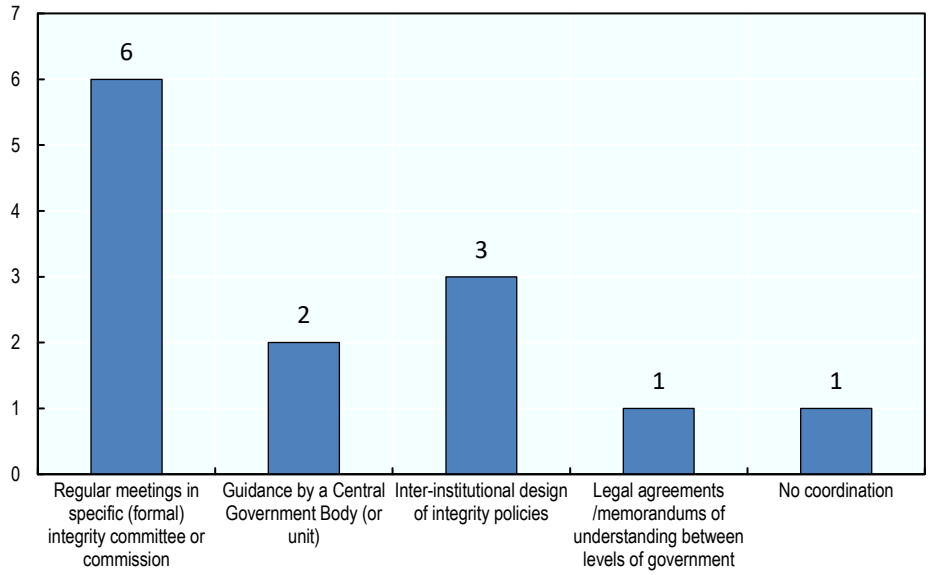
16. The Anti-corruption Office has acknowledged the challenge and the relevance of a policy dialogue between the national and the provincial level, as well as amongst the Provinces and municipalities. Despite being limited by its mandate to the national public administration, the office has moved forward with specific initiatives aimed at reaching out to the subnational level:

- The **Plan Provincias**, launched in 2004, is based on three main pillars: First, the preparation of Provincial Diagnostic Reports, second, the organisation of regional seminars and, third, the generation of Provincial Implementation Plans. Through the Plan, the Anti-corruption Office provides technical assistance and cooperation concerning the implementation of the Inter-American Convention against Corruption in provinces, and stimulates and strengthens the participation of civil society in the prevention and fight against corruption.
- The **Permanent Forum of State Prosecutors for Administrative Investigations and Anti-corruption Offices**, which meets at least twice a year, was created in 2005 and brings together State Prosecutors for administrative investigations, Anti-Corruption Offices and equivalent entities from various Provinces and municipalities in Argentina. The national Anti-corruption Office was co-founder and is an active member of the Forum. Its objective is to exchange experiences and information for the improvement of anti-corruption policies implemented by these national and provincial organisations in their respective jurisdictions
- In addition, since 2017, the Anti-corruption Office has signed cooperation agreements in the **Province of Buenos Aires** with the Office for Institutional Strengthening (Oficina de Fortalecimiento Institucional) and with currently 42 of its Municipalities.

17. Building on these experiences, Argentina could move towards a more systematic approach to promote integrity systems at provincial level that are coherent with the national level while responding to the specificities of the subnational level. Other federal countries have also acknowledged this challenge and are following different options, such as regular meetings in committees or commissions, inter-institutional design of integrity policies, guidance by a central government body, or legal agreements (Figure 1.4 and Box 1.1).

Figure 1.4. Co-ordination mechanism used by federal OECD countries

In your country, how is co-ordination between dedicated bodies at central and sub-national levels ensured?



Note: Ten OECD countries are organised as federal states: Australia, Austria, Belgium, Canada, Germany, Mexico, Spain, Sweden, Switzerland, United States. Three countries reported that federal states are not completely autonomous to decide over their integrity policies: the U.S., Switzerland and Mexico. In the U.S., States are autonomous except if conduct triggers some Constitutional authority given to the federal government in Article I of the Constitution. Then, the federal government could legislate and enforce laws applying to the conduct of state and local officials. In addition, the central and sub-national bodies in the U.S. engage in informal co-ordination on many of the subject specific elements of an integrity system. In Mexico, the Constitution (Article 113) obliges States to mirror the National Anti-Corruption System (Sistema Nacional Anticorrupción, SNA). Belgium reported having no co-ordination, but has a Consultation Committee where issues related to Good Governance are discussed more broadly (see Box 1.1).
Source: (OECD, 2017[8]).

Box 1.1. Formal and Informal Co-ordination mechanisms in federal countries

Among the federal member countries of the OECD, different co-ordination models can be found.

Mexico: High degree of formalisation

The National Anti-Corruption System (*Sistema Nacional Anticorrupción,* SNA) was created to:

- overcoming notorious "implementation gaps" by improving co-ordination both horizontally (across federal government) and vertically (between levels of government), and particularly by bringing states under the remit of the system;
- addressing fragmentation in policies and developing a more comprehensive and coherent approach to integrity;
- strengthening enforcement mechanisms for integrity breaches under both administrative and criminal jurisdictions, and including for private sector actors; and
- reinforcing oversight by requiring greater transparency, expanded auditing powers and greater involvement of civil society.

This co-ordination system has been established legally in the Mexican constitution (Article 113) and obliges states to mirror the SNA in the respective Local Anti-Corruption Systems to coordinate with local authorities responsible for prevention, detection and sanctioning of administrative responsibilities and corruption. Once the secondary legislation of the SNA was passed, which effectively brought the system to life, states were given a deadline of one year to create the Local Anti-Corruption Systems.

Belgium: Informal co-ordination through regular meetings

In Belgium, a Consultation Committee was established in the Chancellery of the Prime Minster to discuss good governance issues which require cooperation between the different levels of government.

The Committee consists of the ministers from the federal government and the ministers from the governments of the Communities and Regions. It meets once a month. The Secretariat of the Consultation Committee is responsible for the administrative and logistical task of the Committee, such as preparing and sending meeting agendas, organising meetings and distributing the results of the decisions made.

The Secretariat is also overseeing the monitoring process of the cooperation agreements between the different entities and publishing cooperation agreements involving the federal government. In addition, it brings together the reports from the Ministerial conferences.

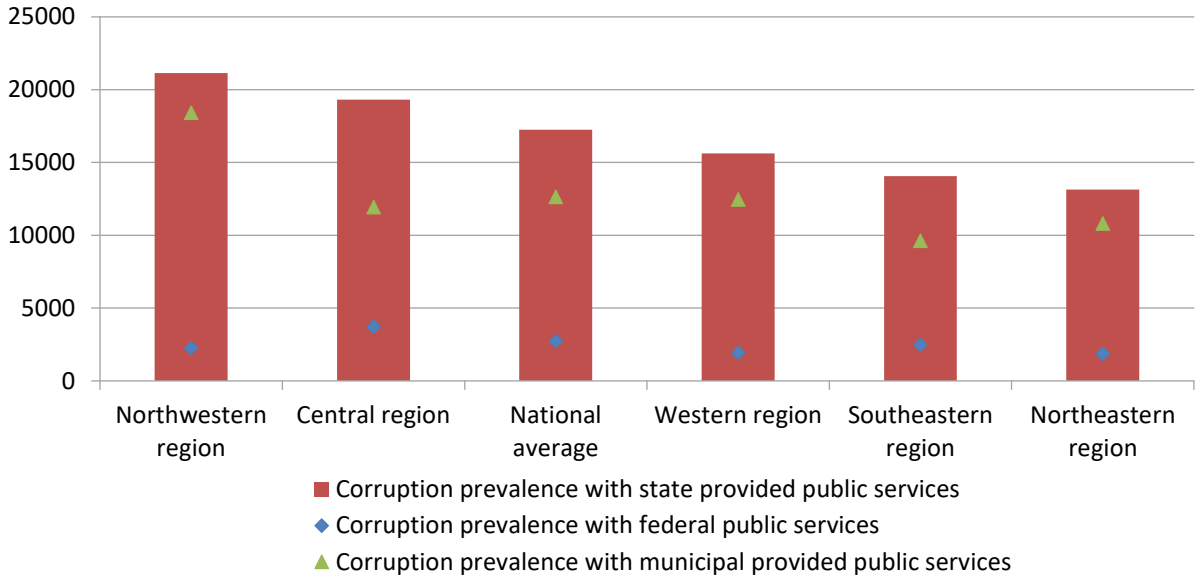
Sources: (OECD, 2017[9]; OECD, 2017[8]; Chancellery of the Prime Minister,(n.d.)[10])

18. In Argentina, a revised Public Ethics Law could require the implementation of a Federal Council for Integrity as a first step towards ensuring a coherent integrity system that includes the subnational level. Such a Federal Council for Integrity would be in line with the country's policy tradition, as similar councils already exist for national security, education, investment, and energy, for example. Most recently, Article 29 of the Access to Public Information Law requires the creation of a Federal Council for Transparency (Consejo Federal para la Transparencia). The Federal Council for Transparency incorporates the commitment of the Provinces to guarantee the right of access to public information. It is a space to promote interjurisdictional co-ordination and co-operation regarding access to information policies at the national and provincial levels.

19. The Anti-corruption Office could host and steer this Federal Council for Integrity at national level, which main function would be to develop guidelines for Provincial Integrity Systems in line with the national Public Ethics Law and beyond, e.g. taking as a reference point the vision provided by the 2017 OECD Recommendation on Public Integrity. In the short term, the Permanent Forum of State Prosecutors for Administrative Investigations and Anti-corruption Offices, mentioned above, could be the platform to move forward with a discussion of such a Federal Council for Integrity and fine-tuning a concrete proposal. In these discussions, it could also be considered merging the Federal Council for Integrity with the Federal Council for Transparency, and opt for a joint steering between the Anti-corruption Office and the Access to Information Authority.

20. In addition to such an institutional solution, Argentina could promote an evidence-informed discussion on challenges related to corruption through comparative data across Provinces and municipalities. The National Institute of Statistics and Censuses (Instituto Nacional de Estadística y Censos, or INDEC) could collect this data through household surveys, as recommended in chapter 2. For example, Mexico's National Statistics Office (Instituto Nacional de Estadística y Geografía, or INEGI) conducts a biennial survey on citizens' experiences with public sector corruption in a standardised sample of government-provided services. It then calculates a "corruption incidence" ratio by dividing the total number of citizens who interacted with public authorities in the request or receipt of a service by the number of acts of corruption reported in interactions with public authorities. The ratio is a proxy for the extent to which certain interactions have been subject to corruption: it is not an exact figure of experienced corruption (OECD, 2017[9]). The results in Mexico show that state and municipal governments exhibited greater incidences of experienced corruption in the provision of public services, relatively speaking, when compared to the federal level. The data also allows a comparison between regions or States: for example, the Northwestern Region of Mexico demonstrated the highest levels of reported corruption in the delivery of public services (Figure 1.5).

Figure 1.5 Regions in Mexico where corruption is most prevalent, INEGI's "corruption ratio" by level of government and region



Note: Región central (Distrito Federal, Guerrero, Hidalgo, México, Morelos, Puebla y Tlaxcala); Región occidental (Aguascalientes, Colima, Guanajuato, Jalisco, Michoacán de Ocampo, Nayarit, Querétaro y Zacatecas); Región sureste (Campeche, Chiapas, Oaxaca, Quintana Roo, Tabasco, Veracruz de Ignacio de la Llave y Yucatán); Región noroeste (Baja California, Baja California Sur, Chihuahua, Sinaloa y Sonora); Región noreste (Coahuila de Zaragoza, Durango, Nuevo León, San Luis Potosí y Tamaulipas).
Source: INEGI (2015), Encuesta Nacional de Calidad e Impacto Gubernamental, www.beta.inegi.org.mx/proyectos/enchogares/regulares/encig/2015/.

1.2. Improving co-ordination and mainstreaming of integrity policies in the National Executive Branch

1.2.1. A National Commission for Integrity and Transparency could strengthen the co-ordination amongst key integrity actors of the national executive branch

21. With an increased number of actors participating in a system, the risk for duplication and overlap augments, as well as the need for an effective co-ordination. Co-ordination is an arduous task requiring that "elements and actors (…) remain plural and different, while it aims for results that are harmonious and effective" (OECD, 2004[11]). Clear formal and/or informal mechanisms for horizontal and vertical co-operation and co-ordination between the actors, sectors and subnational levels help in avoiding fragmentation, overlap and gaps and ultimately in ensuring the coherence and the impact of policies.

22. In Argentina, amongst the areas considered as priorities by the current Government, many are related to what would constitute a strategic approach towards an integrity system. These areas are: citizen participation, political reform, the recovery of public statistics, open government, the revaluation and optimization of public employment, and administrative reform (**Box 1.2**). These priorities are led by various governmental entities, and each one is indirectly contributing essential parts to a national integrity system.

Box 1.2. Key priorities of the Government of Argentina related to integrity policies

Objective IV – Sustainable Human Development

Priority 47: *Citizen participation*. We believe in teamwork, not only within the Government but also between the State and society. We want to expand these networks to work more and more with Social Organisations, volunteers and companies to reach each of the people who need it.

Objective VI – Strengthening Institutions

Priority 77: *Political Reform*. Political reform is a process that covers the whole period of the government. In a first stage, we are promoting policies to strengthen the integrity, transparency and equity of the electoral process. To modernise and give greater transparency to the voting system, we seek to implement the Single Electronic Ballot. In addition, to avoid distortions in the will of voters, we are working to eliminate multiple lists and multiple nominations, and to improve control and sanctions of electoral offenses.

Priority 79: *Anticorruption Programme*. To advance against corruption, we are implementing a strategic plan for transparency and institutional strengthening that requires the collaboration of all levels of the State.

Objective VII – Modernisation of the State

Priority 83: *Recovery of Public Statistics*. It is impossible to plan or evaluate public policies without knowing their real impact. (…) We are moving towards completing the process of standardising public statistics.

Priority 84: *Open Government*. A contemporary state is more open, transparent and close to the citizens. With the objective of opening up public administration, we are strengthening the practices of open government at the federal level by fostering accountability, citizen participation, new technologies and public innovation.

Priority 85: *Revaluation and optimisation of public employment*. We want to revalue public employment. That is why we are implementing a comprehensive human resource development policy that includes organisational design, performance and compensation.

Priority 89: *Administrative reform*. The National Public Administration needs to be updated and modernised. In order to have a State at the service of citizens, a set of initiatives must be promoted to modernise state management, redesigning support systems on the way to a model in line with the 21st century.

Source: Translated from http://www.casarosada.gob.ar/objetivosdegobierno/

23. As such, as in most countries, the institutional panorama of the integrity system is complex in Argentina – even looking only at the national executive branch without considering the Provinces and the still lacking authorities of application foreseen in the Public Ethics Law. Indeed, in the executive, the following actors can be considered as forming the core of an Argentinian National Public Integrity System:

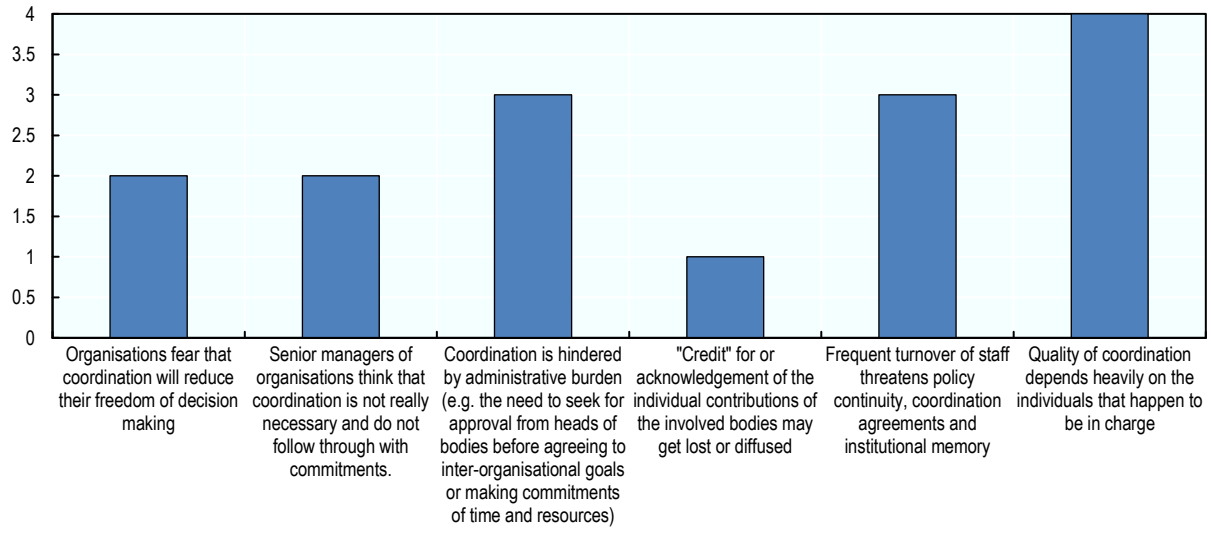
- The Anti-corruption Office

- The Ministry of Modernisation, for policies related to human resource management, training, organisational culture, public management, and open government
- The Office of the Comptroller General (Sindicatura General de la Nación, or SIGEN), for internal control, audit and risk management policies
- The Access to Information Agency for the executive (Agencia de Acceso a la Información del ejecutivo)
- The Ministry of Interior, especially the Directorate for Strengthening Democracy (Dirección de Fortalecimiento de la Democracia) for policies related to access to information/transparency, stakeholder engagement, political finance and lobbying
- The Ministry of Education, for policies related to cultivating a culture of integrity in the whole of society
- The National Treasury Prosecutor Office (Procuración del Tesoro de la Nación, or PTN)
- The Executive Office of the Cabinet of Ministers (Jefatura de Gabinete de Ministros, or JGM), especially the Secretariat for Institutional Strengthening (Secretaria de Fortalecimiento Institucional) created recently by Decree 6/2018

24. Ensuring co-ordination amongst these different actors is challenging. As in many countries, co-ordination amongst integrity actors in Argentina is dependent on the individuals that happen to be in place, and co-ordination faces the challenge of frequent turnover of staff and by the administrative burden coming along with co-ordination, e.g. the need for seeking internal approval before being able to commit to inter-organisational goals (Figure 1.6).

Figure 1.6. Perceived challenges to an effective co-ordination between actors of the Argentinian public integrity system

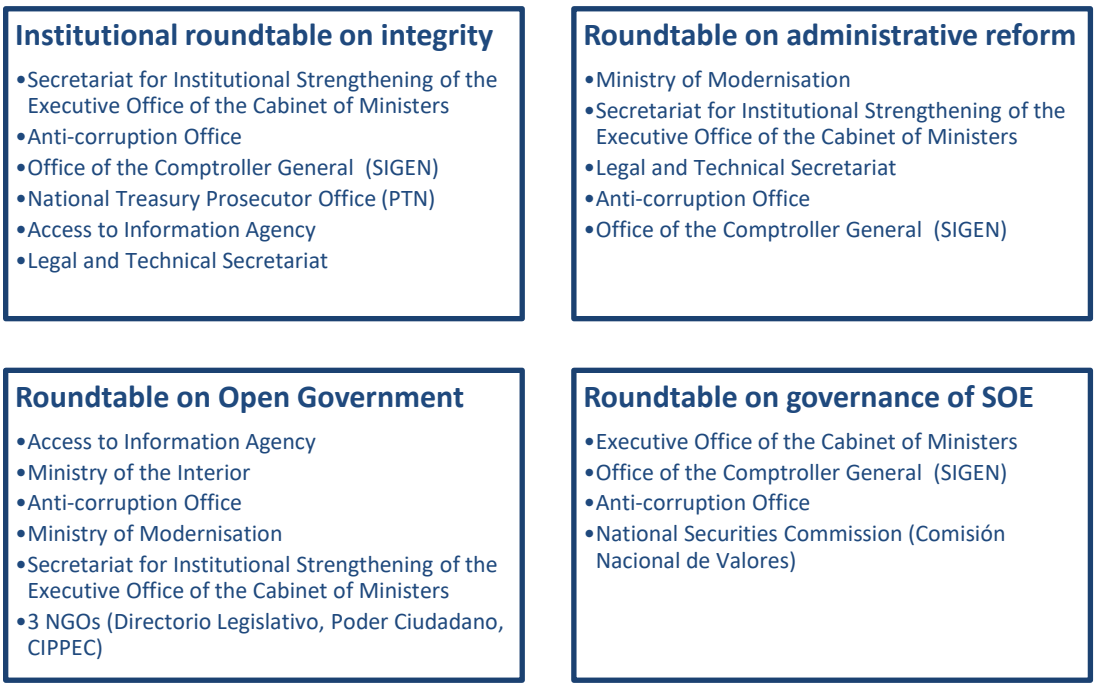
(1 = not a challenge, 2 = somewhat of a challenge, 3 = a moderate challenge, 4 = severe challenge)



Source: (OECD, 2017[8]).

25. Currently, the Executive in Argentina has addressed the co-ordination challenge through four roundtables (mesas de trabajo): on integrity, on administrative reform, on open government, and on corporate governance of State Owned Enterprises (SOE). Figure 1.7 shows the current composition of these roundtables. According to information provided by Argentina, the roundtables on integrity and on administrative reform are particularly relevant for integrity policies. The Secretariat for Institutional Strengthening of the Executive Office of the Cabinet of Ministers is leading the institutional roundtable on integrity, which started meeting in the second semester of 2017.

Figure 1.7. Composition of roundtables on integrity-related policy issues in Argentina



Source: Information provided by the Government of Argentina.

26. These roundtables are a commendable step towards ensuring a more co-ordinated approach, but there is room for improvement. Indeed, while an approach to co-ordination based on rather informal roundtables has the advantage of allowing for flexibility and does not create new formal structures, there might be a cost from the perspective of sustainability. Good international practice shows that integrity policies, especially preventive measures, require coherency and continuity to unfold and show impact; change is unlikely to happen at a significant level within one single government. Roundtables, however, are unlikely to stay in place after changes in government and may endanger recent and forthcoming reforms. In addition, given their informality, they are prone to depend more upon leadership and commitment of leaderships than more institutionalised solutions.

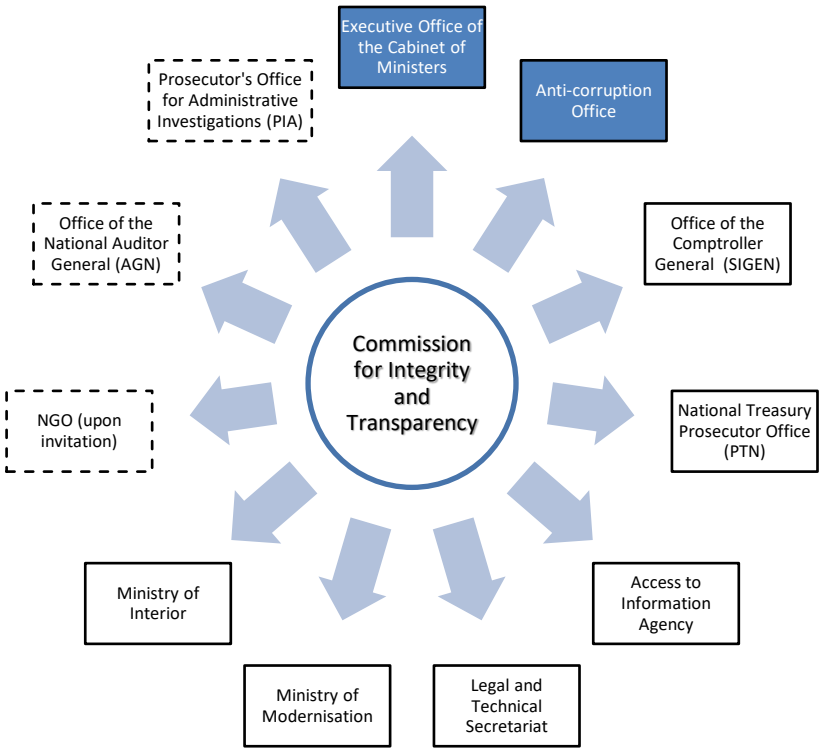
27. Therefore, the Executive Office of the Cabinet of Ministers could consider merging the roundtables of integrity, administrative reform and open government to institutionalise a formal co-ordination mechanism, such as a Commission for Integrity and Transparency in the PEN (see also below). After merging the roundtables, the composition of this Commission would reflect the key areas of an integrity system in the executive branch. Of course, depending on the topics discussed, different relevant units from the Ministries and

the Executive Office of the Cabinet of Ministers may be involved. Due to their role in cultivating a culture of integrity in the whole of society, the Ministry of Education could also be included, or invited on a regular base (see chapter 8).

28. In addition, key external actors could be included with voice but without vote to contribute to the debates, to provide legitimacy to the Commission and to ensure a certain degree of continuity over time. First, even though not part of the executive, the Auditor General (Auditoría General de la Nación, or AGN) and the Prosecutor Office for Administrative Investigations (Procuraduría de Investigaciones Administrativas, or PIA) could be included due to their relevance for the external control and audit of the executive and the administrative and disciplinary enforcement of integrity policies (see chapters 4.3.2 and 5). Second, the NGOs coming from the Open Government Roundtable could be invited to join the discussions.

29. Figure 1.8 provides an overview of how a potential Commission for Integrity and Transparency could look like.

Figure 1.8. Composition of the proposed Commission for Integrity and Transparency



Note: In dotted lines, invited members from outside the executive, with voice but without vote. In blue, the Secretary for Institutional Strengthening of the JGM, responsible for co-ordination and monitoring, and the Anti-corruption Office, responsible for steering integrity policies and guidelines.

30. Colombia and Peru have implemented similar commissions, although with a broader scope beyond the executive branch (Box 1.3). In Argentina, the Commission could have the following three key objectives:

- to design a national integrity and transparency strategy for the executive steered by the Anti-corruption Office (see section 1.3);
- to present, monitor and discuss the status of implementation of such a national strategy discuss challenges and opportunities, and to ensure the evaluation of the policy results (see chapter 2); and
- to discuss and elaborate draft laws and regulations on integrity policies.

Box 1.3. Anti-corruption Commissions in Colombia and Peru

The National Committee for Moralisation in Colombia

The Anti-corruption Statute, Law 1474 from 2011, established the National Committee for Moralisation (NCM), a high-level mechanism to co-ordinate strategies to prevent and fight corruption. The NCM is a multipartite body led by the President of the Republic and composed of 13 members: the President of the Republic; the Inspector General (Procuraduría General de la Nación); the Prosecutor General (Fiscalía General de la Nación); the Comptroller General (Contraloría General de la República); the Auditor General (Auditoría General de la República); the National Ombudsman (Defensoría del Pueblo); the Secretary of Transparency; the President of the Congress; the President of the Senate; the President of the Supreme Court; the President of the Council of the State (Consejo de Estado); the Minister of Justice; and the Minister of the Interior. The CNM ensures information and data exchange among the members, establishes indicators to assess transparency in the public administration, and adopts an annual strategy to promote ethical conduct in the public administration. The Commission issues reports and publishes the minutes of the meetings. The Transparency Secretariat has been established in the office of the Presidency as the technical secretariat to the CNM.

The High-level Anti-corruption Commission in Peru

Peru's High-level Anti-corruption Commission (*Comisión Alto-nivel de Anti-corrupción*, CAN) was established by Law no. 29976 and its regulation in decree no. 089-2013-PCM, which outlines CAN's mandate and responsibilities. CAN's main activities are: articulating efforts; co-ordinating the actions of multiple agencies; and proposing short, medium and long-term policies directed at preventing and curbing corruption in the country. The CAN is formed by public and private institutions and civil society, and co-ordinates efforts and actions on anti-corruption. Non-governmental actors include representatives of private business entities, labour unions, universities, media and religious institutions. Recently, in 2018, a Secretary for Public Integrity (Secretaria de Integridad Pública, or SIP) has been created in the Presidency of the Council of Ministers (Presidencia del Consejo de Ministros, or PCM). Besides leading the development of integrity policies in the executive, the SIP also assumes the role of the technical secretariat of the CAN, in charge of co-ordination, advice and implementation of the agreements reached by the Commission. As such, the SIP ensures also coherence between the strategic whole-of-government and whole-of-society role of the CAN and the mainstreaming of integrity policies throughout the public administration and subnational levels.

Source: (OECD, 2017[12]; OECD, 2017[13])

31. The Commission could be hosted by the Executive Office of the Cabinet of Ministers, and steered by its Secretariat for Institutional Strengthening. The main responsibility of the Secretariat in relation with the Commission would be twofold: ensuring the co-ordination between the relevant actors and other line ministries, as well as

following-up on the implementation of integrity policies by setting-up an adequate monitoring system (see also chapter 2).

32. In turn, the Anti-corruption Office, as the authority of application of the Public Ethics Law in the executive branch and as national focal point for the UN Convention against Corruption and the Inter-American Convention against Corruption, could lead the Commission in relation to designing and developing public policies and guidelines that strengthen integrity in the public service and prevent corruption. The Anti-corruption Office can build on accumulated specific knowledge on corruption and integrity policies over time, and can contribute a certain degree of continuity across different governments. The participation of the Office in the policy dialogue with the legislative and the judiciary and in the proposed Federal Council for Integrity (see section 1.2) would also allow for a certain degree of coherence of the integrity system across branches and levels of government. Along the same line, Transparency and Open Government policies and guidelines should be led by the respective responsible public entities for the executive.

1.2.2. Establish an integrity contact point dedicated to preventing corruption and promoting integrity policies in each public entity

33. Implementing integrity policies throughout the public administration is a challenge. In essence, the question boils down to how to translate and anchor national laws and policies into organisational realities. Although integrity is ultimately the responsibility of all individuals within an organisation, dedicated "integrity actors" are particularly important to complement the essential role of mangers in stimulating integrity and shaping ethical behaviour (OECD, 2009[14]). Indeed, international experience suggests the value of having a dedicated and specialised individual or unit that is responsible and accountable for the internal implementation and promotion of integrity laws and policies. Guidance on ethics and conflict of interest in case of doubts and dilemmas needs also to be provided on a more personalised and interactive level than just through written materials; especially to respond on an ad-hoc basis when public servants are actually confronted with a specific problem or doubts and would like to seek advice.

34. However, there is currently no clear anchoring of integrity policies at organisational level in Argentina. The need for such an organisational function becomes clear in the following recent developments: On the one hand, the Ministry of the Interior reactivated a Network of Contact Points for Access to Public Information. By the time of this Review, there are 102 contact points; all ministries and 83 % of decentralised entities have such a contact point in place. On the other hand, the Anti-corruption Office is promoting an informal network of contact points (enlaces) in various public entities in order to more effectively reach the organisational level with their policies. Also, similar to experiences from State Owned Enterprises, the Dirección Nacional de Vialidad in the Transport Ministry has established an Ethics and Transparency Unit (Unidad de Ética y Transparencia, or UET). Currently, the tasks of the UET is related to the training of public employees, the creation of corruption prevention and transparency programmes; the review of public procurement processes and the establishment of a mechanism for reporting crimes against the public administration (whistleblowing).

35. Interviews with Argentinian public officials showed that there is a potential for up-scaling this UET, but also that there is a need for more clarity concerning their roles, the co-ordination with other internal units and with other external entities, and with respect to their place in the organisation and their budget. Indeed, currently no guidance exists concerning the exact mandate, functions and organisational integration of these units. The

Anti-corruption Office could therefore assess the strength, weaknesses, opportunities and threats faced by the existing UET in the executive, and build on experience gained by similar UET in State Owned Enterprises. Then, taking also into account the experience of the Network of Contact Points for Access to Public Information, the Anti-corruption Office could develop a more general policy that clearly assigns integrity and transparency a place in the organisational structure of public entities. The OA could table this proposal to the Commission for Integrity and Transparency recommended above, and test the policy in a pilot implementation in 4 to 5 ministries.

36. The goal of this policy is to ensure the existence of a dedicated and specialised integrity and transparency function within each public entity. Ideally, an integrity contact point should be clearly integrated into the organisational structure, report directly to the highest authority and dispose of an own budget to implement the activities related to its mandate. The number of staff could vary according to the size of the respective public entity. The integrity function could be assigned to already existing units, for instance to human resource departments, or to individuals that would take up this function in addition to their current tasks. However, this comes along with the risk that the existing unit or the individual will not be able to dedicate sufficient resources to this new function and that the activities related to the promotion of integrity policies will not be carried out with due care. Whether the decision is to create a new dedicated integrity contact point or assign the role to an individual or existing unit, the Anti-corruption Office, the Ministry of Modernization, the Ministry of the Interior and the Access to Public Information Agency would need to provide the integrity contact points with training and guidance.

37. The main responsibility of an integrity contact point, in co-ordination with other relevant internal units, is to promote integrity and transparency policies decided by the Commission for Integrity and Transparency proposed above, adapting it to the respective organisational reality (see section 1.4.2). While the integrity contact point therefore not necessarily is responsible for implementing all aspects of these integrity policies, it could articulate and monitor the implementation of these policies at organisational level and report the status to the Secretariat for Institutional Strengthening through a central monitoring system (see chapter 2).

38. In particular, it would be recommendable to separate clearly the preventive function of the integrity contact point from any activity related to detection of individual cases of wrongdoing, investigation and enforcement. First, this ensures the credibility of the integrity contact point as a "safe haven" and facilitates the building of trust. Other units in the public entity will be more likely to share information and be open to advice coming from the integrity contact point on structural changes to prevent wrongdoings if they don't have to fear that the information they provide may be used against the unit in case of an investigation. Second, experience from practice shows that units who have both functions dedicate most of their efforts and resources to incoming reports through the whistleblowing reporting channel, while not dedicating sufficient time to prevention and the promotion of a culture of integrity. For instance, an integrity contact point could provide guidance to potential whistleblowers with respect to existing internal and external reporting options or available protection measures, but ideally should not receive reports themselves. Indeed, prevention is often equated with providing training only, while cultivating a culture of integrity requires more (see chapter 2). Finally, the reception of reports may generate expectations of results that integrity units are not able not deliver, as they are lacking investigatory powers and cannot impose sanctions. A general policy to guide the design of an integrity contact point could consider experiences of OECD countries such as Germany (**Box 1.4**) or Austria (**Box 1.5**).

Box 1.4. Germany's Contact Persons for Corruption Prevention

Germany, at federal level, has institutionalised units for corruption prevention as well as a responsible person that is dedicated to promoting corruption prevention measures within a public entity. The contact person and a deputy have to be formally nominated. The "Federal Government Directive concerning the Prevention of Corruption in the Federal Administration" defines these contact persons and their tasks as follows:

1. A contact person for corruption prevention shall be appointed based on the tasks and size of the agency. One contact person may be responsible for more than one agency. Contact persons may be charged with the following tasks:

- serving as a contact person for agency staff and management, if necessary without having to go through official channels, along with private persons;
- advising agency management;
- keeping staff members informed (e.g. by means of regularly scheduled seminars and presentations);
- assisting with training;
- monitoring and assessing any indications of corruption;
- helping keep the public informed about penalties under public service law and criminal law (preventive effect) while respecting the privacy rights of those concerned.

2. If the contact person becomes aware of facts leading to reasonable suspicion that a corruption offence has been committed, he or she shall inform the agency management and make recommendations on conducting an internal investigation, on taking measures to prevent concealment and on informing the law enforcement authorities. The agency management shall take the necessary steps to deal with the matter.

3. Contact persons shall not be delegated any authority to carry out disciplinary measures; they shall not lead investigations in disciplinary proceedings for corruption cases.

4. Agencies shall provide contact persons promptly and comprehensively with the information needed to perform their duties, particularly with regard to incidents of suspected corruption.

5. In carrying out their duties of corruption prevention, contact persons shall be independent of instructions. They shall have the right to report directly to the head of the agency and may not be subject to discrimination as a result of performing their duties.

6. Even after completing their term of office, contact persons shall not disclose any information they have gained about staff members' personal circumstances;

they may however provide such information to agency management or personnel management if they have a reasonable suspicion that a corruption offence has been committed. Personal data shall be treated in accordance with the principles of personnel records management.

Source: German Federal Ministry of the Interior "Rules on Integrity", https://www.bmi.bund.de/SharedDocs/Downloads/EN/Broschueren/2014/rules-on-integrity.pdf?__blob=publicationFile.

39. Finally, the Anti-corruption Office could establish and steer a more or less formalised network between these integrity contact points. Such a network would facilitate the exchange of good practices and the discussion of problems and would provide an entry point for development of capacities (see also **Box 1.5** and **Box 1.6**). An online platform where participants can exchange ideas and practices, raise doubts and questions to the network and upload information could be a cost-efficient way to support such a network in addition to regular in-person meetings. Ideally, such a network would already be created during the pilot implementation recommended above to enable joint learning and to fine-tune the design of the network and its working dynamics.

Box 1.5. Austria: The Austrian Integrity Network (Integritätsbeauftragten-Netzwerk)

In Austria, the Federal Bureau to prevent and fight corruption (Bundesamt zur Korruptionspraevention und Korruptionsbekaempfung,BAK) created the Austrian Integrity Network (Integritaetsbeauftragten-Netzwerk) with the purpose to strengthen integrity by firmly anchoring integrity as a fundamental element in public sector.

To this end, the BAK trains civil servants to become experts in the field of integrity and corruption prevention within the framework of the Integrity Network. These integrity officers provide advice and guidance in their entities to strengthen integrity within specific entities. The integrity officers can access further information on compliance, corruption, ethics, integrity and organisational culture.

In addition to the Internet platform, the BAK also offers regular follow-up meetings for integrity officers on specific topics such as risk management and ethics and values. For example, during the meeting on ethics and values, participants presented their existing values model. After a discussion in break-out groups and in plenary session, the participants identified good practices for the process of implementing a values statement in an entity.

Source: https://integritaet.info/

Box 1.6. The Canadian Conflict-of-Interest Network

The Canadian Conflict of Interest Network (CCOIN) was established in 1992 to formalise and strengthen the contact across the different Canadian Conflict of Interest. The Commissioners from each of the ten provinces, the three territories and two from the federal government representing the members of the Parliament and the Senate meet annually to disseminate policies and related materials, exchange best practices, discuss the viability of policies and ideas on ethics issues.

Source: New Brunswick Conflict of Interest Commissioner (2014), Annual Report Members' conflict of interest Act 2014, https://www.gnb.ca/legis/business/currentsession/58/58-1/LegDoc/Eng/July58-1/AnnualReportCOI-e.pdf

1.3. Developing a strategic approach to public integrity in the National Executive Branch

1.3.1. The Anti-corruption Office could develop a National Integrity Strategy, with concrete and achievable goals and strategic objectives

40. Moving from an ad hoc and reactive "culture of cases" to a more proactive "culture of integrity" focusing on prevention requires vision, insight and foresight, and as such both strategic and operational planning. The 2017 OECD Recommendation on Public Integrity highlights the value of setting strategic objectives and priorities for the public integrity system based on a risk-based approach, and that takes into account factors that contribute to effective public integrity policies (OECD, 2017[1]).

41. There are various advantages of following a strategic planning approach. First, a strategy that commits the government to concrete, ambitious but feasible outcomes can be a message to the citizens emphasising that this is a serious endeavour. In turn, too broad, vague or unrealistic goals may reflect a lack of political will. Second, a planning process reduces the risk of merely copy-and-pasting solutions from other countries and can provide incentives for innovative thinking by forcing policy-makers to start with identifying the issues as well as the desired changes (outcomes), and then working backwards to identify objectives and concrete activities, emphasising the theory of change (Johnsøn, 2012[15]). Third, a strategic approach is fundamental for developing benchmarks and indicators and gathering credible and relevant data on the level of implementation, performance and overall effectiveness of the public integrity system (see chapter 2). Finally, a strategic plan can also be valuable co-ordination instrument, as it should require to clearly assigning responsibilities to the identified goals and objectives.

42. In Argentina, as mentioned previously, the Government priority goal number 79 states that the Government is "implementing a strategic plan for transparency and institutional strengthening in cooperation with all levels of the State". However, there is currently no such strategic national strategy with goals that give a clear indication of the systemic change the integrity system wants to accomplish. In this sense, it also might be misleading to have a project under priority 79 that is called "preventive system of public integrity", but that focuses only on some specific activities carried out by the Anti-corruption Office. Indeed, as argued above, an integrity system includes, but is not limited to activities directly implemented and controlled by the Anti-corruption Office.

43. Nonetheless, the Anti-corruption Office is, due to its technical expertise, well placed to steer such a strategic participatory planning exercise in the co-ordination roundtables under Executive Office of the Cabinet of Ministers, or ideally in the context of the Commission for Integrity and Transparency. Such a role is also covered by its mandate "to prepare and co-ordinate anti-corruption programmes". At the same time, the recently created Secretariat for Institutional Strengthening has elevated the issue of integrity policies to the highest level and provides, as argued above, an opportunity for co-ordinating a more comprehensive approach towards a National Integrity System, involving all key actors.

44. The Anti-corruption Office could thus engage with all relevant entities and steer the joint construction of a National Integrity Strategy to set strategic goals and priorities for the public integrity system, drawing also, but not only, on the government priorities laid out in Box 1.2. Involving all relevant entities is not only key to ensuring the effective implementation of measures related to the respective core competencies of the different actors. Moreover, the specific knowledge and experiences are relevant inputs to define the strategic vision of a National Integrity System as a whole, and help building a shared understanding of priorities as well as a joint ownership of the strategy. In addition, having defined strategic goals will also enable the Secretariat for Institutional Strengthening to monitor and promote the evaluation of the National Integrity Strategy (see chapter 2).

45. Of course, a strategy on its own is not a silver bullet, and its success depends both on the quality of its content and on the process of designing and implementing the strategy. Besides involving key stakeholders, the design of the National Integrity Strategy should be based on risk assessments, sound evidence from research and practice, and on context specific diagnostics, including political economy analysis (Corduneanu-Huci, Hamilton and Ferrer, 2013[16]). While the overall vision should be comprehensive and consider all relevant aspects of an integrity system, the National Integrity Strategy needs to set ambitious but realistic priorities, make explicit the required inputs for the fulfilment of these goals, and link the strategy to the budget. Finally, monitoring, evaluation and communication should be considered as an integral part of the National Integrity Strategy and should thus be decided upon at the beginning (see chapter 2). The Integrity Review of Argentina, in the following chapters and in its Action Plan, provides concrete recommendations that could feed into this planning process; various studies and tools can further guide the strategic planning exercise (Pyman, Eastwood and Elliott, 2017[17]; Hussmann, 2007[18]; UNODC, 2015[19]; Council of Europe, 2013[20]).

46. In addition, Argentina could consider including a sectorial perspective in the National Integrity Strategy. Such a sectorial perspective has at least three important advantages (Boehm, 2014[21]; Campos and Pradhan, 2007[22]; OECD, 2015[23]). First, broad, one-size-fits all approaches cannot take into account the specificities of corruption risks in different sectors. A thorough understanding of how a given sector works, its processes and actors, is however often required to design effective measures. Second, promoting integrity in sectors can translate into more concrete goals and results that directly affect people's well-being. Also, corruption in procurement processes at sector level entail higher prices and/or lower quality of services. As such, tackling corrupt practices in a specific sector can make service provision more effective and efficient. In addition, curbing corruption in a sector can create positive spill-overs to other sectors and enhance state legitimacy, as citizens recover trust in their government and ask for more reforms (Banerjee and Duflo, 2012[24]; Nolan-Flecha, 2017[4]). Third, there may be windows of political opportunity making reforms at sector level more feasible (Matsheza, 2012[25]). For developing the sectorial goals in the National Integrity Strategy, the Anti-corruption Office would need to involve the respective lead ministry of the sector as well as key stakeholders. In addition,

Argentina has recently expressed the willingness to join the Extractive Industries Transparency Initiative (EITI), and could consider joining other international initiatives with specific focus, such as the Construction Sector Transparency Initiative (CoST), or the Medicines Transparency Alliance (MeTA), for example.

47. Box 1.7 presents the new anti-corruption strategy of the UK, which includes a sectorial perspective. The UK Strategy was developed in a joint effort, steered by the Joint Anti-Corruption Unit (JACU), and focuses on a few priorities while reflecting a high degree of political leadership by setting concrete goals and actions and by addressing politically sensitive issues too.

Box 1.7. United Kingdom (UK) anti-corruption strategy 2017-2022

At the 2016 Anti-Corruption Summit in London, the UK government pledged to develop a cross-government anti-corruption strategy that laid out a long-term vision of how to tackle corruption, and how the government would implement the commitments made during the Summit. The UK anti-corruption strategy was published in December 2017 and aims to provide a long-term framework to steer the government's actions in preventing corruption. The strategy contains six priorities for Parliament which are as follows:

1. Reduce the insider threat in high-risk domestic sectors, such as borders and ports
2. Strengthen the integrity of the UK as an international financial centre
3. Promote integrity across the public and private sectors
4. Reduce corruption in public procurement and grants
5. Improving the business environment globally
6. Working with other countries to combat corruption

The strategy is guided by four approaches: **Protect** against corruption, by building open and resilient organisations across the public and private sectors; **Prevent** people from engaging in corruption, including strengthening professional integrity; **Pursue** and punish the corrupt, strengthening the ability of law enforcement, criminal justice and oversight bodies to investigate, prosecute and sanction wrongdoers, and; **Reduce** the impact of corruption where it takes place, including redress from injustice caused by corruption.

The strategy was developed as a cross-government initiative with a whole-of-society approach, aiming to coordinate government anti-corruption efforts with civil society, the private sector, and law enforcement. To achieve this, the strategy outlines how the government Anti-Corruption Champion will play an active role in engaging stakeholders, and increase coordination with domestic partners modelled on the success of the Joint Money Laundering Intelligence Taskforce and the Joint Fraud Taskforce. The strategy also notes that cooperation will be facilitated with civil society and the private sector by undertaking regular, problem-oriented policy dialogue through both informal and formal means.

Source: HM Government (2017), *United Kingdom anti-corruption strategy 2017-2022*, https://www.gov.uk/government/publications/uk-anti-corruption-strategy-2017-to-2022

1.3.2. All public entities could elaborate own objectives and activities that are aligned with the National Integrity Strategy

48. Integrity is relevant for all public entities. The cross-cutting relevance of integrity for safeguarding the achievement of other public policy goals, such as goals related to health, defence, education or infrastructure, or, more generally speaking, the Sustainable Development Goals (SDGs), call for an effective implementation of integrity policies in each single public entity. Dedicated, responsible integrity actors at organisational level can

contribute to this (see section 1.3.2). In addition, experience shows that goals that are not included explicitly into the organisational planning, budgets and internal accountability mechanisms are unlikely to be taken seriously by managers.

49. The National Integrity Strategy sets the strategic goals and objectives but needs to be operationalised by public entities into specific objectives and actions at organisational level. The Ministry of Modernisation recently issued guidelines with concrete recommendations for planning and the monitoring and evaluation process that could be used for this operationalisation (Ministerio de Modernización, 2016[26]). Indeed, the integrity planning could be integrated into the process of developing the Integral Management Plans (Planes Integrales de Gestión), also called Ministerial Plans (Planes Ministeriales) or Strategic Plan (Planes Estratégicos). In turn, these Integral Management Plans need to be broken down into the Operational Plans (Planificación Operativa), with concrete activities or projects, responsibilities, time frames and budgets.

50. To facilitate this strategic and operational planning at organisational levels, the Anti-corruption Office and the Ministry of Modernisation could jointly support public entities in developing their own organisational integrity strategy through planning workshops. With such support, public entities would be able to reap the synergies between their specific knowledge on the reality of their day-to-day business and the integrity and anti-corruption as well as the planning and M&E knowledge of the Anti-corruption Office and the Ministry of Modernisation. As such, the Anti-corruption Office could validate the integrity objectives and activities of this planning at entity-level, while the Secretariat for Institutional Strengthening could approve the related indicators.

51. Figure 1.9 provides an overview of the proposed integrity planning process in line with the methodological guideline from the Ministry of Modernisation. The National Integrity Strategy would be aligned with Argentina's national government goals and be reflected in the strategic and operational planning at entity level. As recommended above, this National Integrity Strategy could also incorporate a sectorial perspective, where key line ministries and sectorial stakeholders would need to be involved in the planning.

Figure 1.9. From the National Strategy to operational plans at organisational level

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52. A management system to track progress of these integrity plans could be added to the Management Board (Tablero) currently used by the Executive Office of the Cabinet of Ministers (see chapter 2). In the medium to long term, Argentina could consider moving towards an integrated management system similar to the Colombian one, which does not only track the achievement of objectives, but also of how these objectives have been achieved: Management for Results with Integrity and Transparency (Box 1.8).

Box 1.8. Making integrity one of the priorities for planning and management – The Colombian Integrated Planning and Management Model

The Integrated Planning and Management Model (Modelo Integrado de Planeación y Gestión, or MIPG) is a reference framework for directing, planning, executing, monitoring, evaluating and controlling the management of Colombian public entities, in order to generate results that meet development plans and solve the needs and problems of citizens, with integrity and quality of service.

The MIPG consists of seven dimensions through which one or more Institutional Management And Performance Policies are developed:

- Human talent (heart of the model);
- Strategic Direction and Planning (planning);
- Management with Values for Results (do);
- Evaluation of Results (verify and act);
- Information and Communication (transversal dimension);
- Knowledge and Innovation Management (transversal dimension);
- Internal Control (verify, act and ensure).

Integrity policy as a force for change

Although integrity is an element in all dimensions of the MIPG, the development of Integrity Policies was included as a fundamental part of Strategic Human Talent Management (Dimension 1). Integrity Policies seek to establish and promote values in the Colombian public service that encourage and strengthen practices and behaviours that are integral and exemplary. To achieve this challenge, the adoption of the recently developed general code is one of the ways in which Integrity Policy can be developed.

For the adoption, public entities should consider at least the following aspects:

- Leadership of the management team and the coordination of human management areas;
- Carry out permanent participatory exercises for the dissemination and ownership of the values and principles proposed in the Integrity Code;
- Establish a system for monitoring and evaluating the implementation of the Code to ensure compliance by the public servants when exercising their functions;
- Familiarise public officials with the Code in a way that builds on their personal experiences to encourage reflections about their work and role as public servants that eventually lead to changes in their behaviour;
- Adopt and internalise the Code of Integrity, and in accordance with the particularities and autonomy of each public entity, add principles of action ("what I do" and "what I don't do") to the five values established

in the Code and include up to two additional values, if the entity deems it necessary.

Source: Función Pública (2017), Modelo Integrado de Planeación y Gestión

1.4. Strengthening the organisation and the focus of the Anti-corruption Office

1.4.1. The dual role of the Anti-corruption Office as a policy advisor and investigator comes along with risks for both functions

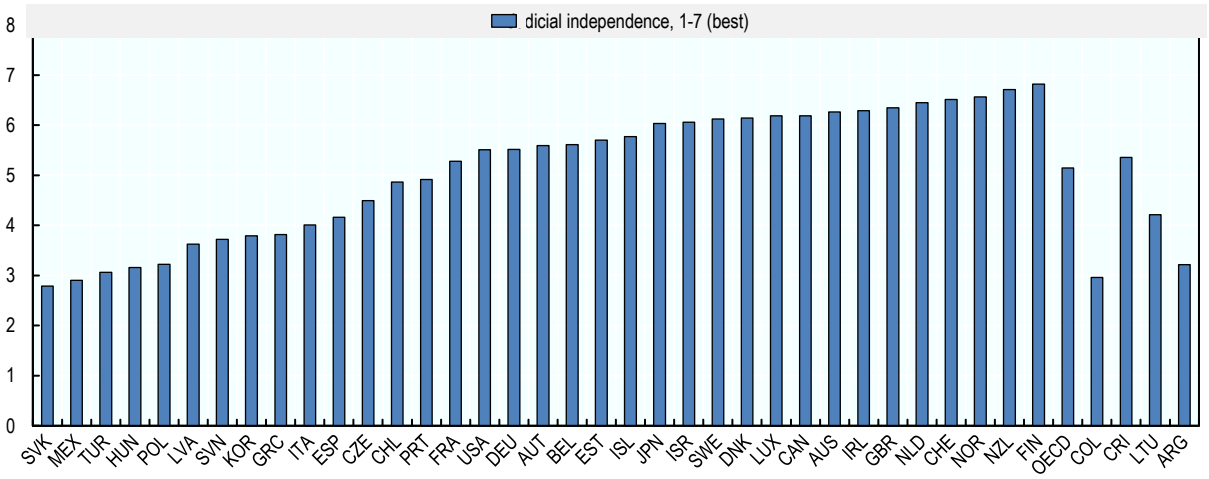
53. When discussing the relevant institutions and their mandates a core question relates to the preventive and enforcement functions of anti-corruption efforts. The United Nations Convention against Corruption (UNCAC) recommends the establishment of "preventive anti-corruption body or bodies" in Article 6, as well as "Authorities" specialised in combating corruption through law enforcement in Article 36. As such, the UNCAC does not explicitly recommend the existence of a *single* body responsible for *both* prevention and law enforcement of corruption. Nonetheless, in many cases countries have opted for a single anti-corruption authority with both preventive and enforcement functions, although with limited success (OECD, 2013[27]; Recanatini, 2011[28]; Hussmann, Hechler and Peñailillo, 2009[29]). In OECD countries, prevention and enforcement are usually strictly separated and even when looking at prevention policies only, countries vary extensively in how they organise their public integrity systems, and in many cases responsibilities are shared between various institutions (OECD, 2017[8]).

54. In Argentina, the Anti-corruption Office plays a central role in Argentina's integrity system. Recently, Decree 838 of 2017 reformed and strengthened its internal structure by elevating the rank of the two former directors (for investigations and transparency policies planning) to sub-secretariats. The Sub-secretariat for Integrity and Transparency is responsible for many of the preventive functions of a public integrity system. The Sub-secretariat for Anti-corruption Investigations can initiate preliminary criminal investigations of cases where the patrimony of the State is affected, for example following reports received by the Anti-corruption Office or red flags in asset declarations (see also chapter 4). The Anti-corruption Office can and does intervene as a claimant if cases are brought to justice. As a complementary role to the initiated criminal investigations, the Anti-corruption Office must prepare preventive recommendations for the redesign of processes and institutions with the aim to mitigate the risk of similar practices occurring again in the future.

55. However, this dual role of the Anti-corruption Office located in the executive branch as a policy advisor on the one hand, and as an investigator on the other hand comes along with risks for both functions that need to be acknowledged at mitigated. First, regarding its investigative functions for being located in the executive branch under the Ministry of Justice, the Anti-corruption Office may be seen (rightly or falsely) as pursuing or abstaining from pursuing cases because of political decisions, e.g. favouring the government in turn or focusing on political opposition. While not unusual, it may still be problematic that the executive takes forward criminal investigations. The notion of the separation of powers would seem to stipulate that crimes committed by members of the government should not be investigated by the executive.

56. Historically, the investigative function of the Anti-corruption Office started because of doubts with respect to the de facto independence and effectiveness of the judiciary, for which evidence indeed exists (Figure 1.10). The OECD 2017 Report on the implementation of the OECD Anti-bribery Convention reports that there are signs of politicisation and lack of neutrality of the Attorney General's Office. It further notes that there was little or no improvement to problems in the criminal justice system that were identified in earlier evaluations, including widespread delays in economic crime investigations and executive interference in judicial and prosecutorial independence (OECD, 2017[30]). Nevertheless, the Anti-corruption Office too may be exposed to undue interference and be politically abused or reduced to inaction, as has reportedly already occurred in the past according to interviews with key stakeholders in Argentina.

Figure 1.10. Judicial independence is perceived as very low in Argentina



Source: World Economic Forum, Global Competitiveness Index 2017.

57. Second, regarding the Anti-corruption Office's dual function, the credibility of the advisory role may be undermined by having the preventive and investigative function under one single entity. Public institutions could for instance think that measures aimed at gathering information for preventive purposes, such as surveys or interviews, are actually just another way to obtain information for investigative purposes. If public entities believe information provided by them is actually intended to detect red flags or malpractices, they may not have the incentive to cooperate and provide truthful information. Also, the Anti-corruption Office may be confronted with the scenario where they recommended preventive measures that have been implemented by the public entity, but a corruption case nevertheless arises afterwards. An analogy could be made with advisory and audit functions. Guidelines on audit point to the issue that "…if internal auditors are involved in developing the internal control systems, it may become difficult to maintain the appearance of independence when auditing these systems (International Organization of Supreme Audit Institutions, 2010[31])."

58. However, an institutional separation of the two sub-secretariats seems to be unrealistic and perhaps even counterproductive in the short to medium term for historical reasons and because citizens quite strongly relate the authority of the Anti-corruption Office to the investigation function, and not as much to its preventive role. Interviews indicate that the investigation function gives the Anti-corruption Office a certain power and

legitimacy, and, as a consequence, is more respected and taken seriously by other public entities, facilitating the enforcement of its policies. In addition, the communication of the OA in the press and social media focuses currently almost exclusively on cases and investigations taken forward. Completely stopping investigations therefore could have negative consequences on the perception of the citizens.

59. Nonetheless, Argentina may consider initiating a discussion on whether to shift, in the long run, towards a clear focus on the OA's preventive function, dropping corruption investigations completely or investigating only cases emerging from asset declarations. Such a shift would require a re-orientation of the current Sub-secretariat of Anti-corruption Investigations, and perhaps even a different institutional set-up, for instance moving the OA from the Ministry of Justice to the Executive Office of the Cabinet of Ministers, where it would be closer to policy-making and co-ordination. Under such a scenario, a merge with the new Secretary of Institutional Strengthening could be considered, and the Anti-corruption Office rebranded as "Integrity Office". In addition, a focus of the OA on prevention would require a strengthening of the justice system and in particular of the Prosecutor Office for Administrative Investigations (PIA). This strategic discussion concerning the future role of the OA could take place in the context of a Commission for Integrity and Transparency as recommended above.

1.4.2. Addressing the risks of the Anti-corruption Office's dual role

60. In the meanwhile, the Anti-corruption Office could address the risks related to its current dual role mentioned above by implementing concrete mitigation measures. Essentially, these measures seek on the one hand to increase the financial and administrative autonomy of the Office and on the other hand to proactively address potential accusations of politically driven action or inaction in its investigative function. In addition, the Anti-corruption Office should supporting these measures by a strong internal and external communication strategy.

61. First, although the recent reform of the Anti-corruption Office improves the stability of its organisational structure, it continues to be a secretary of the Ministry of Justice and Human Rights. It is the Ministry that takes the ultimate decision to contract staff or services and maintains all the databases with relevant information for the investigations. This administrative dependence from the Ministry has been pointed out during interviews with public officials in Argentina as a risk affecting the effective functioning of the Anti-corruption Office. Indeed, while the situation is reportedly less critical than during previous administrations, the institutional setting creates administrative burdens and a high level of de facto dependency from the Ministry of Justice and Human Rights, which in turn can be one crucial element affecting the effectiveness but also the perceived autonomy and transparency of the OA.

62. Therefore, Argentina could put in place mechanisms that give the Anti-corruption Office a higher degree of administrative autonomy and financial independence. For this purpose, it would be recommended to aim at a similar status as the Financial Information Unit (*Unidad de Información Financiera*, UIF). The UIF belongs to the Ministry of Economy and Finance but has autonomy and financial autarchy. The President of the UIF has the responsibility to create the entity's organisational structure as well as to select its personnel based on meritocracy and professionalism according to Decree 1025 of 2016. The decree implements the regime defined by Law no. 25.246 and translated in the creation of a new organigram aimed at simplifying internal activity and the decision-making processes (UIF, 2016[32]).

63. Second, the head of the OA, the Secretary of Public Ethics, Transparency and Fight against Corruption, is currently appointed according to Decree 109/1999 by the executive branch based on a few general requirements (degree, academic training, qualified professional experience, as well as a "democratic and republican" career path). The Secretary can be removed without having to meet any specific justification. Even though most Secretaries are directly appointed even without such minimum criteria, leading the Anti-corruption Office is arguably different. First, it implies sensitive responsibilities related to the investigative function. Second, there is a risk of abusing the information the Secretary has access to, e.g. taking decisions favouring specific interests, or in deliberately weakening integrity policies previously introduced. Third, anti-corruption policies usually directly affect powerful interests. These, in turn, may try to exert influence on these policies to make them weaker or to impede an effective implementation by exerting pressure on the Secretary.

64. As such, formal procedures for selecting and removing the head of the Anti-corruption Office could further strengthen the leadership of the Secretary. The process of selecting and removing the head of the Anti-corruption Office could be inspired by the Law on Access to Public Information (Articles 20 to 23 of Law 27.275) or the Financial Information Unit (Articles 9 and 10 of Law 25.246). For instance, the process provided for the appointment of the UIF's President and Vice-president is also carried out by the executive branch, but upon proposal of the Ministry of Economy and Finance, whose candidates are made public in the official journal and two newspapers together with their curricula. Furthermore, candidates need to present their and their family members' asset declarations, and undergo a public hearing to address the comments and observations raised by citizens, NGOs, professional associations and academic institutions within 15 days from the official proposal. After that, the proposal is submitted to the executive branch. Some criteria are also established concerning tenure (4 years, extendable) and removal, which can only be decided by the executive branch in case of poor performance of duties, serious negligence, if sentenced for wilful crimes, or in case of supervening fiscal or moral inability.

65. Third, as mentioned above, there is a significant risk that the decisions of the Anti-corruption Office to follow or to drop the investigation of certain cases could be questioned by the public or by opposition parties. Therefore, these sensitive decisions require clear and transparently communicated criteria. The application of such criteria can increase accountability and could, to a certain degree, help the Anti-corruption Office to publicly defend their decisions and safeguard the office from being accused of non-action or politically motivated investigations. The recent resolution 186/2018 provides guidelines for such decisions, but the criteria are still very broad and the Anti-corruption Office could consider to further limit the scope of discretion. An interesting step taken is the criteria to focus investigations on cases in previously defined priority areas or sectors or for the purpose to inform the development of preventive policies.

66. Fourth, to mitigate potential adverse effects of the investigative function on the function of providing policy advice, the Anti-corruption Office should consider strictly separating the two sub-secretariats and communicating the separation not only internally, but also and especially to external stakeholders. In particular, the Anti-corruption Office could establish clear communication protocols regulating the exchange of information between the two Sub-secretariats, arguably limiting communication to an exchange between the respective heads of the sub-secretariats. The separation between both could be even stronger and accentuated by separating physically the offices in two different buildings. In addition, the Sub-secretariat for Anti-corruption Investigations requires

stricter security standards with respect to personnel and information management. These stricter security standards should apply as well to the head of the Sub-secretariat of Integrity and Transparency and to the head of the Anti-corruption Office.

67. Fifth, an increased administrative autonomy and financial independence as recommended above would also allow the Anti-corruption Office to implement additional, internal, anti-corruption and integrity measures aimed at addressing own internal integrity risks. In particular, the ability to decide over its own internal human resource policies would not only ensure a professional and multidisciplinary staff aligned with the needs of the Anti-corruption Office. Human resources management measures are also contributing to mitigate internal corruption risks and creating a culture of independence. Indeed, formal administrative independence is rarely sufficient to ensure de facto independence. The way in which the Anti-corruption Office attracts, retains and motivates staff is ultimately a key determinant of its ability to act independently and take decisions that are objective and based on evidence (OECD, 2017[33]). In particular, the Anti-corruption Office could aim at contracting high-quality permanent investigators with professional skills and adhering to public values. Access to training opportunities and guidance on ethical dilemmas and conflict-of-interest situations can further contribute to safeguarding the integrity of the investigations conducted by the Anti-corruption Office.

68. Finally, the Anti-corruption Office should continue to strengthen and make more visible the existence and the work of the Sub-secretariat for Integrity and Transparency. Through internal capacity building and through attracting the right human resource, the Anti-corruption Office could in particular seek to further strengthen its analytical and planning capacities in order to fulfil its functions related to steering the development of a National Integrity Strategy (section 1.3) and to providing guidance to public entities (section 1.2.2 and chapters 3 and 4). In addition, the Anti-corruption Office could invest in developing a strong communication strategy aimed at clarifying and emphasising its preventive role. As mentioned, a gradual shift towards a stronger focus on prevention could be reinforced by rebranding the Anti-corruption Office into "Integrity Office". The preventive communication strategy should pay particular attention to highlighting solutions, good practices and successes instead of a problem-oriented communication strategy emphasis corruption cases and the costs of corruption. Indeed, problem-centred communication about how widespread and bad corruption is can be discouraging. Evidence shows that in the worst case, such problem-centred communication makes corruption become a self-fulfilling prophecy (Corbacho et al., 2016[34]): The perception that corruption is common in society makes integrity breaches more justifiable (see also chapter 8).

1.5. Proposals for action

Ensuring integrity policies across branches and levels of government in Argentina

- Argentina should ensure the application of the Public Ethics Law beyond the executive branch by establishing the respective authorities for all branches as foreseen in the Public Ethics Law.
- In addition, Argentina could consider establishing a policy dialogue between the different branches. The meetings could be organised based on the principle of a rotating lead, and the need for such a policy dialogue clearly specified in any revision of the Public Ethics Law.

- Argentina could consider establishing a Federal Council for Integrity to promote policy coherence and dialogue on matters of integrity and anti-corruption between the National level and the Provinces. The Federal Council for Integrity could be hosted and steered by the Anti-corruption office at national level and develop guidelines for Provincial Integrity Systems in line with the national Public Ethics Law and other relevant national Laws related to integrity policies. It could also be considered merging the Federal Council for Integrity with the Federal Council for Transparency, and opt for a joint steering between the Anti-corruption Office and the Access to Information Authority.
- In addition, Argentina could promote an evidence-informed discussion on differences related to integrity and corruption through comparative data across Provinces and municipalities. The National Institute of Statistics and Censuses (INDEC) could collect this data through household surveys.

Improving co-ordination and mainstreaming of integrity policies in the National Executive Branch

- The Executive Office of the Cabinet of Ministers could implement a National Commission for Integrity and Transparency as a formal co-ordination mechanism amongst key integrity actors of the national executive branch. This could be achieved by merging the current roundtables of integrity, administrative reform and open government The Commission could be hosted by the Executive Office of the Cabinet of Ministers, and steered by the Secretariat for Institutional Strengthening. In turn, the Anti-corruption Office should lead the Commission in relation to designing and developing public policies and guidelines that strengthen integrity in the public service and prevent corruption.
- To allow for an effective implementation of integrity policies throughout the national public administration an integrity function should exist in each public entity that is clearly dedicated to promoting integrity and preventing corruption, and not to the detection of individual cases, investigations or enforcement. To achieve this, the Anti-corruption Office could assess the strength, weaknesses, opportunities and threats faced already existing units in the executive and in State Owned Enterprises. Then, the OA could develop a policy that clearly assigns integrity and transparency a place in the organisational structure of public entities. The proposal could be tabled for discussion to the Commission for Integrity and Transparency recommended above, and tested in a pilot implementation in 4 to 5 public entities.

Developing a strategic approach to public integrity in the National Executive Branch

- The Anti-corruption Office could lead a participatory planning process with the aim to develop a National Integrity Strategy, with concrete and achievable goals and strategic objectives. The Anti-corruption Office is, due to its technical expertise and mandate, well placed to steer such a strategic participatory planning exercise and could engage with all relevant entities and steer the joint construction of a National Integrity Strategy to set strategic goals and priorities for the public integrity system. In addition, Argentina could consider including a sectorial approach in the National Integrity Strategy.

- To further facilitate the mainstreaming of the National Integrity Strategy, all public entities could elaborate own objectives and activities that are aligned with the national strategy. Indeed, the integrity planning ideally would be integrated into the process of developing the Integral Management Plans (Planes Integrales de Gestión), also called Ministerial Plans (Planes Ministeriales) or Strategic Plan (Planes Estratégicos). In turn, these Integral Management Plans could be broken down into the Operational Plans (Planificación Operativa), with concrete activities or projects, responsibilities, time frames and budgets. The Anti-corruption Office and the Ministry of Modernisation could jointly support public entities in this task through planning workshops.

Strengthening the organisation and the focus of the Anti-corruption Office

- In the long run, due to the risks associated to the current dual function of the OA, Argentina may consider initiating a discussion on whether, in the long run, to shift towards a clear focus on the OA's preventive function, dropping corruption investigations completely or investigating only cases emerging from asset declarations. Such a shift would require a re-orientation of the current Sub-secretariat of Anti-corruption Investigations, and perhaps moving the office from the Ministry of Justice to the Executive Office of the Cabinet of Ministers, where it would be closer to policy-making and co-ordination. Under such a scenario, the OA could be merged with the Secretary of Institutional Strengthening. Such a strategic discussion could take place in the context of a Commission for Integrity and Transparency as recommended above.
- In the meanwhile, the Anti-corruption Office could address the risks related to its current dual role mentioned above by implementing concrete mitigation measures. First, the OA could be granted increased administrative autonomy and financial independence. An option could be to follow the model of the Financial Information Unit (UIF), which would give the OA the autonomy to decide over its own staff, to align the job description to its needs, and ensure professionalism and multidisciplinary by a merit-based contracting of the staff required to fulfil its functions related to policy design and investigations.
- Second, Argentina could introduce formal procedures for checks-and-balances when selecting and removing the head of the Anti-corruption Office. The process of selecting and removing the head of the OA could be inspired by the Law on Access to Public Information (Articles 20 to 23 of Law 27.275) or the Financial Information Unit (Articles 9 and 10 of Law 25.246).
- Third, the Anti-corruption Office should ensure the application of clear and transparent criteria to determine which cases to investigate and which cases to drop. The OA should clearly communicate and consequently apply these criteria.
- Fourth, the Anti-corruption Office could consider strictly separating the two sub-secretariats. This separation should be clear internally, but also communicated to external stakeholders. Communication protocols could regulate the communication and information exchange between the two Sub-secretariats; they could arguably be limited to an exchange between the respective head of the sub-secretariats. The separation between both could be accentuated by separating physically the offices between two different buildings. Also, the Sub-secretariat for Anti-corruption

Investigations requires stricter security standards with respect to personnel and information management.

- Fifth, the Anti-corruption Office should implement internal anti-corruption and integrity measures aimed at addressing own internal integrity risks, with special emphasis on integrity in human resource management. The Anti-corruption Office could aim at contracting high-quality permanent investigators, aiming not only at professional skills but also at the adherence to public values. Access to training opportunities and guidance on ethical dilemmas and conflict-of-interest situations can further contribute to safeguarding the integrity of the investigations conducted by the Anti-corruption Office.
- Finally, the Anti-corruption Office should continue to strengthen and make more visible the existence and the work of the Sub-secretariat for Integrity and Transparency. Through internal capacity building and through attracting the right human resource, the OA could in particular seek to further strengthen its analytical and planning capacities in order to fulfil its functions related to steering the development of a National Integrity Strategy (see section 1.4) and to providing guidance to public entities (see section 1.3.2 and chapters 3 and 4). In addition, the OA could invest in developing a strong communication strategy aimed at clarifying and emphasising its preventive role. To reinforce a gradual shift towards a stronger focus on prevention, it could be considered to rebrand the Anti-corruption Office into "Integrity Office".

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2. Towards strengthening the evidence-base for integrity policies in Argentina

This chapter provides recommendations on how Argentina could set up a central monitoring and evaluation system for its integrity policies. A central monitoring system for integrity policies would help to keep track of the implementation and facilitate evidence-informed communication with internal and external stakeholders. In turn, integrity policies should be evaluated to build knowledge and enable learning. Innovative integrity measures, in turn, could be rigorously tested through impact evaluations of pilots before implementing them on scale. In addition, the chapter provides guidance on how evidence could be gathered through staff and citizen surveys to inform the design, implementation and evaluation of integrity policies.

2.1. Introduction

1. Gathering credible and relevant information on the level of implementation, performance and overall effectiveness of a public integrity system is a crucial part of a strategic approach to integrity policies as recommended by the OECD Recommendation of the Council on Public Integrity (OECD, 2017[1]).

2. Monitoring allows an effective steering of the implementation of policies, helping to identify challenges and to take timely actions to ensure the achievement of the strategic goals. Evaluations, in turn, are a systematic and objective assessment of ongoing or completed policies with the aim to determine the relevance and fulfilment of objectives, efficiency, effectiveness, impact or sustainability (OECD, 2016[2]). Basically, evaluations look back and see if and how goals of a policy actually have been achieved. Evaluations allow policy makers to understand what works and why, and enable learning that can inform the design of the next policy cycle.

3. Overall, measurement enables better communication with stakeholders by facilitating an evidence-informed internal and external dialogue about policy goals and achievements. Also, thinking about how to monitor and evaluate policies forces policy-makers to think through the activities envisaged and may uncover too vague or too ambitious goals. Measurement further enables to showcase progress made and demonstrating that change is possible, while providing the basis for an objective discussion around successes and challenges. Not at least, measurement can further strengthen the accountability of the integrity system by providing information required for external social control.

2.2. Implementing a system for monitoring and evaluating Argentinian integrity policies

2.2.1. The monitoring and evaluation of integrity policies requires identifying relevant indicators

4. As recommended in chapter 1, a National Integrity Strategy for the executive branch could be developed in Argentina through a participatory approach to ensure

ownership and relevance. To ensure that actions to implement various aspects of the strategy are being taken throughout the public administration the goals of such a strategy would need to be incorporated at the organisational level of public entities through their own strategic and operational planning (Ministerio de Modernización, 2016[3]). Such a planning process is also the first step towards developing a monitoring and evaluation system where specific indicators can be developed and measured at national, sectorial and organisational levels.

5. Each strategic goal of a National Integrity Strategy would need to be further translated into policy objectives, which in turn can be measured through indicators (Figure 2.1). These indicators provide the evidence required to keep track of progress towards a National Integrity Strategy, to steer its effective implementation, and in the end to evaluate its success and enable a learning process. An indicator is an unambiguous measurement of only one variable. Indicators can be quantitative or qualitative, but they should always be specific, measurable, and realistic.

Figure 2.1. Hierarchy between goals, objectives, and indicators

6. The successful implementation of a policy will usually be captured through a number of indicators measuring the existence of the relevant activities and functions as well as qualities thereof. **Table 2.1** illustrates the different stages of policy implementation and outcome, for which objectives and indicators can be defined.

Table 2.1. Levels of measurement

POLICY IMPLEMENTATION				IMPACT
Input	**Activity**	**Output**	**Intermediate Outcome**	**Outcome (long-term goal)**
What resources are used? What are good practices? What needs to be done?		Have the policy measure been implemented?	Is the policy measure being applied and used effectively?	Is the policy measure effective in reaching the goals?

Source: Adapted from (OECD, 2017[4]).

7. As can be seen in **Table 2.1**, a basic distinction can be made between indicators that are measuring aspects of the implementation of integrity policies and indicators that are measuring the level of the desired outcome, in other words the expected change. Indicators measuring policy implementation are measuring aspects that are under the control of implementing agencies. They are capturing the de jure existence of certain processes, regulations or products (outputs), or keeping track of the de facto quality of the implementation or the direct use of the products (intermediate outcome). Outcome indicators, in turn, are measuring the ultimate, often longer term goals, to which the policy measures implemented want to contribute to. While policy-makers have control over the

implementation process, and therefore can be hold accountable for these results, they usually do not have complete control over the outcome. Indeed, there are usually many variables outside of the direct control of policy-makers that are also contributing or mitigating the achievement of the ultimate goal. While the implemented measures can have *contributed* to the observed outcome, it is usually not possible to *attribute* the change completely to them. This gap between policy measures and outcome is also called attribution gap.

8. Based on the stated goals, Argentina should therefore aim at identifying a set of indicators measuring both the implementation of the concrete actions derived from the strategic goals and the desired outcome; section 2.3 below gives some guidance on how to gather relevant data for integrity policies. One single indicator is indeed often relatively uninformative. A low number of reported cases of conflict of interest, for example, could mean that few conflicts arose or that few were reported. It does not yet provide any information about how effectively the cases were managed. Also, an increase in sanctions could reflect a more efficient detection and enforcement of integrity breaches, or an increase in such integrity breaches if detection and enforcement rates stayed the same. In turn, assessing various indicators in context to each other can give the observer an idea of what is really happening. As a consequence, the indicators will ideally draw from different sources. Table 2.2 provides an overview of relevant data sources for measuring various aspects and levels of integrity policies, providing examples.

Table 2.2. Potential data sources for indicators measuring public integrity policies

Data Source	Description	Quantitative	Qualitative	Examples
Administrative Data	Quantitative information compiled routinely by government institutions, international organizations or civil society groups.	X		• Number of complaints received in a given time frame • Data on the use of web-based tools for interacting with citizens • Percentage of asset declarations that result in an investigation • Percentage of middle management who received training on conflict of interest management
Public Surveys	Information gathered through surveys of the general public, which can be used to generate ratings for indicators based on public perceptions or experiences.	X	X	• Questions asking for the perceived corruption overall or in different government institutions or services • Questions asking for victimization, e.g. Percentage of population who paid a bribe to a public official, or were asked for a bribe by these public officials, during the last 12 months
Expert Surveys	Information gathered confidentially from individuals with specialized knowledge based on their experience or professional position. The choice of experts is crucial and must be tailored to the questions being asked.		X	• Extend to which experts consider a given policy measure or mechanism as effectively implemented in practice, e.g.: in practice, the existing whistleblowing protection regulation are effective in protecting whistleblowers from retaliation at the workplace; in practice, the regulations restricting post-government private sector employment for heads of state and ministers are effective
Staff Surveys	Information gathered through surveys of employees/civil servants, which can be used to generate ratings for indicators based on public perceptions or experiences. Staff surveys can be covering a sample from the whole civil service or be limited to samples from one or more specific public entities.	X	X	• Are you confident that if you raise a concern under the Public Ethics Law in [your organisation] it would be investigated properly? • People who take ethical shortcuts are more likely to succeed in their careers than those who do not • The organization makes it sufficiently clear to me how I should conduct myself appropriately toward others within the organisation • My supervisor sets a good example in terms of ethical behaviour
Enterprise Surveys	Information gathered through surveys of private companies, which can be used to generate ratings for indicators based on public perceptions or experiences. Enterprise surveys can be disaggregated by sectors, or size, for instance.	X	X	• Questions asking for the perceived corruption overall or in different government institutions or services, e.g. Percentage of firms identifying corruption as a major constraint • Questions asking for victimization, e.g. Percentage of businesses that paid a bribe to a public official, or were asked for a bribe by these public officials, during the last 12 months
Focus Groups	Focus groups bring together structured samples of social groups to gather perceptions in an interactive group setting where participants can engage with one another. Focus groups can be quicker and less costly than large representative surveys.		X	• What are the main challenges faced by private firms wishing to report irregularities in public procurement processes • Level of awareness of middle management of fraud and corruption risk management • Experiences of vulnerable citizen groups with access to public services
Observations	Data gathered by researchers or field staff. This information can be collected through case studies or systematic observations of a particular institution or settings.	X	X	• Review of the regularity and completeness of risk management practices • Percentage of follow-up and implementation of internal audit reports
Documents & Legislation	Information culled from written documents. Can be used to verify the existence of regulations, products and procedures.		X	• Do public entities periodically publish data on X • Availability of reporting of total cost and physical progress of major infrastructure projects

Source: Adapted from (Parsons, Caitlin and Thornton, 2013[5]; United Nations, 2011[6]; Kaptein, 2007[7]).

9. In turn, the following sections provide concrete recommendations on the design of a monitoring and evaluation system for integrity policies in Argentina that builds on ongoing efforts by the government to strengthen its overall monitoring and evaluation policy:

- A monitoring system to keep track and manage the implementation of integrity policies in Argentina (section 2.2.2).
- An evaluation system to enable evidence-informed learning and communication over time (section 2.2.3).
- Considering rigorous impact evaluations to test innovative integrity measures before considering an implementation at larger scale (section 2.2.4).

2.2.2. A central integrity monitoring system, which produces regular reports on the advances of the implementation of the National Integrity Strategy, could help to manage and communicate progress towards integrity goals

10. Breaking down the objectives into relevant indicators facilitates monitoring the status of implementation as well as the results, but equally relevant is to underpin the monitoring exercise with clear institutional responsibilities and processes. While monitoring is ideally a daily routine in the implementing agencies, a central integrity monitoring system operated outside these entities can ensure that relevant information about the overall status of the implementation of the integrity policies is bundled and analysed jointly to draw a complete and coherent picture that facilitates decision-making, communication, and provide incentives for improvement through benchmarking.

11. In Argentina, the Executive Office of the Cabinet of Ministers (Jefatura de Gabinete de Ministros, or JGM) is currently keeping track of the implementation of the 100 government priorities (see also chapter 1), amongst others goals related to integrity policies. As such, it would be straightforward to locate the central monitoring function at the level of the recently created Secretary for Institutional Strengthening (Secretaría de Fortalecimiento Institucional) under the Executive Office of the Cabinet of Ministers (Jefatura de Gabinete de Ministros, or JGM). In addition, integrity indicators measuring the implementation and results of the integrity goals should be integrated into the broader national monitoring through the Results Based Management System (Gestión por Resultados, or GpR) headed by the JGM in cooperation with the Ministries of Modernisation and Finance. In this system, all ministries upload the required information on an online platform.

12. Such a central monitoring system can only work if monitoring begins effectively at the level of the implementing agencies, where data is usually gathered. Currently, both the JGM and the Ministry of Modernisation are providing guidance and assistance to Ministries in developing monitoring systems in their organisations (Ministerio de Modernización, 2017[8]). Integrity indicators should be measured through this system and not in an additional process to avoid creating an additional administrative burden to public managers. Also, the frequency of the measuring and reporting, e.g. monthly or quarterly, should be clearly established, communicated and enforced.

13. The core objective of monitoring is to identify challenges and opportunities in a timely manner to inform decisions and enable adjustments during implementation. As such, monitoring should always be understood as contributing to an effective public management. This needs to be institutionalised by linking the process of monitoring with

the process of decision-making and implementation. To achieve this, clear mechanisms and procedures to discuss progress should be established. The current roundtables on integrity-related policy issues in Argentina hosted in the Executive Office of the Cabinet of Ministers, or a Commission for Integrity and Transparency as recommended in chapter 1, would provide the platform to discuss progress and challenges, based on such a central integrity monitoring system. However, policy-makers should be aware of the risk of gaming and potential perverse incentives as a consequence of monitoring implementation efforts. To mitigate this risk, monitoring should not be perceived as a control mechanism aimed at naming and shaming but should be clearly communicated as a joint exercise to analyse and overcome challenges. As such, monitoring is a priori an internal process; complete transparency could backfire in this case as it could inhibit honest and open discussions amongst implementing agencies.

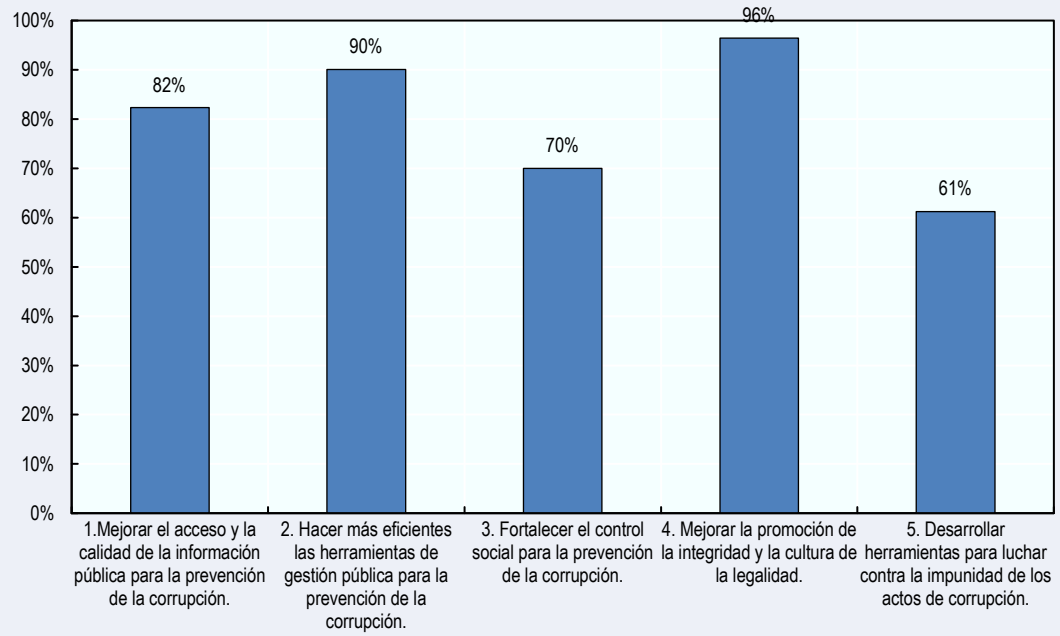
14. Second, a central monitoring system helps also to establish the evidence needed for a regular reporting and communication to the public on the progress made on key selected aggregated indicators. The value of reporting to the public, although critical, is often ignored. Communicating regularly and clearly about the goals and the achievements to internal and external stakeholders as well as the general public can help building trust and show that incremental change is possible. Communication of progress on key selected indicators also enables accountability, increases the credibility of integrity efforts and stimulates a fact-driven dialogue of the government with external stakeholders. This communication can, for instance, be achieved through annual or semi-annual public reports or through a more dynamic website – or both. At organisational levels, the ministries and other public entities could include integrity-related indicators in their annual reports to the citizens and on their websites. At centralised level, the JGM could consider establishing a website where all relevant data on integrity is provided in one single information hub, including relevant information provided on the online platform datos.gob.arg. A similar approach is followed in Colombia, where the Transparency Secretariat has set up an Observatory for Transparency and Anti-corruption where all relevant information is provided in open data format (Box 2.1).

Box 2.1. Providing relevant information to the public – The Colombian Observatory of Transparency and Anti-corruption

The Transparency Secretariat of Colombia has implemented a web portal displaying important indicators related to integrity and anti-corruption. The website bundles available information on: (1) disciplinary, penal and fiscal sanctions; (2) the Open Government Index (Índice de Gobierno Abierto); and (3) the Fiscal Performance Index (Índice de Desempeño Fiscal). The data on the penal sanctions stems from the Prosecutor General's Office (Fiscalía General de la Nación), the data on disciplinary sanctions from the Attorney General's Office (Procuradoría General de la Nación), and the data on fiscal sanctions from the Supreme Audit Institution (Auditoría General de la República). The Fiscal Performance Index is elaborated by the National Planning Department (Departamento Nacional de Planeación), while the Open Government Index is calculated by the Attorney General's Office.

Additionally, the Observatory's website provides indicators related to Transparency and the implementation status of the Public Anticorruption Policy elaborated by the Transparency Secretariat. The indicators related to Transparency comprise: (1) A composite index of accountability, (2) a composite index of the quality of the Corruption Risk Maps, (3) an indicator related to the demand and supply of public information, and (4) a composite index on the Regional Anticorruption Commissions (Comisiones Regionales de Moralización). The indicators of the Public Anti-corruption Policy are composite indexes (based on overall 24 sub-indexes reflecting the objectives of the Colombian policy) showing the progress made related to the five strategic priorities: (1) improving the access to and the quality of the public information; (2) making more efficient the public management tools for preventing corruption; (3) enhancing social control to prevent corruption; (4) promoting a culture of legality in the State and Society; and (5) reducing the impunity related to corrupt practices. Figure 2.2 provides an overview on the composite scores by June 2017.

Figure 2.2. Monitoring the Colombian Public Anti-corruption Policy



Source: Observatory of Transparency and Anti-corruption, http://www.anticorrupcion.gov.co/.

All indicators are also available in excel format (open data), which makes the data readily usable for research, comparisons and media reports. Details on the methodology for elaborating the indicators are also provided.

Source: (OECD, 2017[9]), http://www.anticorrupcion.gov.co/

15. Finally, a central monitoring system can be used to create benchmarking that can promote inter-agency competition, or even competition between Regions, as suggested in chapter 1. Indeed, a comparative assessment of the implementation of integrity policies across public entities on key selected aggregated indicators provides additional incentives for public agencies to implement certain policies. This way, the JGM could encourage integrity policies and motivate action without directive power over the different entities of the integrity system. The results could be discussed internally in the Roundtables or the Commission for Integrity and Transparency recommended in chapter 1. This incentive is even stronger when the benchmarking is publicly reported, e.g. through a dedicated website as suggested above.

16. Box 2.2 describes how this leverage is effectively used by the Anti-Corruption and Civil Right Commission in Korea. The JGM could therefore consider installing a similar scoring system for integrity across entities of the National Public Administration. Such a benchmarking could combine information from the central integrity monitoring system as well as from citizen surveys and staff surveys (see section 2.3). The implementation of integrity policies within the different ministries and agencies even could be assessed more in-depth. In South Korea this is done through a self-assessment of the agencies which is then scored by an assessment team (see again Box 2.2). In Argentina, such an in-depth external expert assessment could be conducted by the Anti-corruption Office, who has the lead over the content part of integrity policies, and discussed in the Roundtables or the Commission for Integrity and Transparency recommended in chapter 1.

Box 2.2. Integrity Monitoring in Korea

The Korean Anti-Corruption and Civil Right Commission (ACRC) uses two complementary assessment frameworks to monitor and assess the quality of implementation of anti-corruption efforts as well as their results: The Integrity Assessments (IA) and the Anti-corruption Initiative Assessments (AIA).

Integrity Assessment (IA)

South Korea annually assesses integrity in all government agencies through standardized surveys. Staff of 617 organisations is asked about their experience with and perception of corruption. Furthermore, citizens who have been in contact with the respective organisations are surveyed as well as stakeholders and experts who have an interest in the respective organisation's work. The answers are, together with other information, scored into a composite indicator – the Comprehensive Integrity Index.

Anti-Corruption Initiative Assessment (AIA)

The Anti-Corruption Initiative Assessment is a comparative assessment of integrity policies across government agencies in Korea. Agencies selected for assessment submit a performance report on their implementation of integrity policies. On-site visits verify the information, which is then scored by an external assessment team. This allows the Korean Anti-Corruption and Civil Right Commission (ACRC) to observe the willingness and efforts made for integrity across the public sector.

Benchmarking and competition

Underperformance in the IA or the AIA does not lead to sanctions. However, the results are public and the direct comparison of different government entities based on integrity indicators creates a competition between government agencies. The results also enter the Government Performance Evaluation. In addition, there are institutional and individual high-performance rewards, such as an overseas study programme for the officials in charge of outstanding integrity performances. The continuous improvement of the performance results indicates that these incentives might be effective.

Sources: Presentation by Sung-sim Min, Director, Anti-Corruption Survey & Evaluation Division, ACRC, at the meeting of the Working Party of Senior Public Integrity Officials (SPIO) at the OECD Headquarters in Paris in November 2016.

2.2.3. Objective integrity policy evaluations could enable evidence-informed learning, improve the design of future integrity policies and credibly reflect the government's political will

17. The indicators used for the monitoring of the integrity policies can be used, together with adequate indicators or proxies for the desired outcomes, to evaluate the National Integrity Strategy. Policy evaluation can be understood as "the systematic and objective assessment of an ongoing or completed project, programme or policy, its design, implementation and results. The aim is to determine the relevance and fulfilment of objectives, efficiency, effectiveness, impact and sustainability, etc. Evaluation also refers

to the process of determining the worth or significance of an activity, policy or programme" (OECD, 2009[10]). As such, evaluations are asking questions beyond the status of implementation of a given policy in which monitoring processes are interested in. Evaluations usually use a broad spectrum of sources of both quantitative and qualitative information in order to assess whether a policy has contributed to a change, and whether this contribution was efficient and is likely to be sustainable. Understanding the causal impact of a specific policy measure on the outcome variable, however, requires an impact evaluation, which will be discussed in the next section.

18. Generally speaking, policy evaluations can look at all levels of implementation and outcome as indicated in Table 1.1 above:

- **Inputs:** Evaluation of resources invested such as staff, money, time, equipment, etc.
- **Activities/Process:** Evaluation of how a policy was implemented describing the actual processes employed, often with assessments of the effectiveness from individuals involved or affected by the policy implementation.
- **Outputs**: Evaluation of products delivered by the policy implemented.
- **Intermediate outcomes**: Evaluation of immediate change produced by the policy implemented.
- **Outcome (Impact)**: Evaluation of long-term changes and the contribution of the policy implemented.

19. As such, evaluations are valuable and interesting for both internal and external stakeholders, and the general public – perhaps even more so than information stemming from monitoring. Indeed, people are generally more interested in knowing whether a policy was successful and has achieved the expected results, as in the process of how the policy has been implemented. The evaluation should therefore be considered as an integral part of a National Integrity Strategy in Argentina and be decided and scheduled from the beginning. For instance, an annual evaluation plan could stipulate clearly which aspects, projects or public entities are going to be evaluated. Also, budget should be assigned explicitly for carrying out these evaluations and a process should ensure that the results will be taken into account in the design of the following integrity policies. Again, this decision over policy evaluation could be taken in the Roundtables under the JGM or in the context of the Commission for Integrity and Transparency, recommended in chapter 1.

20. However, evaluations can only be objective and credible in the view of outsiders, such as citizens and media, when they are impartial. Where the evaluation of the success of a policy is in the same hands as the design or implementation of that policy, the objectivity of measurement is at risk. Therefore, an evaluation of integrity policies should be carried out by an independent partner with an interest in delivering an objective assessment. In Argentina, the JGM, the Ministry of Modernisation, the OA or line ministries could contract out evaluations to a national university, an evaluation institute, a governmental body, an evaluation council, or the private sector, for example. Also, evaluations could be reviewed by a council of representatives from academic institutions and civil society. In addition, clearly pre-defined and openly communicated criteria and parameter for the evaluation can further contribute to increase the impartiality and legitimacy of an evaluation exercise.

21. In addition, to further increase the independence and impartiality of measurements, the National Institute of Statistics and Censuses (Instituto Nacional de Estadística y Censos,

or INDEC) could collect integrity related data to be included in assessments. Mexico's National Statistics Office (Instituto Nacional de Estadística y Geografía, INEGI) conducts a biennial survey on citizens' experiences with public sector corruption in a standardised sample of government-provided services (see also section 2.3 and Box 2.8 below). To be able to contribute with credible data, however, it is key to recover the trust of the INDEC. Between January 2007 and December 2015, the INDEC implemented reforms that affected its credibility and led to allegations of political interference which generated the production of data of low quality or deliberately tendentious.. The current government has set the recovery of public statistics as one of its 100 government priorities (see also Box 1.2, chapter 1) and is moving towards completing the process of standardizing public statistics. Ensuring a statistical office that is independent from undue political interference and that provides high-quality data is in itself part of building a public integrity system.

Box 2.3. The quality of official statistics in Argentina

Argentina's statistics deteriorated over 2007-15 amid growing political pressures to show more "positive" data about the economy and society. The number and quality of underlying censuses, surveys and procedures declined and data on international trade, inflation, GDP and poverty levels became unreliable. In July 2011, the IMF found Argentina in breach of its minimum reporting requirements because of inaccurate provision of CPI and GDP data (IMF, 2013).

Since 2016, the National Statistical Office in Argentina, National Institute of Statistics and Censuses (INDEC) has been completely overhauled and its leadership changed. Argentina is now working with the OECD to improve the quality of its statistics. A statistical emergency was declared at the end of 2015, putting the production of some indicators on hold until capacity was rebuilt, which limits the scope for drawing comparisons across time. For some series, the quality of historic data could not be improved and therefore remains subject to reservations. This is particularly the case for household data, which are considered unreliable for 2007 to 2015 as the sample composition may have been altered to obtain desired outcomes. For some series, reliable data are really only available as of mid-2016, preceded by a 6-months data gap due to the statistical emergency. For some variables, notably inflation, making recourse to non-official series for which a longer history is available is the only option. Moreover, poor statistics at the provincial level make comparisons across regions more difficult.

On 30 June 2016, Argentina's Minister of Treasury and Public Finance expressed his country's willingness to adhere to the Recommendation of the OECD Council on Good Statistical Practice adopted in November 2015. This document sets out twelve specific recommendations for establishing a sound statistical system, and gives examples of good practice based on OECD countries' experiences.

Source: (OECD, 2017[11])

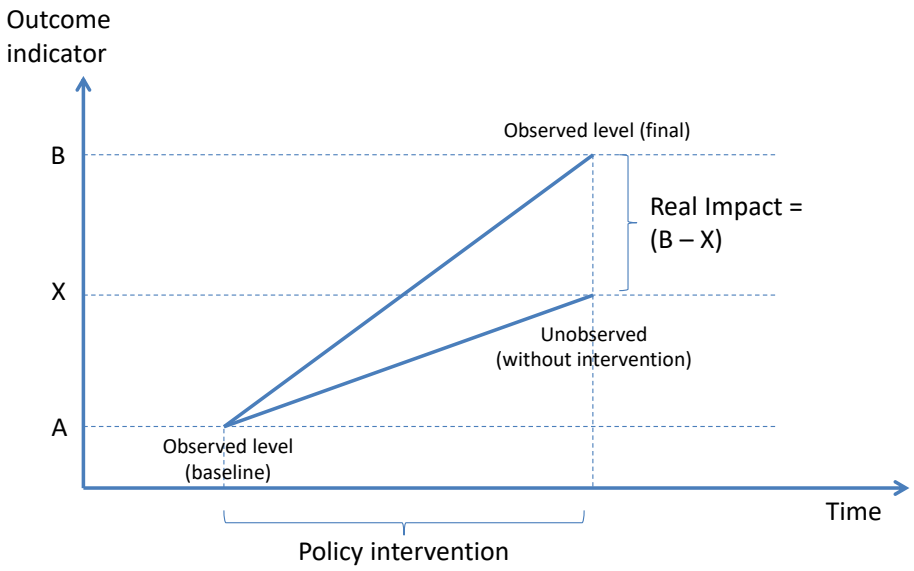
2.2.4. Rigorous impact evaluations could be used to test innovative integrity measures before considering implementing them at larger scale

22. While policy evaluations are looking for evidence for the contribution of a policy to the integrity goals, impact evaluations aim to measure the causal effect of a policy in the sphere where it aimed to create a change. Such causal attribution is the main challenge in policy evaluation. In essence, impact evaluations allow verifying ex post the theory of change, that is, the causal logic of a policy measure. Did the whistleblowing mechanism actually encourage people to speak up? Did the new campaign really raise awareness for integrity?

23. Impact evaluations measure the causal effect of a policy, for example through a randomized control trial or quasi-experimental methods (Johnsøn and Søreide, 2013[12]; OECD, 2017[4]). However, a causal effect can be challenging to identify. Figure 2.3 illustrates why: the change of an outcome after the policy intervention, might not or not fully be caused by the intervention. Some of it might have happened even without the intervention. Points A and B in the figure can often be measured. The outcome indicator

could, for example, be the percentage of employees indicating high integrity in a staff survey. This percentage could be measured before (A) and after (B) an integrity training. What remains unknown, however, is the percentage of staff who would have reported high integrity without the training (X). The true impact of the training thus remains unknown.

Figure 2.3. The missing counterfactual



Source: Adapted from (Johnsøn and Søreide, 2013[13])

24. A variety of experimental and quasi-experimental methods allow estimating the true impact of a policy intervention. Oftentimes, the impact of a policy can be observed through an experiment. The effect of the integrity training on the integrity survey response could, for example, be assessed in a randomized control trial: Groups of participants could be randomly chosen to receive the training before others do. The survey responses of those employees who had the training could then be compared to the responses of those who have not yet taken part. A random selection process ensures that, by the law of large numbers, the two groups are comparable and any difference between them can be assigned to integrity training only and not to unobserved differences between the individuals in the groups.

25. Due to the difficulties in the logistics and in the definition of adequate indicators, such rigorous impact evaluations particularly make sense for testing specific innovative measures before recommending scaling up their implementation across the public administration. Among the policy areas that could greatly benefit from impact evaluation are: integrity trainings (e.g. teacher training), applications of behavioural insights (OECD, 2018[14]), design and re-design of disclosure policies (e.g. asset disclosure system), as well as communication and awareness-raising campaigns. Where a new procedure is introduced or an existing process is changed, testing the variation in a randomized control trial can provide valuable information. If the Anti-corruption Office, for example, wanted to send out reminder emails about Asset Declarations, an evaluation of a small scale pilot could test different wordings. Chapter 3 describes how such a testing has been done by the Ministry of Public Administration (Secretaría de la Función Pública, or SFP) in Mexico

with the aim to remember public officials to declare any gift they received, while testing different messages.

26. Impact evaluations require statistical and methodological expertise. While the testing of policies in an experimental set-up can be straightforward, in some contexts the measurement of impact can be methodologically and/or logistically challenging. To undertake such impact evaluations, public entities wishing to undertake an impact evaluation, could build strategic partnerships with academic institutions with expertise in the field. For instance, in the example mentioned above, the SFP in Mexico partnered with the Centre of Economic Research and Teaching (Centro de Investigación y Docencia Económicas, or CIDE) to jointly design, conduct and analyse the impact evaluation. More recently, the OECD directly supported the SFP and the Airport Group of Mexico City (Grupo Aeroportuario de la Ciudad de México, or GACM) in designing an innovative training methodology for conflict of interest and evaluating its impact through a rigorous methodology (Box 2.4). As the focal point of the integrity system, the Anti-corruption Office and the Secretary for Institutional Strengthening in JGM could identify the need for impact evaluations across the integrity system. It could then make sure the task is commissioned to a competent institution and provide the researchers with guidance and access to relevant data. The Ministry of Modernisation, in turn, could ensure the quality of methodological approaches.

Box 2.4. La evaluación de impacto de la formación en integridad de agentes públicos del grupo aeroportuario de la ciudad de México

En el marco de la alianza entre la OCDE y México para la construcción del nuevo aeropuerto internacional de la ciudad de México, la OCDE desarrolló una evaluación de impacto sobre la formación en integridad de los agentes públicos del grupo aeroportuario de la ciudad de México (GACM)

Objeto de la formación.

La formación, dispensada por la unidad de ética, de integridad pública y prevención de conflictos de intereses UEIPPCI del Ministerio de la función pública se dedica a formar a los agentes para la identificación de situaciones de conflictos de intereses aparentes. Debido a las necesidades del estudio, se dispensaron dos formaciones idénticas en contenido pero distintas en enfoque:

- Una aproximación normativa fundada sobre la conformidad: esta formación se basa en las normas aplicables en materia de conflicto de intereses
- Una aproximación sobre los valores: esta aproximación busca suscitar un compromiso por la integridad mediante la sensibilización de los participantes en cuanto a la ética, los valores del sector público y los riesgos que representan las situaciones de conflictos de intereses para los agentes públicos.

Estudio experimental.

El estudio llevado a cabo por la OCDE tuvo por objeto evaluar el impacto de las formaciones en integridad sobre los agentes del aeropuerto por una parte, y determinar cuál de los dos enfoques tuvo un efecto más significativo sobre la capacidad de los agentes para identificar mejor las situaciones de conflicto de intereses.

Las formaciones se desarrollaron en dos jornadas y permitieron recolectar datos para 69 participantes. A fin de controlar el impacto que podía tener el instructor sobre los resultados, los participantes fueron reagrupados al azar en 4 grupos homogéneos asignados a dos instructores (2 grupos testigo y 2 grupos experimentales). Cada instructor condujo los dos tipos de formación con un grupo testigo y un grupo experimental. Antes y después de la formación, los participantes respondieron un test que permitía evaluar su capacidad para identificar situaciones de conflictos de intereses.

Resultados.

El estudio demostró que, independientemente del enfoque utilizado por el instructor, la formación tuvo un impacto positivo sobre la capacidad de los participantes para identificar casos de conflictos de intereses aparentes, al menos en el corto plazo. El estudio no permitió, sin embargo, demostrar que alguno de los dos enfoques tenga un impacto más significativo que el otro sobre los resultados del test. En cualquier caso, estos resultados poco concluyentes podrían atribuirse al contexto del estudio y al número restringido de participantes, más que a la propia metodología de la formación. Finalmente, los instructores percibieron un nivel de participación más alto y una actitud más positiva en los grupos de tratamiento. Asimismo, los participantes encontraron que la formación fundada sobre los valores era más agradable y dinámica.

En conclusión, la metodología de la evaluación de impacto de una formación en ética puede contribuir a mejorar nuestros conocimientos en cuanto a qué formaciones permiten generar mayor impacto, además de ser bastante simples de llevar a cabo.

En general, cuantificar el impacto de las formaciones en integridad a largo plazo sigue siendo una tarea difícil, ya que ello depende de una multitud de factores como la frecuencia de las formaciones o la robustez de las medidas que evalúan su eficacia. Un estudio sobre los programas de formación en integridad llevado a cabo por la policía de Amsterdam en 2007 demuestra que estos programas tienen un impacto positivo y duradero si son integrados dentro de un conjunto coordinado de medidas y se dirigen a metas identificables por los participantes. Otras investigaciones indican que las formaciones interactivas, en las que los participantes confrontan situaciones concretas y realistas, son más susceptibles de generar un compromiso personal de integridad por parte de los participantes. Resultados similares han sido detectados por medio de la utilización de escenarios, juegos de roles o estudios de caso reflejando escenarios reales en el medio de trabajo.

Fuentes: (Bazerman and Tenbrunsel, 2011[15]) (Mazar and Ariely, 2006[16]) (Barkan, Ayal and Ariely, 2015[17]) (Falkenberg and Woiceshyn, 2008[18]) (Weber, 1992[19])

2.3. Gathering relevant data for integrity policies

2.3.1. Expanding and adapting the use of staff surveys could provide data on how integrity policies contribute to a culture of integrity in Argentina's public sector

27. Monitoring and evaluation both require information. Administrative data, that is data collected for administrative purposes by government units, can provide relevant insights, but to understand better the public administration and get information on how public officials perceive and experience issues related to public integrity, administrative data needs to be complemented by staff surveys.

28. Staff surveys can inform directly integrity policies. They support the assessment of public officials' integrity capacities and risk and allow identifying the values and challenges that impact public officials in their choices. Also, policy makers will be interested to find out whether the policies resonate with public employees, change their attitudes and behaviours and serve the policy goal of ensuring a culture of integrity within the public sector. Staff surveys could further support the diagnostic assessment preceding the design of integrity policies. In fact, many OECD member countries monitor their integrity policies using employee survey polls. In the Netherlands, for example, a comprehensive staff survey is at the core of agenda setting for future integrity policies (see **Box 2.5**).

Box 2.5. Integrity Monitor in the Dutch public administration

Since 2004, the Dutch Ministry of the Interior regularly observes the state of integrity in the Dutch public sector. To this end, political office holders, secretaries-general, directors and civil servants are surveyed in central government, provinces and municipalities using mixed methods, including large-sample online surveys and in-depth interviews.

The Integrity Monitor supports Dutch policy makers in the design, implementation and communication of integrity policies. The results of each Monitor are reported to Parliament. The Ministry of Interior uses the Monitor to raise ethical awareness, detect implementation gaps and engage decentralised public administration in taking responsibility for integrity regulations. Insights from past Monitor waves have helped to identify priorities for anti-corruption efforts and shift integrity policies from prohibition to creating an organisational culture of integrity.

Sources:
Presentation by Marja van der Werf (Dutch Ministry of Interior and Kingdom Relations) given at the meeting of the OECD Working Party of Senior Public Integrity Officials (28 March 2017, Paris).

Lamboo T. & De Jong, J. (2015): Monitoring Integrity. The development of an integral integrity monitor for public administration in the Netherlands. In Hoekstra, A. & Huberts, L. Gaisbauer, I. (eds.), 'Integrity Management in the Public Sector. The Dutch Approach'.

29. More specifically, a centrally administered public sector staff survey touching upon various aspects of public employment has the advantage that answers can be correlated and compared across entities. In the United Kingdom, the Civil Service People Survey yearly interviews almost 300,000 respondents from 98 organisations (Civil Service People Survey 2017, 2017[20]). The results provide a benchmark across different public entities. Among the various aspects covered by the survey are employee engagement, trust in leadership and fair treatment. A significant change in any of these dimensions could indicate an integrity risk. The scoring of the answers in indices gives not only an overall picture of the UK Civil Service, but also points towards the challenges within individual organisations. The repetition of the same questions in regular intervals enables comparisons over time. Positive responses to the question "Are you confident that if you raise a concern under the Civil Service Code in [your organisation] it would be investigated properly?", for example, have been increasing from 58% in 2009 to 70% in 2017 – potentially indicating a success of UK integrity policies. In Colombia, similar information is collected by the National Statistical Office (Departamento Administrativo Nacional de Estadística, or DANE) that carries out an annual Survey on National Institutional Environment and Performance. The survey entails a question on "irregular practices", which includes questions on the effectiveness of specific integrity initiatives.

30. Overall, 19 OECD countries conduct centrally administrated staff surveys across the whole central public administration (OECD, 2017[21]). Many of them include questions on integrity, as the first column of Table 2.3 shows. Meanwhile, questions that do not directly relate to integrity can also be a source of information for integrity policy making. In the United States for example, the central employee survey includes the item "My supervisor listens to what I have to say" – the response of which is likely to be an indicator of organisational culture (OECD, 2017[21]).

Table 2.3. Staff surveys inform evidence-based integrity policies in OECD countries

	'Integrity at the workplace' is assessed in a centralised employee survey across the whole central public administration	Employee survey polls are being used to evaluate the integrity system
Australia	●	●
Austria	○	●
Belgium	○	●
Canada	●	●
Chile	○	●
Czech Republic	○	○
Denmark	○	○
Estonia	●	-
Finland	●	○
France	○	○
Germany	○	○
Greece	○	○
Hungary	○	○
Iceland	●	●
Ireland	○	○
Israel	●	-
Italy	○	○
Japan	○	○
Korea	○	●
Latvia	●	-
Luxembourg	○	-
Mexico	●	●
Netherlands	○	●
New Zealand	○	●
Norway	●	●
Poland	○	○
Portugal	○	-
Slovak Republic	○	○
Slovenia	○	○
Spain	○	○
Sweden	○	●
Switzerland	○	-
Turkey	○	●
United Kingdom	●	●
United States	●	●
Total OECD	11	14

Note: Information on data for Israel: http://dx.doi.org/10.1787/888932315602. For further country-specific information as well as details on the methodology and factors used in constructing the index see www.oecd.org/gov/indicators/govataglance. Where data was unavailable this is indicated by -.

Source: OECD (2016), Strategic Human Resources Management Survey, OECD, Paris & OECD (2016), Survey on Public Sector Integrity, OECD, Paris.

31. Argentina could as well consider a centrally administered and regular public employee survey in the whole National Public Administration. It is recommended that the National Institute for Public Administration (Instituto Nacional de Administración Pública, or INAP), administers such a central public employee survey of all staff in the National Public Administration on a regular basis. Alternatively, the National Statistical Office in Argentina, National Institute of Statistics and Censuses (INDEC) could conduct the Survey. The survey could include various aspects relevant for public sector human resource management in addition to questions on integrity. The results of the survey could serve for an internal benchmarking and risk analysis across different entities of the National Public Administration and potentially feed into a benchmarking (see section 2.2.1).

32. Either to complement or instead of a centrally administered survey, Argentina could also conduct more limited, ad hoc staff surveys in specific sectors or public entities to inform integrity policy making. However, while they can be relevant for purposes of policy design or communication, for example, such ad hoc surveys lack the advantages of a centrally administrated and regular survey that can be used for benchmarking purposes and for evaluating the longer term progress in integrity goals.

33. In Argentina's integrity system, first steps have been taken in the use of staff surveys to inform integrity policies, yet, there is potential for expanding the use of this measurement tool. For example, Argentina's Ministry of Modernisation in 2016 conducted a staff survey among public employees, asking about their own and their organisation's values and behaviours. The collected evidence informs policies designed to shape the organisational cultures within the public sector. In cooperation with the Ministry of Modernisation, the Anti-corruption Office could investigate whether these data withhold relevant information for creating a culture of integrity among staff in the public sector. In general, there are three functions in which the data from this survey might serve integrity policies.

34. First, the responses could inform the diagnostics of the existing organisational culture within Argentina's public sector. Argentina is aiming to revalue public employment (Government goal number 85). This policy goal and the Human Resource Management policies that are implemented in the public sector to this end also have implications for integrity. Behavioural research has shown that a positive moral identity supports ethical behaviour (OECD, 2018[14]). Staff mentioning negative or unethical values to describe themselves or their organisation could indicate a damaged moral identity and thus an integrity risk. Careful analysis of the survey response could help to target the respective policies.

35. Second, the survey data could inform the design of integrity-related human resource policies in Argentina's public sector. Survey participants indicated which values and behaviour staff would hope to see in their organisation in order for the organisation to achieve its full potential. The design of policies aiming to create a culture of integrity could attempt to strengthen in particular these mentioned values and behaviours.

36. Third, the survey could also function as a baseline for the work on culture of integrity in the Argentine public sector. A repetition of the same survey after a few years would allow observing changes in the reported values. The scope of the survey does not need to be limited to obvious direct questions. Feelings, attitudes and opinions can be

examined in carefully designed survey studies. Box 2.6 provides two examples of survey techniques that can be applied to assess sensitive information or underlying values.

Box 2.6. Survey techniques

Random Response

Random response allows respondents to more openly admit to a stigmatized answer. A question could be:

Have you ever made a misstatement on a job application?

The respondents then toss a coin. If it shows heads, they answer yes. If it shows tails, they answer the question truthfully. The true prevalence of the behaviour can be estimates from all yes answers distracting the proportion stochastically attributed to the coin toss. Yet, for the individual respondent the inhibition to respond yes is reduced.

Semantic Differential

A Semantic Differential is a survey tool used to gauge the feelings of respondents associated with a certain trigger word. It shows opposing pairs of adjectives (e.g. confident – shy; arrogant – humble; fast slow) on the ends of a 5 step interval scale. The respondents indicate where on the scale they associate the word. Answers are fully subjective, which reveals how the word is connoted.

Source: (Kraay and Murrell, 2016[22])

37. As a complement to general staff surveys, training programmes and awareness raising initiatives for the public sector provide an opportunity for gathering data from public officials as well. Valuable evidence could, for example, be generated through an integrity knowledge assessment on a selected sample of public officials. Such a survey could assess public employees' competency to solve ethical dilemmas, dismantle common justification mechanisms for unethical behaviour or identify integrity breaches and knowledge of reporting procedures. The results of this assessment could serve as diagnostics for which entities require integrity training and inform INAP on where and how to best integrate integrity matters in their training curricular.

2.3.2. Data from citizen interactions with government and citizens surveys could help to understand how integrity policies affect awareness for integrity in the whole of society and encourage social accountability

38. Citizen surveys are a further tool to inform national integrity policies. Some existing studies that have surveyed citizens in Argentina (e.g. World Values Survey, Americas Barometer, Latinobarometer, Global Corruption Barometer, or the Latin American Public Opinion Poll) provide insights on the prevailing attitudes and opinion towards corruption. However, even though they may provide interesting starting points, these surveys are designed for international comparison rather than to allow a more detailed assessment of integrity within a country context.

39. Citizen surveys are a flexible tool. Their content can be adjusted depending on the intended use of the data. **Box 2.7** provides core elements that have been included in citizen surveys in OECD countries and how they might inform integrity policy making. A citizen

survey could include questions on perception of government officials of different public institutions. It could ask citizens about the roots of their distrust in government and the attitudes and values they connect with public office. A random sample of citizens could, for example, be presented with a Semantic Differential Scale to express their associations with the Argentine public sector (see Box 2.6 above). Repeating a similar measurement on the same or a comparable sample after the implementation of the trust-building policies could be a test for an attitude changing effect.

Box 2.7. Potential elements of a public citizen survey for integrity

Citizen surveys are a valuable measurement tool to gather evidence for the design, implementation and communication of integrity policies. This tool can be applied for various purposes. The following elements could be included in an integrity survey:

- **Values and attitudes**: A values and attitudes survey is particularly useful as an ex-ante diagnostic tool for awareness raising and behaviour changing policies. In order to design an awareness raising campaign with an effective appeal, a survey can be conducted to find out which integrity-related values matter to large groups of citizens.
- **Experience, awareness and perception of corruption**: Transparency International's Global Corruption Barometer and other international survey studies can provide a brief impression of how common bribery is in Argentina, where and when citizen experience bribery and how strong corruption is perceived by citizens in different sectors. This evidence shows that bribery is not a major problem for citizens interacting with public sector officials in Argentina (see chapter 3). Nonetheless, corruption is deeply entrenched in societal interactions. A survey targeted solely at Argentine citizens could assess the experiences, awareness and perception of corruption more in-depth with respect to the Argentine context.
- **Dilemmas and justifications**: Strengthening culture of integrity in the whole of society means enabling citizens to identify and react of an integrity breach. International surveys show that most citizens in Argentina reject corruption when directly asked about it (see chapter 8). The situations in which citizens do engage in integrity breaches are less obviously identified or justified. Confronting citizens with practical ethical dilemmas in survey questions could help integrity policy makers gain an understanding of which integrity breaches are commonly accepted in society, who people assign responsibility to and how citizens bring these in accordance with their general rejection of corruption.

40. Such survey data can help steer the public debate on integrity to a more actionable context inducing actual behavioural change. Successful behaviour changes in the public sector can be mitigated by a lack of acknowledgement in the public, who show limited trust in public institutions and their capacity to reduce corruption. Therefore, chapter 8 suggests facilitating a trust-inducing dialogue between the public sector and citizens. Surveys provide the evidence base for this dialogue by giving policy makers the opportunity to understand how citizens perceive the public sector and where trust in public institutions is lacking.

41. In order to have regular and comparable data over time, Argentina could therefore consider adding questions or modules to existing household surveys or having separate citizen surveys conducted by the National Institute of Statistics and Censuses (INDEC). These questions could be developed based on international good practice and fine-tuned together with the Anti-corruption Office to fit the country context. The experience of Mexico's National Statistics Office (Instituto Nacional de Estadística y Geografía, INEGI) could be used as an example on how to include meaningful corruption indicators in a general representative survey (Box 2.8).

Box 2.8. Mexico's National Survey of Quality and Impact of Government

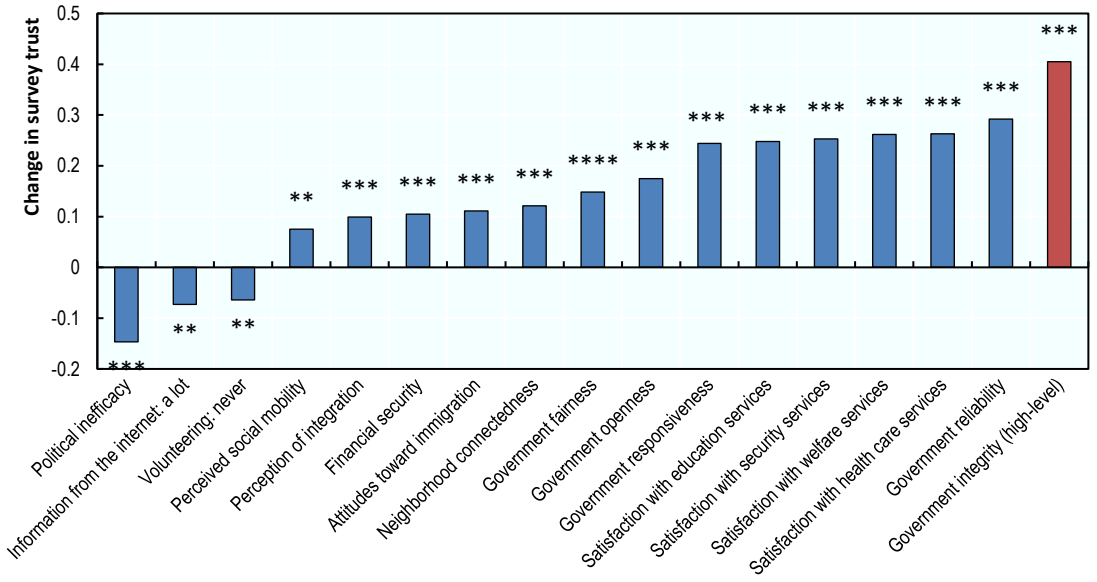
Mexico's National Best practice on boxes: see page 20 of the OECD Style Guide. Do not forget to delete or replace this text.

42. For ad-hoc information needs that go beyond the content of regularly conducted surveys, integrity policy makers in Argentina could collaborate with external partners. Opinion researchers in Argentina, such as the Centre for Opinion Research and Social Studies at the University of Buenos Aires or the Centre for Public Opinion at the University of Belgrano. Both institutions issue regular public surveys. In cooperation with academic researchers or private sector survey companies, the Anti-corruption Office, as well as the Ministry of Modernisation or other integrity actors, could investigate relevant aspects of public opinion, knowledge and experience to inform integrity policy making. If, for example, the Anti-corruption Office were to launch a new awareness raising campaign, a brief public opinion survey could be conducted afterwards to see whether citizens are aware of it.

43. Measures of trust in general are also a valuable source of evidence for integrity policy making. Trust in public institutions is at the core of public integrity, and integrity has been shown to be the main driver for trust in government (Figure 2.4). In turn, trust can determine the success of integrity policies, programmes and regulations that depend on cooperation and compliance of citizens. Lack of trust compromises the willingness of citizens and business to respond to policies and contribute to public integrity. Integrity, in turn, is one of the five amenable policy dimensions driving public trust (OECD, 2017[23]).

Figure 2.4. Integrity is perceived as the most crucial determinant of trust in Government

Change in self-reported trust associated with one standard deviation increase in…



Note: This figure shows the most robust determinants of self-reported trust in government in an ordinary least squares estimation that controls for individual characteristics.
Source: Trustlab (SVN, DEU, USA, ITA).

44. The OECD Guidelines on Measuring Trust provide international recommendations on collecting, publishing, and analysing trust data to encourage their use by National Statistical Offices (NSOs) (OECD, 2017[24]). Argentina's National Institute of Statistics and Censuses (INDEC) could consider implementing regular measurements of trust in public institutions through surveys in order to correlate these results with other integrity related indicators and analyse these relationships as well as changes over time.

Box 2.9. Measuring trust in public institutions

Questions suggested in the OECD Guidelines on Measuring Trust

The next questions are about whether you have trust in various institutions in [Argentina]. Even if you have had very little or no contact with these institutions, please base your answer on your general impression of these institutions. Using this card, please tell me on a score of 0-10 how much you personally trust each of the institutions I read out. 0 means you do not trust an institution at all, and 10 means you have complete trust.

A3. [Argentina's] Parliament?
A4. The police?
A5. The civil service?
B10. The courts?
B11. Political parties?
B12. Politicians?
B13. The police?
B14. The armed forces?
B15. The civil service?
B16. The media?
B17. The banks?
B18. Major companies?

The following questions are about your expectations of behaviour from public institutions. In each question, you will be asked whether you think a particular example of behaviour is something that would be expected not to occur at all, or to always occur. Please respond on a scale from 0 to 10 where 0 means very unlikely and 10 means very likely.

C3. If you were to complain about bad quality of a public service, how likely is that the problem would be easily resolved?
C4. If a natural disaster occurs, do you think that the provision by government of adequate food, shelter and clothing will be timely and efficient?
C5. If a decision affecting your community were to be taken by the local or regional government, how likely is it that you and others in the community would have an opportunity to voice your concerns?
C6. If an individual belongs to a minority group (e.g. sexual, racial/ethnic and/or based on national origin), how likely is it that the individual will be treated the same as other citizens by a government agency?

Have you done any of the following in the past month?

D4. Voiced your opinion to a public official?
D5. Signed a petition?

Source: OECD (2017), *OECD Guidelines on Measuring Trust*, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264278219-en.

45. Citizens' experiences and opinions can also guide the improvement of public services and the advancement of integrity. Users of public services in Argentina could, for example, be invited to answer a short satisfaction survey. Anonymously, respondents could indicate not only the quality of public service delivery, but also how they perceived the integrity of the institution or public official they interacted with. The integration of feedback tools in situations where citizens and public officials interact not only allows gathering data on the quality of public service but could also contribute to building trust in public institutions. Citizens feel that their voice is heard and perceive the institution as open for dialogue. Experience in Lithuania (see Box 2.10) shows that this could also reduce the willingness to engage in corruption. Feedback mechanisms give citizens the chance not only to legitimately reward a good experience, but also to bring a negative experience to awareness, thereby ideally preventing the citizen from generalizing one bad experience to the public sector overall. Meanwhile, respondents with a positive experience reflect upon this good experience when providing feedback, which might support an updating of their existing attitudes towards the public sector.

Box 2.10. Clinic Evaluation in Lithuania

Transparency International Lithuania installed a feedback tool at a public clinic. They found that patients who evaluated their visits were less willing to pay a bribe, communicating more respectfully with the doctors and felt better attended to. Placing the feedback station visibly in the lobby of the clinic proved important to invite all visitors to give feedback.

Source: TI Lithuania((n.d.)), Patients who evaluate their visit are less willing to give bribes – Transparency International Lietuvos skyrius, http://www.transparency.lt/en/pacientai-kurie-ivertina-savo-apsilankyma-pas-gydytoja-maziau-linke-duoti-kysius/ (accessed on 13 December 2017).

46. In addition, the increase in digitalization of interactions between citizen and public sector yields a variety of opportunities to integrate brief questions into the procedure that later can be used for evaluating the impact of integrity policies as well. The National Institute of Statistics and Censuses could develop a standardized phrasing and assessment framework for such feedback questions in order to ensure comparability across different institutions. Another way to enable feedback from citizens to public officials is a so-called ambient accountability mechanism: a physical element, e.g. a poster or a screen, placed directly in the public office for citizens to leave comments (Zinnbauer, 2012[25]). The installation of such ambient accountability mechanism in public offices in Argentina could be implemented in a randomized fashion and accompanied by evaluation.

47. Along the same line, Argentina's government provides data and engages in dialogue with citizens on web-based platforms, such as the Open Government Platform www.datos.gob.ar, the Ministry of Justice's *Justicia 2020* online platform, online complaint mechanisms and the web-based Conflict of Interest Simulator. The interaction with citizens on these web-platforms could be an entry point for asking short survey questions, such as whether users are satisfied with the respective government policies. However, the government would also need to communicate better the existence of these and other online tools.

48. Moreover, surveys can help policy makers in Argentina to develop effective communication strategies. Awareness raising for integrity is more complex than simply

raising the issue of corruption. For instance, simply raising the issue of corruption might have the opposite effect if it increases the already high awareness for an existing problem and thereby creating the impression that corruption is widespread. Research has shown that unethical behaviour is contagious (Gino, Ayal and Ariely, 2009[26]) and the perception of corrupt behaviour as common could undermine non-corrupt social norms (Bicchieri and Xiao, 2009[27]). Such dangers of miscommunication can be prevented by designing a relevant campaign based on evidence extracted from citizen surveys. Changes in citizens' attitudes and opinions as a result of the campaign can be measured and monitored through surveys. An initial public opinion survey conducted to inform the design of the awareness raising policy could serve as a baseline for such an assessment. In comparison to this initial data, a new survey a relevant time after the implementation of the campaign could assess a potential effect of the campaign and enable a presumption of the policy's effectiveness.

2.4. Proposals for action

Implementing a system for monitoring and evaluating Argentinian integrity policies

- A central integrity monitoring system, which produces regular reports on the advances of the implementation of the National Integrity Strategy, could help to manage and communicate progress towards integrity goals. Ideally, this central integrity monitoring function would be located at the level of the Secretary for Institutional Strengthening under the JGM. Integrity indicators measuring the implementation and results of the integrity goals should be integrated into the broader national monitoring through the Results Based Management System (GpR) headed by the JGM in cooperation with the Ministries of Modernisation and Finance.
    - At organisational level, where the data is usually collected, integrity indicators ideally should be measured through already existing systems and processes to avoid creating an additional administrative burden to public managers. The JGM and the Ministry of Modernisation are currently developing such a monitoring system, which provides the opportunity to include integrity monitoring from the beginning. The frequency of the measuring and reporting could be defined as monthly or quarterly, for example.
    - The Commission for Integrity and Transparency could provide the platform to discuss progress and challenges based on such a central integrity monitoring system.
    - A central monitoring system establishes the evidence needed for a regular reporting and communication to the public. At organisational levels, public entities could include integrity-related indicators in their annual reports to the citizens and on their websites. At centralised level, the JGM could consider establishing a website where all relevant data on integrity is provided in one single information hub.
    - Finally, a central monitoring system can be used to create benchmarking that can promote inter-agency competition, or even competition between Regions. Again, the results could be discussed internally in the Roundtables or the Commission for Integrity and Transparency. The incentives provided through benchmarking are even stronger when the benchmarking is publicly reported, e.g. through a dedicated website as suggested above.

- Objective integrity policy evaluations could enable evidence-informed learning, improve the design of future integrity policies and credibly reflect the government's political will. The evaluation should therefore be considered as an integral part of a National Integrity Strategy in Argentina and be decided and scheduled from the beginning.
    - Budget should be assigned explicitly for carrying out these evaluations and a process should ensure that the results will be taken into account in the design of the following integrity policies. Again, this decision over policy evaluation could be taken in the Roundtables under the JGM or in the context of the National Commission for Integrity and Transparency.
    - The JGM, the Ministry of Modernisation, the OA or line ministries could contract out evaluations to a reputable external institution and evaluations could be reviewed by a council of representatives from academic institutions and civil society. Clearly pre-defined and openly communicated criteria and parameter for the evaluation can further contribute to increase the impartiality and legitimacy of an evaluation exercise.
    - In addition, to further increase the independence and impartiality of measurements, the INDEC could collect integrity related data to be included in assessments.
- Innovative integrity measures could be tested through rigorous impact evaluations before considering implementing them at larger scale. Where a new procedure is introduced or an existing process is changed, testing the variation in a randomized control trial can provide valuable information. Public entities could therefore consider conducting rigorous impact evaluation by partnering with research institutes. As the focal point of the integrity system, the Anti-corruption Office and the Secretary for Institutional Strengthening in JGM could identify the need for impact evaluations across the integrity system. It could then make sure the task is commissioned to a competent institution and provide the researchers with guidance and access to relevant data. The Ministry of Modernisation, in turn, could ensure the quality of methodological approaches.

Gathering relevant data for integrity policies

- Expanding and adapting the use of staff surveys could provide data on how integrity policies contribute to a culture of integrity in Argentina's public sector.
    - Argentina could consider a centrally administered and regular public employee survey in the whole National Public Administration, carried out ideally by the INAP or alternatively the INDEC.
    - Either to complement or instead of a centrally administered survey, the Anti-corruption Office or other public entities could also conduct more limited, ad hoc staff surveys in specific sectors or public entities to inform integrity policy making.
    - Training programmes and awareness raising initiatives for the public sector also provide an opportunity for gathering data from public officials.
- Data from citizen interactions with government and citizens surveys could help to understand how integrity policies affect awareness for integrity in the whole of society and encourage social accountability.

- To have regular and comparable data over time, Argentina could therefore consider adding questions or modules to existing household surveys or having separate citizen surveys conducted by the INDEC. These questions could be developed based on international good practice and fine-tuned together with the Anti-corruption Office to fit the country context.
- For ad-hoc information needs that go beyond the content of regularly conducted surveys, integrity policy makers in Argentina could collaborate with external partners to conduct citizen surveys.

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3. Building a culture of integrity in the public sector in Argentina

This chapter assesses Argentina's public ethics framework, namely the legal framework, training and awareness-raising measures, human resource management, openness of the organisational culture and whistleblower protection to create a culture of integrity in the public sector. It provides an overview of the strengths and weaknesses of the public ethics framework in Argentina. In particular it recommends addressing the current fragmentation of the public ethics framework by harmonising the different laws and regulations, developing a clear process for managing conflict of interest, updating and streamlining the Code of Ethics and strengthening efforts to build awareness of integrity in the public sector. Further efforts are also needed to reinforce merit in the public sector and to build and open and trusting environment to encourage public officials to raise concerns and report corruption.

3.1. Introduction

1. Ensuring a public service based on integrity requires approaches that go beyond laws and regulations. Public servants need to be guided towards integrity by defining common values and concrete standards of conduct and implementing them. Ethical norms and values transcend from mere words on paper through socialisation and communication which help public servants to personalise and adopt these. A common understanding is developed of what kind of behaviour public employees are expected to observe in their daily tasks, especially when faced with ethical dilemmas or conflict-of-interest situations which all public officials will encounter at some point in their career.

2. The building blocks for cultivating a culture of integrity in the public sector according to the OECD Recommendation on Public Integrity are (OECD, 2017[1]):

- setting clear integrity standards and procedures,
- investing in integrity leadership,
- promoting a professional public sector that is dedicated to the public interest,
- communicating and raising awareness of the standards and values, and
- ensuring an open organisational culture and clear and transparent sanctions in cases of misconduct.

3. In addition, integrity measures are most effective when they are mainstreamed, into general public management policies and practices, such as human resource management and internal control (see Chapter 5), and when they are equipped with sufficient organisational, financial, and personnel resources and capacities. Translating the letter of the standards into effective implementation often proves to be the most challenging part of the process to move from an integrity framework to a culture of integrity in the public sector.

3.2. Building a strong normative framework for public ethics and conflict of interest by reforming the Public Ethics Law

4. Ethics laws or codes of conduct serve as the backbone to ensuring integrity in the public service. They can act as reference point for public servants regulating ethical norms and principles and conflict of interest. In Argentina, the current legal framework setting the standards of conduct and values expected from public officials is Law 25.188 on Ethics in the public sector (*Ley 25.188 de Ética en el Ejercicio de la Función Pública)*. It is complemented by other regulations, such as the Code of Ethics (Table 3.1).

Table 3.1. Public Ethics Legislation in Argentina

Law 28.188 on Ethics in the Public Sector (Ley 25.188 de Ética en el Ejercicio de la Función Pública)	It is applied to all in the public sector at all levels and hierarchies, either permanently or temporary, by popular election, direct appointment, by competition or by any other legal means, extending its application to all magistrates, officials and employees of the State (article 1, first paragraph). This Law establishes: a) a set of duties, prohibitions and incompatibilities applicable, without exception, to all persons who perform public functions (Article 2), establishing compliance with them as a requirement of permanence in office (Article 3); (b) a system of financial and interest declarations (Chapters III and IV); c) rules on incompatibilities and conflicts of interest (Chapter V); (d) a gift scheme for public officials (Chapter VI) and e) ethical norms on the publicity of the acts, programs, works, services and campaigns of public bodies (which must be educational, informative or socially oriented, and cannot include names, symbols or images that imply promotion personnel of the authorities or public officials) (article 42).
Law 25.164 National Public Employment Framework (Ley 25.164 Marco de Regulación de Empleo Público Nacional)	Law 25.164 establishes a set of duties (article 23) and prohibitions (article 24) that substantially coincide with the contents of the Public Ethics Law in the Exercise of Public Function and the Code of Public Ethics and which make an efficient, impartial, transparent, exercising with integrity and honesty.
Decree 41/99 Code of Ethics (Decreto 41/99 Código de Ética en el Ejercicio de la Función Pública)	The Code of Ethics contains two chapters which are called "General Principles" (Chap. III) and "Particular Principles" (Chap. IV). These consist of probity, prudence, justice, temperance, suitability, responsibility, aptitude, respect for legality, evaluation, veracity, discretion, transparency, obedience, independence of criterion, equality, equal treatment, proper exercise of the position and correct use of state assets and information acquired throughout their functions.
Law 22520 Ministerial Law (Ley 22520 Ley De Ministerios)	Law 22520 contains a chapter on incompatibilities for presidential appointees (ministers, secretaries and sub-secretaries of State): They cannot engage in any commercial activity, business, company or profession that is linked, directly or indirectly, to the three branches of government, public agencies or bodies. Nor can they take part in any legal proceedings in which the State, provinces or municipalities are a part or take part in any activity in which their status as a civil servant may influence any decision.
Decree 1179/16 Gift Regime for Public Officials (Decreto 1179/16 Régimen de Obsequios a Funcionarios Públicos)	It creates a "Registry of Gifts to Public Officials" and a "Record of Trips Financed by Third Parties", managed by the Anti-Corruption Office . It regulates the exceptions to the prohibition of receiving gifts established in article 18 of Law 25,188 (courtesy and diplomatic custom), specifying its concept and scope and establishing the obligation of registration in all cases. It exclusively applies to the National Public Administration.

Decree 201/17 (Decreto 201/17)	It provides that the National Treasury Prosecutor Office shall represent the state in any proceeding if the President, the Vice-President, the Head of Cabinet, ministers or any other authority of similar rank have a relation to one of the involved parties that could constitute a conflict of interest. Any person who has a judicial or extrajudicial conflict against the National State must record this and the rules incorporate additional control and transparency tools. All files should be published proactively to promote their follow-up and consultation by anyone.
Decree 202/17 (Decreto 202/17)	Anyone participating in a public procurement procedure, granting of a licence, permit, authorisation and acquisition of rights in rem in a public or private property of the state must submit a Declaration of Interest in which they must state whether they have links with the President, the Vice-President, the Head of Cabinet, ministers or heads of decentralised bodies, or with the public servant responsible for deciding on recruitment or authorisation. In the case of links, the rules incorporate additional control and transparency tools. All files should be published proactively to promote their follow-up and consultation by anyone.

5. The Anti-corruption Office (Oficina Anticorrupción, or OA) is the responsible authority for implementing the Public Ethics Law in the executive branch, while the Supreme Court is responsible in the Judiciary, however only as far as financial and interest disclosures are concerned. Neither the judiciary nor the legislative have designated a specific authority to enforce the law. The mandate provided to the OA, clearly defines the OA as the lead entity for developing, promoting and implementing all regulations, policies and activities related to the promotion of ethics in the public administration and the management of conflict-of-interest situations.

6. The Law on Ethics in the Exercise of Public Service establishes a set of duties, prohibitions and disqualifying factors (*incompatibilidades*) to be applied, without exception, to all those performing public functions at all levels and ranks in all three branches, be it on a permanent or temporary basis, as a result of the popular vote, direct appointment, competition, or any other legal means.

3.2.1. Inconsistencies between the various legislations on integrity could be overcome during the current reform process of the Public Ethics Law

7. The public ethics framework in Argentina is scattered across various instruments (Table 3.1). In particular for the executive branch, the ethics law is complemented by Law 25.164, the National Public Employment Framework, and the Decree 41/99, the Code of Ethics. The National Public Employment Framework sets out the duties (Article 23) and prohibitions (Article 24). While some of these overlap with the regulations in the Public Ethics Law, they are formulated differently, diminishing clarity of what is allowed. In addition, the prohibitions of the National Public Employment Framework reach beyond the disqualifying factors in the Public Ethics Law. For example, Article 24b prohibits public officials to direct, manage, advise, sponsor, represent or provide service to persons which manage or exploit state concessions, administrative privileges or are suppliers or contractors of the state. In comparison, the Public Ethics Law's prohibition only refers to providing services to anyone who manages or exploits state concessions and suppliers. The broader scope of the National Public Employment Framework is useful, because providing services to persons enjoying administrative privileges could be a source for a conflict of interest. While the provision of the Public Ethics Law would prevail, it undermines the clarity of the legal framework for public ethics.

8. Discrepancies also exist between the Code of Ethics and the Public Ethics Law and the National Public Employment Framework which means that only those provisions of the Code of Ethics are valid which do not contradict the Public Ethics Law or National Public Employment Framework. For example, while the Public Ethics Law obliges public servants

to renounce activities in conflict with their duties (article 15(a)), the Code of Ethics considers recusal to be sufficient (article 42). While the Public Ethics prevails, it could lead to confusion.

9. Similarly, while the National Public Employment Framework prohibits the acceptance of gifts, the Code of Ethics allows for gift under certain circumstances. While the OA has applied the exceptions under which gifts can be received according to the Code of Ethics (which was reinforced by Decree 1179), this discrepancy can nevertheless add to confusion as to what is legally accepted. Going forward, Argentina could consider to harmonise the gift policy. A zero-gift policy might drive employees to clandestinely disregard the rule and create a feeling of distrust. For example, sanctioning an employee for having accepted a small gift might create more resentment than trusting that they will not be unduly influenced by it. Feeling distrusted, the employees might begin to secretly accept small gifts and thereby develop a tolerance of non-compliance with the gift policy (OECD, forthcoming[2]). Therefore, the reform of the Public Ethics Law could establish a threshold under which gifts can be accepted without reporting them. Gifts over the threshold will need to be reported and a gift registry as mandated in Decree 1179/16 published on the website of the OA.

10. Overall, the reform process of the Public Ethics Law could harmonise the integrity-related provisions throughout the various frameworks. By doing so, public officials would have greater clarity over the rules and standards related to integrity.

3.2.2. A clear and realistic definition of conflict of interest is needed

11. Clear and realistic definition of what constitutes a conflict of interest is indispensable for an effective public ethics framework. A comprehensive definition is the basis for developing a regulatory framework and guiding and awareness-raising measures to identify and manage a conflict-of-interest situation. A conflict of interest can be defined as "a conflict between the public duty and private interests of a public official, in which the public official has private-capacity interests which could improperly influence the performance of their official duties and responsibilities" (OECD, 2004[2]). Uncertainty over the norm can be avoided by clearly setting out what private interests can be opposed to public interests and create a conflict of interest (OECD, 2004[2]).

12. The Public Ethics Law currently approaches the concept of conflict of interest in connection with disqualifying factors (*incompatibilidades*) for the public service. It, however, does not give a clear definition of conflict of interest which may lead to an equation of conflict of interest with disqualifying factors. However, if managed appropriately, a conflict of interest situation should not disqaulify the public servant from public service.

13. Furthermore, Article 13 contains imprecise and difficult to understand wording: "*It is incompatible with the exercise of public office:*

> *a) directing, administering, representing, sponsoring, advising, or in any other way rendering services to whoever manages or holds a concession or is a supplier of the State, or performs activities regulated by it, provided that the public office held has direct functional competence with respect to the contracting, procurement, management or control of such concessions, benefits or activities;*
>
> *(b) be a supplier by itself or by third parties to any body of the State in which it carries out its functions.*"

14. In other words, Article 13 forbids public officials to perform private activities when the public position has "direct functional jurisdiction" with those private activities. The concept of direct functional jurisdiction leaves room for interpretation and makes it difficult to understand for public officials what is allowed and what is not. It also raises difficulties in implementing the policies in a consistent and effective way as it does not guarantee similar interpretation and even enforcement.

15. The OA has worked to provide a reasonable and logical framework to clarify this concept through various resolutions in particular cases. These resolutions act as a reference for interpreting the rather vague and general concept of 'direct functional jurisdiction' and show the practical limitations for enforcing the concept. According to these the OA has interprets 'direct functional jurisdiction' as any function over the act or contract in question (De Michele, 2004[3]).

16. To avoid the use of this concept of direct functional jurisdiction and offering an operative concept of conflicts of interest, Argentina could include an explanatory and brief definition of conflict of interest in the Public Ethics Law to increase clarity and contribute to a better understanding and subsequent identification of conflict-of-interest situations. In addition, it would also make clear that the concept of conflict of interest goes beyond contracting, procurement, management or control of such concessions, benefits or activities as Article 13 currently states.

17. The OA has published a brochure about conflicts of interest which includes a brief explanation of what constitutes a conflict of interest: A situation in which "the personal interest of the person exercising a public function collides with the duties and obligations of the office held" and "a confrontation between public duty and the private interests of the official". A similar definition could be included in the Public Ethics Law.

18. The conflict-of-interest definition should also make it clear that private interests go beyond economical and financial ones. The impartial performance of duties of public officials can be compromised by financial and economic interests, personal ties or relationships or other personal interests and undertakings. By prohibiting public officials to direct, administer, represent, sponsor, advise or in any other way render services, Article 13 raises a strong connotation that private interests equal economical and financial ones. As such it limits the applicability of the concept of conflict of interest. The Public Ethics Law could, therefore, clearly state that private interests go beyond economical and financial ones and includes personal and private occupational interests as stated in the definition of conflict of interest given in Article 41 of the Code of Ethics (Código de Ética de la Función Pública) and in accordance with the OA's interpretation of conflict of interest in the resolution of specific cases. This way a strong operative concept of conflict of interest providing the basis for a logical legal framework would be created.

3.2.3. Argentina could reform the Public Ethics Law to design a comprehensive system for managing conflict of interest

19. The vagueness of Article 13 of the Public Ethics Law is further exacerbated by not detailing a process according to which a conflict of interest can be declared and not providing any solutions to resolve a conflict of interest. In fact, taken literally, the wording can be understood to signify a strong limitation to hold a public office or removal from office, because the law talks of incompatibilities with the public office without providing any resolution mechanism other than resignation or abstention. However, in the majority of cases where a conflict of interest was determined, the OA recommended solutions to

resolve the conflict-of-interest situation, such as recusal of certain decisions, while not advising against the appointment (De Michele, 2004[3]).

20. Argentina has not regulated the process of declaring a conflict of interest, neither in the Public Ethics Law, the National Public Employment Framework or the Code of Ethics. Although Resolution MJSyDH 1317/08 makes it clear that any infraction of Chapter 5 of the Public Ethics Law on incompatibilities and by extension conflict of interest can result in administrative action, it does not detail how to declare a conflict-of-interest situation proactively. It is therefore unclear for public officials in a conflict-of-interest situation how to proceed. Argentina could reform the Public Ethics Law to introduce the duty to declare a conflict of interest, clearly state the actor and timeframe in which a conflict of interest has to be declared and state in which timeframe a resolution to the conflict has to be pronounced. For example, in Colombia, Article 12 of the Administrative Procedure Code (*Código de Procedimiento Administrativo y de lo Contencioso Administrativo*) establishes that the public official has to disclose his/her conflict of interest within three days of getting to know it to his supervisor or to the head of department or the Attorney General Office (or the Superior Mayor of Bogota or the Regional Attorney General Office at lower levels of government), according to public official seniority. The competent authority has then 10 days to decide the case and, if required, designate an ad-hoc substitute.

21. The proposed amendments should also help to identify a better set of remedies and solutions going beyond resignation and abstention to enhance the preventive capacity of the system as a whole. As such the law could include a non-exhaustive list of solutions that could be taken to resolve a conflict-of-interest situation, such as recusal on certain issues, divesting an economic or financial interest, creating a blind trust and similar.

22. In addition, the OA could release a form which has to be used to proactively declare and manage a conflict of interest when it appears. The form should be filled out in collaboration between the employee and manager. It should include the following elements (Box 3.1):

- Description of the private interest, pecuniary or non-pecuniary, impacting the official duties
- Description of the official duties the public official is expected to perform
- Identification of whether this is an apparent, potential or real conflict of interest
- Signed employee declaration committing to manage the conflict of interest.
- Description by the manager of the proposed action to resolve the conflict of interest
- Signature of both manager and employee that has been discussed.

Box 3.1. The Conflict of Interest Disclosure Form of the Department of Social Services, Australia.

In order to manage a conflict-of-interest situation, employees in the Department of Social Service in Australia need to fill out a conflict of interest disclosure form. The employee is asked the following questions:

- Describe the private interests that have the potential to impact on your ability to carry out, or be seen to carry out, your official duties impartially and in the public interest
- Describe the expected roles/duties you are required to perform
- The conflict of interest has been identified as non-pecuniary, a real, apparent or potential conflict of interest or pecuniary interest.

The employee then signs a declaration which declares that they have filled out the form correctly and that they are aware of the responsibility to take reasonable steps to avoid any real or apparent conflict of interest. The employee also commits to advise the manager of any changes.

The form then has to be completed by the manager describing the action proposed to mitigate the real or perceived conflict of interest and why this course of action was taken. This action has to be signed by both the employee and manager.

Once completed the form is sent to the section manager and the workplace relations and manager advisory section for retention on the employee's personnel file.

Source: Department of Social Services, Australian Government

23. A member of the Ethics and Transparency Unit, which are recommended to be created in the entities (see Chapter 1), should be available for consultation in cases of doubts or act as an intermediary, if the employee does not feel comfortable to raise the issue with the manager. Once signed, the form should be reviewed by the Ethics and Transparency Unit and archived by Human Resources and kept with the employees file to be consulted in case of doubts over the adequate management of the conflict of interest. In contrast to the interests declared in the financial and interest disclosure, this form would identify the concrete situation in which the conflict of interest appears and propose a solution. By proposing the solution themselves, it will also sensitise public servants on how to apply integrity in their daily work.

24. Targeting the private sector, Decree 202/2017 has introduced a mandatory conflict of interest declaration for anyone participating in a public procurement procedure, granting of a licence, permit, authorisation and acquisition of rights in rem in a public or private property of the state. This is a positive step towards reducing the risk of conflicts of interest in the procurement process by increasing transparency. The decree mandates that all government suppliers or contractors have to declare relationships, as defined by the decree, with the President, Vice-President, Chief of the Cabinet of Ministers, ministers or equal rank, even if do not have any decision-power in the procurement process, and to any public officials with decision power in the procurement process. The declaration has to be

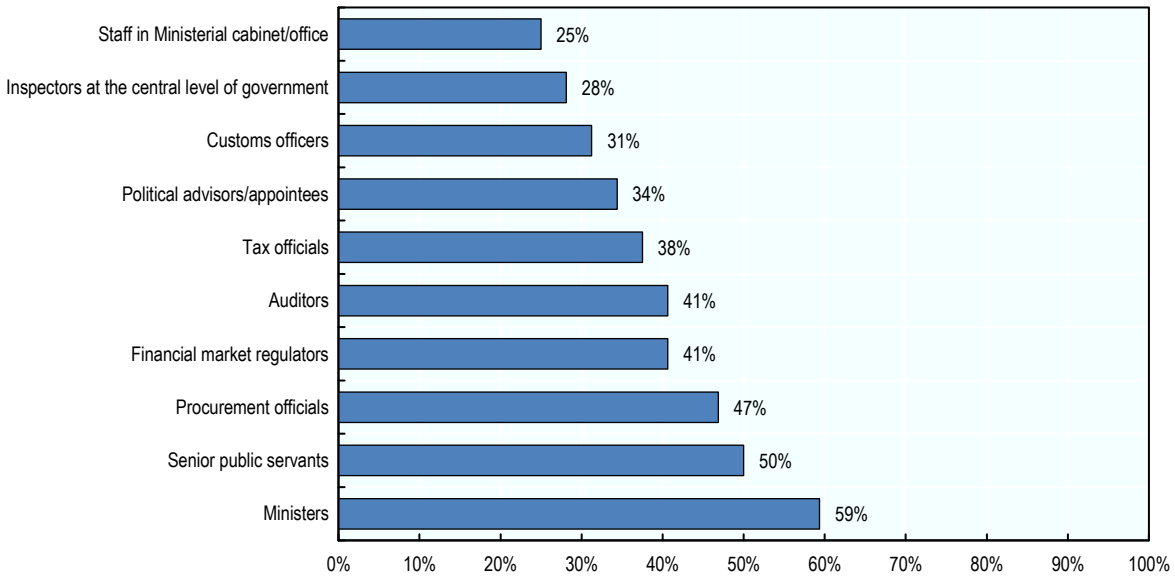
submitted prior to registering as government supplier and updated annually. The strength of the law is that it goes beyond relationships by consanguinity. It also includes any relation through society or community, a pending lawsuit, by being debtor or creditor, having received significant benefits or public friendship with a great familiarity and frequent contact. However, as criteria such as significant benefits or public friendship are not clear-cut, the OA could publish explanatory material for the private sector defining these concepts. In addition, it is positive that the law foresees steps to be taken in co-ordination with the OA to manage the conflict of interest, such as integrity pacts, participation of social witnesses or special supervision of inspection bodies.

3.2.4. The Anti-corruption Office could develop specific guidelines for at-risk categories of public officials such as senior civil servants, auditors, tax officials, political advisors, and procurement officials.

25. Administrative functions and sectors that are most at risk of corruption might need specific guidance taking into consideration the specific risk for these positions and sectors (see also Chapter 4). While the individual public official is ultimately responsible for recognising the situations in which conflicts may arise, most OECD countries have tried to define those areas that are most at risk and have attempted to provide guidance to prevent and resolve conflict-of-interest situations. Indeed, some public officials operate in sensitive areas with a higher risk for conflict of interest, such as justice, and tax administrations and officials working at the political/administrative interface. Countries such as Canada, Switzerland, and the United States aim to identify the areas and positions which are most exposed to actual conflict of interest. For these, regulations and guidance are essential to prevent and resolve conflict-of-interest situations (OECD, 2017[4]).

26. The OA currently provides guidance in specific cases to senior authorities upon designation taking into account the specific areas of risk for corruption. The OA could develop more general guidelines for specific sectors that are most at risk of corruption. For example, the OA could support public procurement officials in applying these regulations by providing a manual on conflict-of-interest situations specific to public procurement and how procurement officials can identify them. As a long-term goal, the OA could establish specific codes of ethics and guidance for other remaining at-risk areas such as senior civil servants, auditors, tax officials, and political advisors (Figure 3.1).

Figure 3.1. Development of specific conflict of interest policies for particular categories of public officials in the OECD



Source: OECD (2014), Government at a Glance

3.2.5. Argentina needs to introduce additional measures to implement thecooling-off period for pre- and post-public employment

27. The increasing trend of public officials' movement between the public and private sector has blurred the border between the two sectors resulting in integrity concerns. While it is in the interest of the public sector to attract highly-qualified and experienced employees, the risk arises that public officials make decisions in the interests of their previous or future private employers, instead of in the public interest. Not adequately managing such a conflict undermines the integrity of the decision-making process and affects trust in the government. Therefore, policies must be designed, implemented and enforced that regulate the appearance or existence of conflict-of-interest situations (OECD, 2015[5]).

28. The risks arising from pre- and post-public employment are specific to each type:

- *Post-public employment:* Former public officials make use of the information and connections gained during their public employment to unfairly benefit their new employer. For example, former public officials become lobbyists and use their connections to advance the interests of their clients. Similarly, during their time in office, public officials might already favour certain companies in decisions in the hope of being employed once they exit the public sector.
- *Pre-public employment*: The appointment of public officials which have held key positions in the private sector creates the risk of policy formulation and regulation in favour of the previous employer or sector. This risk is in particular heightened when former lobbyists enter the public service in an advisory or decision-making capacity (Transparency International, 2010[6]).

29. The Observatory for Argentinian Elites (*Observatorio de los Elites Argentinas)* determined that 24% of the members of President Macri's initial cabinet (86 people) held a

position in the private sector at the time of being appointed. Of these 86 officers, 60 were CEOs (Observatorio de las elites argentinas, 2017[7]). This can bring the risks of a heightened perception that policies and regulations are formulated not in the public interest, but in the interest of former employees and negatively affect the trust in the integrity of the public decision-making process.

30. While the OA is involved in advising ministers how to manage potential conflict of interest, currently no specific rules or procedures for joining the public sector from the private sector or vice versa exists in the Public Ethics Law. The Public Ethics Law states that public servants have to recuse themselves from any decisions related to persons or matters they were linked to in the last three years. Moreover, it stipulates a cooling-off period of three years after leaving the public sector for public servants who have had decision-making functions in the planning, development and implementation of privatisations or concession of companies or public areas to join a regulatory body or commission of those companies or services they interacted with. The Code of Ethics foresees a cooling-off period of one year after leaving the public sector. The OA has applied this in several resolutions and advice given to high-level public servants in specific conflict-of-interest situations. Similarly, the OA sends out reminders of the cooling-off period. Concerning post-public employment all OECD countries, except for Sweden, prohibit public officials to use confidential or "insider" information after they leave the public sector. In addition, 66% of OECD countries have introduced a cooling-off period, restricting public officials from lobbying or engaging in official dealings, interacting with their former subordinates or colleagues in the public after leaving the public service (OECD, 2015[5]). In many countries, specific regulations have been passed for lobbying activities before or after public service (for further details on lobbying, see chapter 7).

31. To implement the cooling-off periods more effectively, for lower ranking officials it could be made mandatory for HRM offices to identify measures to manage a potential conflict-of-interest situation in collaboration with the public officials and the supervisor based on the previous employers declared in the financial and interest disclosures. For the top five percent of public officials, the OA, who verifies the financial and interest disclosures, should advise the public official how to avoid a conflict of interest. While the OA is already fulfilling the advisory function in some cases, this could be made mandatory.

32. Argentina could consider to introduce different cooling-off periods according to the level of seniority or/and occupation instead of a one year blanket ban for every public servant and a three year ban for public servants involved in privatisations or concession of companies or public areas.. In Canada, for example, a one year cooling-off period exists for public officials, two years for ministers and five years for cabinet ministers. To effectively implement the cooling-off periods, many countries establish a public body or authority responsible for providing advice and overseeing the regulation. In Spain and Portugal, public officials are required to disclose future employment plans and seek approval from the advisory body (Transparency International, 2015[8]). In Argentina, the OA could fulfil the role of such an advisory body. During the cooling-off period, public officials would be required to regularly report on their employment situation in order for the OA to monitor the public official's employment. Decisions taken on post-public employment cases should also be published online to enable public scrutiny. For Instance, in Norway, decisions are published online and routinely scrutinised by the media (Transparency International, 2015[8]). In addition, the introduction of sanctions for violating the cooling-off period would ensure a deterrent effect. For pre-public employment, this could be disciplinary sanctions, while for post-public employment, the public pension could be reduced and the private sector employer sanctioned.

3.3. Implementing integrity to support public officials to apply ethics in their daily work life throughout the public service

33. Promoting public ethics and providing guidance for identifying and managing conflict-of-interest situations for resolving ethical dilemmas are at the core of developing a culture of integrity in the public sector. Such efforts should be integrated into public management and not perceived as an add-on, stand-alone exercise.

34. Codes of ethics are an essential tool in guiding the behaviour of public officials in line with the official legal integrity framework. Codes of ethics make clear what kind of behaviour is expected of public officials and where the boundaries of behaving with integrity are. In order to be effective, codes of ethics should clearly articulate the core values governing the public service. A code can also provide guidance to public officials on ethical dilemmas and on circumstances and situations qualifying as a conflict-of-interest situation. On the basis of the code of ethics, in interaction with primary laws, a regulatory integrity framework can be built which promotes public ethics and managing conflict-of-interest situations in a coherent manner across the public sector (OECD, 2017[9]).

3.3.1. The Code of Ethics should be revised and simplified

35. The Argentinian Code of Ethics is complementary to the Public Ethics Law which regulates the duties of civil servants, while the Code of Ethics guides behaviour and aims to cultivate integrity within the organisational culture. The Code of Ethics is applicable for the national public administration, encompasses twenty-eight general and particular principles for ethical conduct, such as probity, justice, transparency, responsibility and obedience. The principles are at times redundant, for example suitability (*idoneidad*) and aptitude (*aptitud*) (Box 2.2). Other principles are effectively not a principle, such as the particular principle of financial and interest disclosures. Argentina could consider reducing the numbers of principles to make them more memorable, meaningful and less confusing. Cognitive science has shown that a number of 5-9 principles are most suitable (Miller, 1956[10]). By concentrating on selected principles, more clarity is achieved. Within the OECD, several countries have decided to focus on key principles instead of overburdening the code. For example, in Australia the Public Service Values were reduced from fifteen rules to five values to make them more memorable (Box 3.2). Similarly, the UK Civil Service Code outlines four civil service values. Based on the core values, individual departments might develop their own standards and values.

Box 3.2. The Argentinian Code of Ethics for Public Officials in the Executive Branch

The Code of Ethics in Argentina consists of a general and a more specific part. The general part sets out some key definitions, six general principles and twenty-two specific principles. Within the specific part, the code prohibits the acceptance of gifts, except for diplomatic gifts, gifts of minimal value or travel costs covered if not incompatible with the public official's duties. Furthermore, the Code regulates conflict of interest by defining conflict of interest, , prohibiting nepotism, making the financial and interest disclosures mandatory and introducing a cooling-off period of one year.

To ensure the enforcement of the Code of Ethics, it introduces sanctions in the case of violating the code according to the Basic Legal regime of the Public Administration (*Régimen Jurídico Básico de la Función Pública)*.

36. Similar to the revision of the Australian Public Service Values the principles could be tightened by avoiding repetition and only including actual principals that guide public ethics. The OA could involve public officials in choosing the most relevant principles for the Argentinian public service to create ownership and a common identity among public officials. In Colombia, public officials were consulted in the selection of five values ensuring that values were relevant for the public service (Box 3.4). In Brazil, a consultation process was conducted for the Comptroller General of the Union's code of conduct raised issues that served as input for the government-wide integrity framework (Box 3.5).

Box 3.3. Revision of the Australian Public Service Values

In the past, the Australian Public Service Commission used a statement of values expressed as a list of 15 rules. For example, they stated that the Australian Public Service (APS):

- is apolitical and performs its functions in an impartial and professional manner
- provides a workplace that is free from discrimination and recognises and utilises the diversity of the Australian community it serves
- is responsive to the government in providing frank, honest, comprehensive, accurate, and timely advice and in implementing the government's policies and programmes
- delivers services fairly, effectively, impartially, and courteously to the Australian public and is sensitive to the diversity of the Australian public.

In 2010, the Advisory Group on Reform of the Australian Government Administration released its report and recommended that the APS values be revised, tightened, and made more memorable for the benefit of all employees and to encourage excellence in public service. It was recommended to revise the APS values to "a smaller set of core values that are meaningful, memorable, and effective in driving change".

The model follows the acronym "I CARE". The revised set of values runs as follows:

Impartial

The APS is apolitical and provides the government with advice that is frank, honest, timely, and based on the best available evidence.

Committed to service

The APS is professional, objective, innovative and efficient, and works collaboratively to achieve the best results for the Australian community and the government.

Accountable

The APS is open and accountable to the Australian community under the law and within the framework of ministerial responsibility.

Respectful

The APS respects all people, including their rights and heritage.

Ethical

The APS demonstrates leadership, is trustworthy, and acts with integrity, in all that it does.

Sources: Australian Public Service Commission (2011), "Values, performance and conduct", https://resources.apsc.gov.au/2011/SOSr1011.pdf; Australian Public Service Commission , "APS Values", https://apsc-site.govcms.gov.au/sites/g/files/net4441/f/APS-Values-and-code-of-conduct.pdf

Box 3.4. The Colombian Integrity Code

In 2016, the Colombian Ministry of Public Administration initiated a process to define a General Integrity Code. Through a participatory exercise involving more than 25.000 public servants through different mechanisms, five core values were selected:

1. Honesty
2. Respect
3. Commitment
4. Diligence
5. Justice

In addition, each public entity has the possibility to integrate up to two additional values or principles to respond to organisational, regional and/or sectorial specificities.

Source: Departamento Administrativo de la Función Pública, Colombia

Box 3.5. Consultation for an organisation-specific code of conduct in Brazil

The Professional Code of Conduct for Public Servants of the Office of the Comptroller General of the Union was developed with input from public officials from the Office of the Comptroller General of the Union during a consultation period of one calendar month, between 1 and 30 June 2009. Following inclusion of the recommendations, the Office of the Comptroller General of the Union Ethics Committee issued the code.

In developing the code, a number of recurring comments were submitted. They included:

- the need to clarify the concepts of moral and ethical values: it was felt that the related concepts were too broad in definition and required greater clarification
- the need for a sample list of conflict-of-interest situations to support public officials in their work
- the need to clarify provisions barring officials from administering seminars, courses, and other activities, whether remunerated or not, without the authorisation of the competent official

A number of concerns were also raised concerning procedures for reporting suspected misconduct and the involvement of officials from the Office of the Comptroller General of the Union in external activities. Some officials inquired whether reports of misconduct could be filed without identifying other officials and whether the reporting official's identity would be protected. Concern was also raised over the provision requiring all officials from the Office of the Comptroller General of the Union to be accompanied by another Office of the Comptroller General of the Union official when attending professional gatherings, meetings, or events held by individuals, organisations or associations with an interest in the progress and results of the work of the Office of the Comptroller General of the Union. This concern derived from the difficulty in complying with the requirement given the time constraints on officials and the significant demands of their jobs.

Source: OECD (2012), *Integrity Review of Brazil: Managing Risks for a Cleaner Public Service*, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264119321-en.

3.3.2. Entities could develop their own codes of ethics to respond to entity-specific corruption risks

37. A revision of the overarching public integrity management framework, namely the Public Ethics Law and the Code of Ethics, would bring the possibility to elaborate organisational codes, aligned to the rules and standards, to effect a real cultural change.

38. Just as different organisations face different contexts and kinds of work, they may also be faced with a variety of ethical dilemmas and specific conflict-of-interest situations. For instance, the challenges might differ significantly between the Ministry of Foreign and Religious Affairs, Ministry of Productivity, the Ministry of Energy and Mining, and the different supervisory and regulatory bodies. Organisational Codes of Conduct provide an

opportunity to include relevant and concrete examples from the organisation's day-to-day business to which the employees can easily relate (OECD, 2017[4]).

39. The organisational codes should be created using consensus and ownership, and should provide relevant and clear guidance to all its employees. Consulting and involving employees in the elaboration of the codes of conduct through discussion or surveys can help build consensus on the shared principles of behaviour and can increase staff members' sense of ownership and compliance with the code.

40. In addition, the experience of OECD countries demonstrates that consulting or actively involving external stakeholders – such as suppliers or users of the public services – in the process of drafting code may help to build a common understanding of public service values and expected standards of public employee conduct. External stakeholder involvement could thereby improve the quality of the code so that it meets both public employees' and citizens' expectations, and could thus communicate the values of the public organisation to its stakeholders. In the United States, the proposed Standards of Conduct were opened to commentaries and responses to the comments included in the preamble of the final regulation explaining why suggestions were accepted or rejected (Gilman, 2005[11]).

41. In Argentina, several entities and state-owned enterprises have developed a specific code of ethics By adopting their own codes of ethics, government entities can respond to specificities of functions that are considered particularly at risk. However, it may be challenging to maintain consistency among a large number of codes within the public administration. Therefore, the OA could encourage further adoption of entity specific codes of ethics and stipulate that entities have to develop their own codes of conduct based on the existing state Code of Conduct and Ethics. This would be in line with the new strategic objective of 'Zero Corruption' of the Internal Control System which states that each entity should develop their own Code of Ethics (SIGEN, 2017[12]). The OA would need to provide clear methodological guidance to assist the entities in developing their own codes, while ensuring that they align with the overarching principles. Such methodological guidance should reduce as much as possible the scope for developing the code as a "check-the-box" exercise, and should include details on how to manage the construction, communication, implementation, and periodic revision of the codes in a participative way.

42. For example, in Mexico the Ethics Unit in the Ministry of Public Administration (*Secretaría de la Función Pública)* developed a short document outlining the main features the organisational codes should consist of to maintain consistency among the various codes and to support the ministries in the development thereof. In addition, the Ethics Unit revises each code of ethics to ensure it is in line with the overarching code of ethics.

43. In the short term the elaboration of the organisational codes should be piloted in one ministry, ideally in the same sector where the Ethics and Transparency Units already exist (Chapter 1), so that these units can lead the process, supported by the OA.

3.3.3. Argentina could reinforce the Code of Ethics with guiding and orientation material for ethical dilemmas and conflict-of-interest situations

44. The code is a helpful tool to define the core values public officials should observe in their work. However, additional guidance on what it means to adopt these values in their daily work could help public officials to internalise them. For example, the Code of Ethics does not provide any practical guidance how to react when two principles might oppose each other. While the specific ethical competences will need to be developed through

training and practice, some general guidance could complement the code on how to react when faced with an ethical dilemma.

45. In Australia, for example, the REFLECT model provides public officials with general sequenced steps and reflections on how to proceed (Box 3.6). In the Netherlands, the government issued a brochure entitled "The Integrity Rules of the Game" which explains in clear, everyday terms the rules to which staff members must adhere. It considers real-life issues such as confidentiality, accepting gifts and invitations, investing in securities, holding additional positions or directorships, and dealing with operating assets (OECD, 2013).

Box 3.6. Guiding public officials in facing ethical dilemmas in Australia

The Australian Government developed and implemented strategies to enhance ethics and accountability in the Australian Public Service (APS), such as the Lobbyists Code of Conduct, and the register of 'third parties', the Ministerial Advisers' Code and the work on whistleblowing and freedom of information.

To help public servants in their decision making process when facing ethical dilemmas, the Australian Public Service Commission developed a decision making model. The model follows the acronym REFLECT:

1. **RE**cognise a potential issue or problem
2. **F**ind relevant information
3. **L**inger at the 'fork in the road' (talking it through)
4. **E**valuate the options
5. **C**ome to a decision
6. **T**ake time to reflect

Source: Office of the Merit Protection Commissioner (2009), "Ethical Decision Making", http://www.apsc.gov.au/publications-and-media/current-publications/ethical-decision-making.

46. Concerning guidance and orientation specific to conflict-of-interest situations, the OA has developed an online conflict-of-interest simulator. Through the selection of answers to certain questions, public officials receive an assessment assess whether they are in a situation of current or potential conflict of interest. The simulator is available for future, current and past public officials. By asking the public official various questions, the simulator determines if the official is in a conflict-of-interest situation. If a potential conflict of interest is detected, the simulator informs the official of the violated norm of the Public Ethics Law and advises the public official to seek guidance of the OA. The simulator is a useful tool to enable officials to clarify any doubts they might have over a situation. It could be further improved by including contact details to the OA or Ethics and Transparency Unit to facilitate the contact and links to any guiding material.

3.4. Mainstreaming integrity in Human Resources Management

47. The Merit principles requires staffing processes to be based on ability (talent, skills, experience, competence) rather than social and/or political status or connections. In governance, merit is generally presented in contrast to patronage, clientelism, or nepotism, in which jobs are distributed in exchange for support, or based on social ties.

48. A merit based civil service is a fundamental element of any public sector integrity system. A growing body of research shows that merit-based civil service management reduces corruption risks (Dahlström, Lapuente and Teorell, 2012[13]). The reasons for this are multiple:

- As a first step, having merit systems in place reduces opportunities for patronage and nepotism, which, in extreme cases, can be serious forms of corruption when jobs are created solely for the purpose of awarding salaries to friends, family, and political allies. This constitutes a direct diversion of public funds for private gain.
- Merit systems also provide the necessary foundations to develop a culture of integrity and public ethos. By bringing in better qualified professionals and providing for longer-term employment, merit systems reinforce civil servants' commitment to public service principles and values and reinforce an open culture, where employees do not risk losing their job when raising integrity concerns.
- Having merit systems in place provides the necessary infrastructure and processes to integrate integrity testing and values-based assessments to HR decision making.

49. There is a wide range of tools, mechanisms and safeguards that OECD countries use to promote and protect the merit principle in their public administrations. Regardless of the specific tools, the following features are all essential components of a merit-based civil service:

- Predetermined appropriate qualification and performance criteria for all positions.
- Objective and transparent personnel management processes which assess candidates against the criteria specified in a) above.
- Open application processes which give equal opportunity for assessment to all potentially qualified candidates.
- Oversight and recourse mechanisms to ensure a fair and consistent application of the system.

3.4.1. The merit principle could be reinforced by limiting the use of short-term contracts and using the same qualification and performance criteria for these positions as for permanent positions

50. In order to have a merit based civil service system, there needs to be a transparent and logical organisational structure which clearly identifies positions and describes the role and work to be performed by this position. This ensures that the creation of new positions is done with the right intent, based on functional need. In systems where patronage and nepotism is a high risk, it is necessary to make the full organisational chart open to public scrutiny.

51. Argentina has recently begun developing a common job classification system that would enable the kind of classification architecture necessary to identify appropriate job profiles. Article 16 of Decree 2098/2008, the Collective Labour Agreement of the National System of Public Employment (SINEP), states that the state as employer shall develop the a Nomenclature Classifying Positions and Functions together with a Central Directory of Labour Competencies and Minimum Requirements for Positions and Functions. In 2017, the National Office of Public Employment (ONEP) developed the Nomenclature classifying positions and transversal functions for administrative positions to identify and organise the general framework of functions and tasks of positions and standardise those positions with similar tasks. The Nomenclature classifies those positions with cross-cutting characteristics, i.e. non-specific positions in an entity with essential supporting functions.

In compliance with article 58 of Decree, the General Labour Agreement for the National Public Administration, cross-sectional profiles have been drawn up which will be used for the next selection processes in 2018. At the time of this review, the classification for technical positions was under review.

52. Together with the classification of positions and identification of profiles, ONEP prepared a common Directory of Competencies, not yet formally regulated, presented to all entities and initiating training activities. The ONEP provides technical assistance and permanent guidance to HRM regarding the implementation of the Directory of Competencies in the different HRM processes (e.g. the elaboration of job profiles in the selection process and development of specific training itineraries)

53. These steps may begin to reinforce the merit principle in the civil service in in Argentina Implementing these tools will require significant resources to support implementation and oversight, to ensure they are used as intended.

54. In addition to predetermined qualification and performance criteria for all positions, personnel management processes need to be established to assess candidates against the established criteria. Merit-based systems generally emphasise the process of entry into civil service or public institution is generally the first line of defence against nepotism and patronage.

55. In general, the following principles should be applied to all of these processes:

- *Objectivity*: decisions are made against predetermined objective criteria and measured using appropriate tools and tests that are accepted as effective and cutting edge by the HR profession.
- *Transparency*: decisions are made in the open, to limit preferential treatment to specific people or groups. Decisions are generally documented in such a way that key stakeholders, including other candidates, can follow and understand the objective logic behind the decision. This enables them to challenge a decision which seems unfair.
- *Consensus*: decisions are based on more than one opinion and/or point of view. Multiple people should be involved, and efforts should be taken to strive for a balance of perspectives, particularly on processes which are less standardised and open to subjective interpretation, such as interviews or written (essay) examinations.

56. Argentina's selection system for permanent civil servants appears to follow the spirit of these principles. Additionally, a new resolution (E 82/2017) appears to extend merit based recruitment to senior levels of the civil service. This is a positive development which stands to improve stability and effectiveness of public management in Argentina.

57. Despite these positive signs, it appears that employment regimes (e.g. contratados) designed for temporary workers allow employers to bypass merit-based recruitment. By law, organisations are expected to limit non-permanent contracts to 15% of the total workforce, however various sources suggest that these regimes are used for staffing positions of a permanent nature beyond their intended scope. Many workers may find themselves on short-term contracts that are renewed indefinitely (MESICIC, 2017[14]; Bertelsmann Stiftung, 2016[15]).

58. Reliable data on the numbers of employees on different contracts is not available. This is also a cause for concern since, without reliable data on the numbers of employees and types of contracts, oversight and accountability is impossible to maintain. Statistics

from the Ministry of Finance suggest that contracted staff made up 20% of the total in 2017. However similar statistics from the Ministry of Modernisation suggest that 34% of the workforce is on short term contracts. Decree 263/2017, creating an integrated information data base on public employment and wages (Estructura Base Integrada de Información de Empleo Público y Salarios, or BIEP), aims to improve the quantity and quality of data available. The National Directorate of Information Management and Wage Policy (*Dirección Nacional de Gestión de Información y Política Salaraial)* in the Public Employment Secretariat of the Ministry of Modernisation manages the system and receives the information from the different entities and processes and standardises it.

59. The assessment,concerning the weaknesses of the employment regime for temporary workers, is echoed by the Bertelsmann Transformation Index (2016) which states that, "Though civil service positions are meant to be assigned through merit-based competition, non-competitive recruitment is widely used to bypass the system. Many jobs in the public sector are the result of machinations within clientelistic networks, especially at the province level." One approach would be to take steps to limit the use of short term contracts and plug the loophole that enables these employees to bypass the merit based selection process. Additionally, steps could be taken to apply merit based recruitment to short term employees in a similar way as it is applied to permanent staff. As an initial measure, for which implementation cannot yet be assessed, a new internal selection process for temporary staff was agreed with trade unions that signed the collective framework agreement for public employment. The aim is to standardise the selection of temporary staff through a transparent selection process.

60. Decree 93/2018 prohibiting the recruitment of relatives up to the second degree of the president, vice-president, ministers and similar positions is a step in the right direction to counter nepotism. However, by limiting the decree to ministers and above and relatives, only a small part of the big picture is covered. As such, Argentina could consider extending the prohibition to lower-ranking public officials, such as up to the level of secretary. In addition, a mandatory disclosure of family relations during the recruitment process could be introduced to ensure that any potential conflict-of-interest situation can be managed for lower-ranking officials.

61. A third fundamental component of merit is the principle of open and equal access. This is key as it helps to ensure that the best person for the job, is able to come forward and be considered for the job regardless of their location, demographic characteristics, social status, or political affiliation.

62. In Argentina, open recruitment appears to be part of the regulatory regime of civil servants (and now for Senior Civil Servants as well), although this review has not looked in detail at the effective functioning of this. Similarly to the point above, since these regulation do not apply to other employment regimes, there appears may be ways to bypass open recruitment.

3.4.2. To ensure that senior management acts as role models, integrity could be included as a performance indicator

63. Senior civil servants exemplify and transmit the public service and organisational values. The leadership fosters credibility in the norms and standards by making the values in the code of conduct applicable to the daily work and acting according to these. Above all, it can build trust in the processes. Empirical studies of ethical leadership show that it does have a beneficial impact not only on the ethical culture of an organisation, but also on performance: "subordinates 'perceptions of ethical leadership predict satisfaction with the

leader, perceived leader effectiveness, willingness to exert extra effort on the job, and willingness to report problems to management" (Brown, Treviño and Harrison, 2005[16]).

64. To be an ethical leader, two interrelated aspects are required:

- the leader needs to be perceived as a *moral person* who understands their own values and uses them to make the right decision faced with an ethical dilemma
- the leaders needs to be perceived as a *moral manager* who make open and visible ethical decisions, reward and sanctions others based on ethical criteria, communicate openly about ethics and give employees the opportunities to make their own ethical guidance and encourage them to seek advice (OECD-GOV/PGC/INT (2018)1, 2018[17]).

65. In Canada, the Key Leadership Competencies Profile defines the behaviours expected of leaders in the Public Service in building a professional, ethical and non-partisan public service. The competency to 'uphold integrity and management' highlights the role of leaders to create a work environment in which advice is sought and valued and ethical conduct is exemplified and encouraged. The Competency Profile is taken into account for selection, learning, performance and talent management of executives and senior leaders (OECD,(forthcoming)[11]).

Box 3.7. Ethical leadership as one of the Key Leadership Competencies in the Canadian Service

One of the key leadership competences Canadian executives and senior leaders are measured against is to 'Uphold integrity and respect'. This signifies that leaders model ethical practices, professionalism and integrity. They build an open organisational culture in which employees are confident to seek advice, express diverse opinions and uphold collegiality.

Examples of effective and ineffective behaviour to uphold integrity and respect for the different levels are given:

Deputy Minister

- Values and provides authentic, evidence-based advice in the interest of Canadians
- Holds self and the organization to the highest ethical and professional standards
- Models and instils commitment to citizen-focused service and the public interest
- Builds and promotes a bilingual, inclusive, healthy organization respectful of the diversity of people and their skills and free from harassment and discrimination
- Exemplifies impartial and non-partisan decision-making
- Engages in self-reflection and acts upon insights

Assistant Deputy Minister

- Values and provides authentic, evidence-based advice in the interest of Canadians
- Holds self and the organisation to the highest ethical and professional standards
- Models and builds a culture of commitment to citizen-focused service and the public interest
- Builds and promotes a bilingual, inclusive, healthy organization respectful of the diversity of people and their skills and free from harassment and discrimination
- Exemplifies impartial and non-partisan decision-making
- Engages in self-reflection and acts upon insights

Director General

- Values and provides authentic, evidence-based advice in the interest of Canadians
- Holds self and the organization to the highest ethical and professional standards
- Models commitment to citizen-focused service and the public interest
- Creates opportunities that encourage bilingualism and diversity
- Advances strategies to foster an inclusive, healthy organization, respectful of the diversity of people and their skills and free from harassment and discrimination

- Exemplifies impartial and non-partisan decision-making
- Engages in self-reflection and acts upon insights

Director

- Values and provides authentic, evidence-based advice in the interest of Canadians
- Holds self and the organization to the highest ethical and professional standards
- Models commitment to citizen-focused service and the public interest
- Creates opportunities that encourage bilingualism and diversity
- Implements practices to advance an inclusive, healthy organization, respectful of the diversity of people and their skills and free from harassment and discrimination
- Exemplifies impartial and non-partisan decision-making
- Engages in self-reflection and acts upon insights

Manager

- Values and provides authentic, evidence-based advice in the interest of Canadians
- Holds self and the organization to the highest ethical and professional standards
- Models commitment to citizen-focused service and the public interest
- Supports the use of both official languages in the workplace
- Implements practices to advance an inclusive, healthy organization, that is free from harassment and discrimination
- Promotes and respects the diversity of people and their skills
- Recognizes and responds to matters related to workplace well-being
- Carries out decisions in an impartial, transparent and non-partisan manner
- Engages in self-reflection and acts upon insights

Supervisor

- Values and provides authentic, evidence-based advice in the interest of Canadians
- Holds self and the organization to the highest ethical and professional standards
- Models commitment to citizen-focused service and the public interest
- Supports the use of both official languages in the workplace
- Implements practices to advance an inclusive, healthy organization, that is free from harassment and discrimination
- Promotes and respects the diversity of people and their skills
- Recognizes and responds to matters related to workplace well-being
- Carries out decisions in an impartial, transparent and non-partisan manner
- Engages in self-reflection and acts upon insights

Examples of generic ineffective behaviours for all roles

- Places personal goals ahead of Government of Canada objectives

- Shows favouritism or bias
- Does not take action to address situations of wrongdoing
- Mistreats others and takes advantage of the authority vested in the position

Source: Government of Canada, Key Leadership Competency profile and examples of effective and ineffective behaviours, available from https://www.canada.ca/en/treasury-board-secretariat/services/professional-development/key-leadership-competency-profile/examples-effective-ineffective-behaviours.html.

66. Having included integrity and institutional ethics as one of the competencies in the new Competency Directory, the ONEP could ensure that integrity is incorporated, both as a formal assessment criterion and in the way the assessment is conducted. For example, performance goals could focus on the means as well as the ends, by asking how the public official achieved the goals. The integrity component of performance assessments needs to be backed up by rewards or sanctions. Leaders who are particularly strong on integrity could be identified for career development opportunities, particularly to positions of higher ethical intensity. Those with lower assessments should be given developmental opportunities and, if necessary, removed from their position if significant risks are identified. Special recognition could also be given to those public officials that consistently engage in meritorious behaviour or contribute to building a climate of integrity in their department by for example identifying new processes or procedures that will promote the code of ethics (OECD, 2017[4]). During these meetings, it could also be helpful to discuss general issues concerning the division of labour, team work etc. If taken seriously and not as a check-the-box exercise, such a regular discussion would help to make integrity one of the priorities of work performance.

3.5. Developing capacities and raising awareness for integrity to promote a change of behaviour

3.5.1. The impact of the ethics training could be strengthened by designing more practical training elements and follow-up

67. Article 41 of the Public Ethics Law provides that the authorities responsible for implementing the Act shall run ongoing training programmes disseminating the contents of the Act and its implementing regulations and ensure that the persons covered by the Act are duly informed of its provisions. It adds that public ethics shall be taught in specific courses at all levels of the educational system. In case of the executive, the OA is the responsible entity. In practice, the OA is responsible for designing training specific to entities or to functions at higher risk of corruption, while the INAP leads the development of administration-wide training courses.

68. The OA has developed a Public Ethics Training System (*Sistema de Capacitación en Ética Pública*, or SICEP) which operates an online platform under the Ministry of Justice and Human Rights. Through this platform, the OA provides virtual courses to train public servants in integrity and public ethics. The OA also uses the online platform managed by the INAP to ensure that it reaches the majority of employees in the national public sector. In addition, the OA uses more traditional training options, such as face-to-face programmes and courses, seminars, workshops and discussion groups.

69. Under the premise of developing new teaching and technical resources, the OA is currently working with the World Bank to establish a system for training Federal Public Administration staff and employees and build a pool of trainers in the ministries that would conduct courses in the ministries. This is a positive step to ensure greater reach of the training. Once the capacities are built, induction training for public officials on public ethics should be made mandatory irrespective of the public official's contractual status. In addition, refresher courses could be offered. Moreover, the OA needs to enable the exchange of experience between them to ensure good quality standards. For this purpose, trainers should meet from time to time to discuss problems they face, to exchange training case studies and to agree on the common approaches to ethical dilemmas. Trainers should also be encouraged to participate in each other trainings and be adequately compensated. The advantage of this trainer pool would be that entity and function-specific trainings could be held which would further help the public officials to internalise integrity as part of their official job identity as content will be even more relevant.

Box 3.8. World Bank Project to establish an ethics training system in Argentina

Currently, a World Bank-funded project aims at putting in place a system for training federal public administration staff and employees, which may be extended to encompass provincial public administration personnel. On project component, executed by the Ministry of Modernisation, seeks to train staff and employees of the National Public Administration and decentralised agencies on matters relating to integrity, public ethics, and the implementation of transparency policies in administration. The OA developed the terms of reference for the design, elaboration and production of pedagogical and audio-visual material according to the tasks and responsibilities of the public servant. A second component will attempt to establish and consolidate a sustainable training strategy, by promoting a core set of trainers aimed at enhancing the impact and scope of the training system. The training courses will focus on the following aspects: a) Enforcement of the Civil Service Ethics Regulations nationwide: Training government employees in ethical principles and standards, transparency, and public information; b) Administrative procedures, especially those relating to procurement and hiring, the implementation of transparency policies and respect for public ethics; c) The administering of sworn statements of interest and net worth in such a way as to support public ethics policies, transparency and the prevention of corruption and overcome the challenges associated with enforcing presentation of the sworn statements. The project estimates to enable the OA to have 50 trainers and, within three years, to have provided face-to-face and partly face-to-face/partly virtual training to 15,000 public servants.

Source: Fifth round of the Follow-up Mechanism for the Implementation of the Inter-American Convention against Corruption (2017)

70. In addition, the Sub-Ministry of Labour Relations and Strengthening of the Civil Service (*Subsecretaría de Relaciones Laborales y Fortalecimiento del Servicio Civil)* in the Ministry of Modernisation, in collaboration with the INAP has developed a four hour online course on public ethics. By attending this course public officials can earn credits towards promotion in their administrative career. Moreover, the learning effect of the

course could be further strengthened by including a discussion forum in which guided by a moderator, the participants are encouraged to think through an ethical dilemma and a conflict-of-interest situation. By imagining the situation and arguing for and against different options on the platform, the officials will memorise the situation better and will find it easier to identify similar situations.

71. A more extensive online course (36 hours) is offered for senior management. Throughout the duration of the course an online platform for exchange with the group is available. Participants are encouraged to actively participate in the discussions, seek advice or consult others. In addition, a tutor is available to answer any doubts or other questions during the learning process. Conducting some of the sessions in-person could maximise the training effect. While theoretical concepts can easily be taught online, acting ethical dilemma situations or conflict-of-interest situations out and discussing with other participants for one side or another can deepen the learning effect. For example, if one group argues why a situation constitutes a conflict of interest, while another argues against it, participants will memorise the situation better, identify better with the arguments and think through them. Considering this, INAP and the Sub-Ministry could conduct the practical exercise in-person. Depending on the size of the course, this could also be conducted in break-out groups, combining public officials from different areas to ensure various few points in the discussions.

72. In addition, the training could include a component in which senior management identify individual risks and challenges to integrity and develop a personal plan to mitigate these risks. In a follow-up to the training, participants discuss whether they were able to follow the plan, discuss barriers and opportunities in implementing the actions identified in the individual action plan and provide each other support and share solutions.

73. For both trainings, a large gap between the offered places and the actual inscription rate for the courses exists. This could be due to the voluntary nature of the coursesIn 2017, only 2063 places of 3010 were filled. Therefore, Argentina could consider making these courses mandatory to ensure that the highest number of public officials benefit from the training and apply public ethics in their work. This would mean that the human and budget resources for the trainings need to be considerably boosted to ensure that all public officials qualifying for the training have access. In addition, the Secretary of Public Employment would need to reinforce its efforts to encourage public servants to undertake the course and promote it.

3.5.2. The Secretary of Public Employment could develop a mentoring programme for public officials at the junior level to encourage the development of ethical capacities and build a pool of ethical leaders for the future

74. Partnering public officials in junior position who show the necessary potential to advance to leadership positions with senior managers who have proven integrity and ethical conduct and reasoning through a formal mentorship programme is another measure to motivate ethical behaviour in an organisation (Shacklock and Lewis, 2007[18]). This does not only support the junior public officials, but can also strengthen the senior public official's ethical convictions and contribute to an open organisational culture in which public officials feel comfortable to report wrongdoing.

75. The Ministry of Modernisation has created a mentoring programme for junior public officials called "Leaders in Action' (*Líderes en Acción),* aiming to equip junior professionals agents of change and innovators in their teams. In connection to this initiative, the Ministry of Modernisation could develop a mentoring programme. Mentors could help

their colleague to think through situations, where they have recognised the potential for conflict of values. In this way young professionals develop ethical awareness, so that they are able to foresee and avoid ethical dilemmas. The Secretary of Public Employment could pilot a mentoring programme in its own entity. The commitment of mentors could be positively assessed in the performance evaluations.

3.5.3. The Anti-Corruption Office could design and test different behavioural reminders and evaluate the effectiveness to develop a targeted and effective awareness-raising campaign

76. Moral reminders have also shown to be an effective tool to counteract unethical behaviour by reminding people of ethical standards in the moment of decision making ((Mazar and Ariely, 2006[15]; (Bursztyn, 2016[19])). Inconspicuous messages, such as "thank you for your honesty", can have a striking impact on compliance (Pruckner, 2013[20]). To achieve this impact, however, the interventions have to be timed closely before the moment of decision making (Gino and Mogilner, 2014[21]). If the individual is exposed to the reminder at high frequency, however, the positive effect of the moral reminder might diminish over time. Nonetheless, where policy makers can place a message in proximity of an integrity risk decision that is not taken to frequently by the same person, this could make a great difference. Therefore, Argentina could identify processes and procedures for the potential installation of a moral reminder (OECD,forthcoming[11]).

77. The OA carries out several actions aimed at disseminating the norms on public ethics and conflicts of interest, as well as to encourage the self-evaluation of agents and officials regarding their situations:

- Design of dissemination material (posters, leaflets)
- Design of manuals on specific procedures (instructions on registration of gifts to public officials and trips financed by third parties)
- In addition, the information bulletins are issued by OA, along with guidelines on public ethics issues, such as the newsletters on "*Tools for Transparency in Administration. Guideline No. 1: Conflicts of Interest*," "*Tools for Transparency in Administration. Guideline No.2: Sworn Statements*," "*Tools for Transparency in Administration. Guideline No. 3: Citizen Participation*."

78. In order to develop a targeted and effective awareness-raising campaign of the ethics values and standard, the OA could test measures in different entities to evaluate the effectiveness of each one. This could be reinforcing an already existing mechanism or developing new ones. For example, in Mexico, the Ministry of Public Administration conducted an experiment to test which kind of reminder message would encourage employees to comply with the gift registration rule (Box 3.9). Similarly, entities could choose a "value of the month" from the Code of Ethics which would be sent to all staff at the beginning of each month with a short explanation what it means in practice and what not. To encourage staff to read and internalise the value, a short quiz at the end could be included. If answered correctly, the official will gain points which can be accumulated over time and redeem their points for a small prize. In addition, statements by prominent people from public life could record short video messages underlining their commitment to public integrity and what it means for them to act with integrity. These videos could be spread throughout organisations' internal communication channels or used as screensavers or desktop wallpaper changing periodically.

Box 3.9. Testing different framing on gift registry communications

A gift registry only works when public officials actually register the gifts they receive. To test which kind of messaging motivates employees to comply with the gift registration rules, the Secretaría de la Function Pública (SFP) in Mexcio, in cooperation with the research centre CIDE, conducted a field experiment: When SFP sent out reminder emails to public employee required to register their received gifts, they randomly varied the text of the message. Five different types of reminder messages were sent:

- Legal: *It is your legal obligation to register received gifts.*
- Honesty: *We recognize your honesty as a public official. You are required to register gifts. Show you honesty.*
- Impartiality: *Receiving gifts can compromise your impartiality. When you receive a gift, register it.*
- Social: *More than 1000 registration per year are made by your colleagues. Do the same!*
- Sanction: *If you receive a gift and you do not inform us, someone else might. Don't get yourself punished. Register your gifts.*

The study then observed the amount of gift registered around Christmas (peak season for gifts) in comparison previous years and to a control group, who did not receive any reminder message. Having received a reminder email increased the number of gifts registered. However, some messages were more effective than others: Reminding public officials of their legal obligations and appealing to their impartiality and honesty encourage more people to register gifts than referring to sanctions or registrations made by colleagues.

The study illustrates two things: (1) small behavioural nudges can increase the compliance with an existing policy, (2) appealing to values and integrity changes behaviour more effectively than threatening with sanctions.

Source: Centro de Investigación y Docencia Económicas and Consejo Nacional de Ciencia Técnologia, Mexico

Another example would be to design and distribute posters with concrete examples about what a particular value might mean. The idea is that it would encourage public officials to think about the value and internalise it. For example, the poster of the constitutional principles in Mexico (Figure 3.2) and the poster of the Standards of Integrity and Conduct of New Zealand

Figure 3.3), which is displayed to public officials and citizens in public institutions, gives concrete examples about what each value means.

Figure 3.2. Raising awareness of the constitutional principles in Mexico

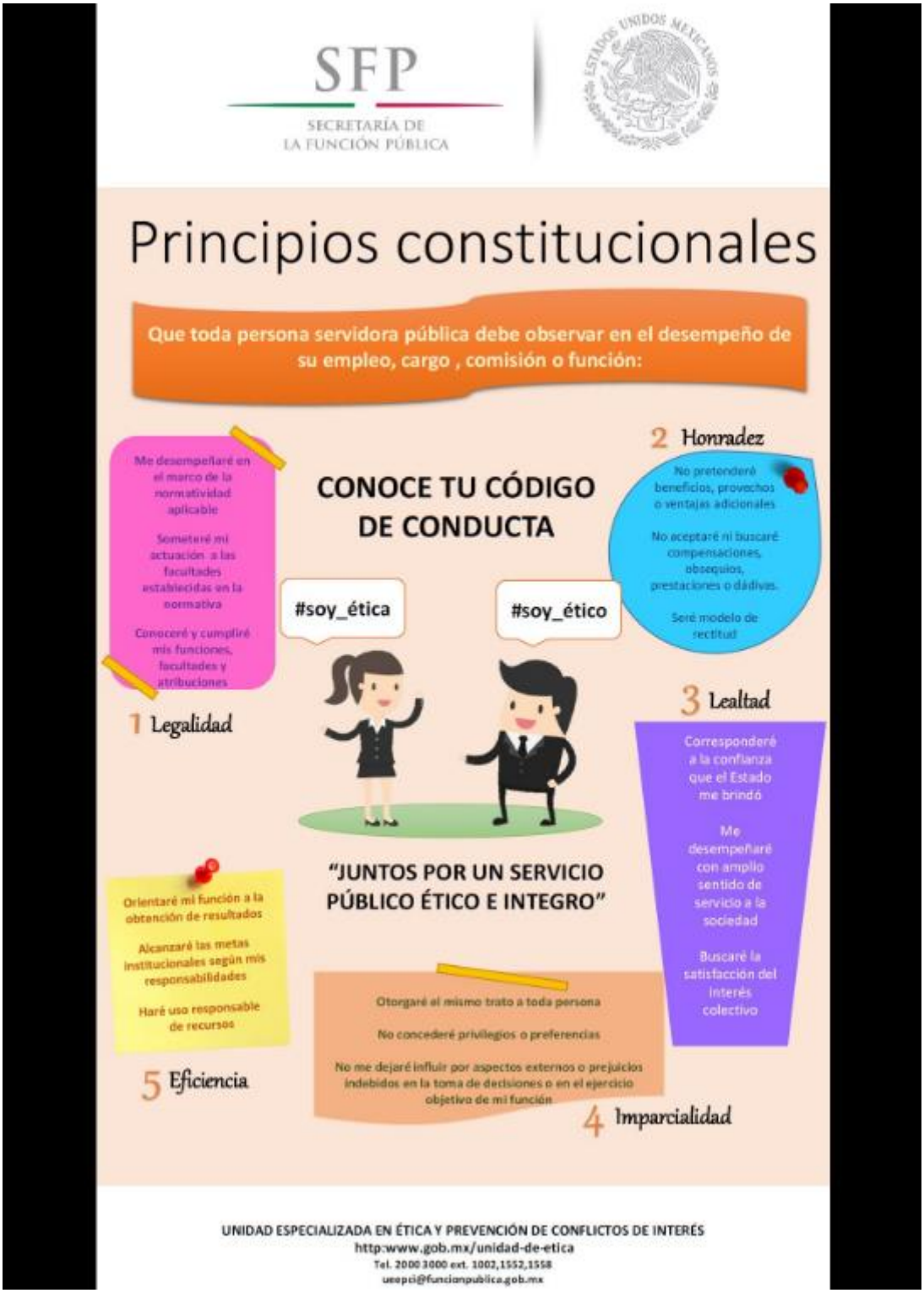
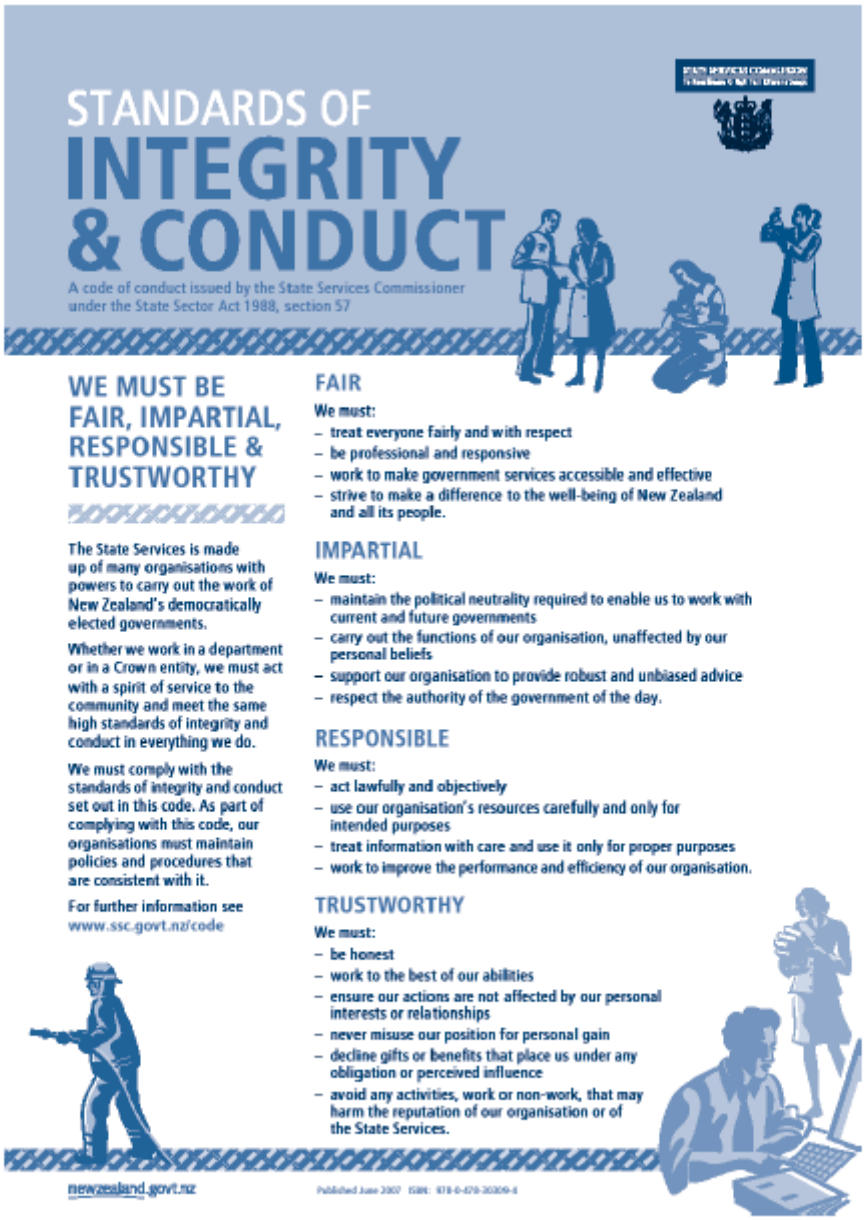


Figure 3.3. Raising awareness of the Standards of Integrity &Conduct in New Zealand



Source: www.ssc.govt.nz/sites/all/files/Code-of-conduct-StateServices.pdf, used under https://creativecommons.org/licenses/by/3.0/nz/, desaturated from original.

3.5.4. On an annual basis, Argentina could award an Integrity in the Public Service Award to public officials showcasing ethical behaviour

79. A key factor in determining the ethical environment in an organisation is social identity (Akerlof and Kranton, 2011[22]; Tyler, 2011[23]). People orient their action by what they perceive to be acceptable within their social context – whether this is a culture, society, or peer group. Successful awareness-raising and communication campaigns aim to

highlight integrity as part of the existing identity and as a norm that it is worth investing in. In this way the perception of public officials can be positively influenced.

80. However, in many cases communication is problem-centred featuring the pervasiveness of corruption. In the worst case, such problem-centred communication makes corruption become a self-fulfilling prophecy (Corbacho et al., 2016[24]): The perception that corruption is common in society makes integrity breaches seem more justifiable. The strength of norms and principles is undermined by the perception that no one follows them. Corruption might even be incorporated into one's own social identity as "This is just how things work in this country". It can lead to disillusionment and enthusiasm to change (OECD, 2018[25]). By regularly publishing efforts and advancement of the public integrity system, a more positive frame would be created.

81. To move communication and subsequent awareness of corruption to a more positive note, Argentina could highlight the positive examples of public officials acting with integrity in their job. This could be done on an entity-level and administration-wide. For example, in Canada, the Public Service Award of Excellence recognises public servants who have their dedication and commitment to the public service values and those that have exemplified integrity (Box 3.10). Public officials suggest the candidates to be shortlisted and vote for the final winner. Argentina could create a similar award for a public official having demonstrated high standards of integrity. This award could be awarded annually. To send a signal of the government's commitment to integrity, the award should be presented by one of the highest representatives of the Administration. By doing so, the negative perception of public officials as corrupt, could be shifted towards the more positive image of the everyday public officials acting with integrity.

Box 3.10. Public Service Award of Excellence in Canada

The Public Service Award of Excellence is awarded to public servants demonstrating leadership and commitment to excellence while achieving results. In 2017, the award is given in the five categories in 2017. While each category highlights integrity and ethics as criteria for selection, the *Joan Atkinson Award for Public Sector Values in the Workplace* specifically awards those that demonstrated public service values.

The awards are awarded according to the following criteria:

1) Outstanding Career

Individuals who:

- achieved outstanding results throughout their career with the Government of Canada; and
- continuously demonstrated professionalism, integrity, and strong ethics in their day-to-day work.

2) Exemplary Contribution under Extraordinary Circumstances

Teams working on a large-scale event or project:

- who perform their duties in an exemplary manner under extraordinary circumstances; and
- whose stellar contribution inspires pride and respect.

3) Exceptional Young Public Servants

Young public servants who :

- are a source of inspiration to others;
- demonstrate innovation; and
- demonstrate leadership abilities.

4) Excellence in Profession

Public servants who:

- are highly skilled;
- collaborate with others;
- maintain strong ethics in their day-to-day work;
- are innovative; and
- inspire and motivate others through their personal example of professionalism.

5) Joan Atkinson Award for Public Sector Values in the Workplace

Public servants who:

- consistently exemplify the public service values of respect for people, respect for democracy, integrity, excellence and stewardship in their day-to-day work, and particularly either:
- help the public service become more inclusive or
- promote the presence of both official languages in the workplace.

Source: Government of Canada, Public Service Award of Excellence 2017 categories, available from https://www.canada.ca/en/treasury-board-secretariat/services/innovation/awards-recognition-special-events/public-service-award-excellence-2017-categories.html

3.6. Creating an open organisational culture

82. The culture of integrity in an organisation is greatly determined by the development and promotion of an open organisational culture. In an open organisational culture, employees feel engaged and empowered to developing and improving their work environment. Moreover, it is one in which employees see their ideas being acted upon. In organisations where management creates a safe and encouraging environment in which open communication and the commitment to organisational values is championed, employees voice their concerns and feel comfortable to discuss ethical dilemmas.

83. Creating an open organisational culture has three main benefits: First, trust in the organisation is strengthened. Second, it can cultivate pride of ownership and motivation which increases efficiency (Martins and Terblanche, 2003[26]). Third, problems can be addressed before they become potentially damaging risks. However, even in the most open organisational cultures, employees do not always feel comfortable to report integrity violations. Therefore, a clear whistleblowing policy and legal framework is crucial to enable employees to report suspected violations of integrity standards as a last port of call (OECD, 2018[25]).

84. Measures' supporting an open organisational culture responsive to integrity can be categorised in four dimensions: Engagement, Credibility/Trust, Empowerment and Courage (Table 3.2). By engaging public officials in the mission and values of the organisation, they will be more likely to actively shape the organisation and share the organisation's professional identity. This likely increases the willingness to speak up about violations and defend this identity. This is further supported by credible standards in which public officials trust. Senior officials acting as a role model according to the organisation's standard ensure that those are credible and lived in the organisation. Lastly, an open organisational culture is underpinned by empowerment and encouraging public officials to raise any ideas or concerns and to listen to them without punishing their courage and initiative.

Table 3.2. Dimensions of an open organisational culture

Engagement	• Do I believe in the values of this organisation? Are they congruent with my personal values and beliefs? How attached am I to the organisation? What am I willing to do on behalf of the organisation?
Credibility/Trust	• If leaders do not follow or uphold standards, the standards must not be meaningful. If no one follows the rules, then why should I? If leaders do not behave consistently with what is stated formally, then how can they be trusted? If I cannot trust leadership, how can I believe in the integrity of this organisation?
Empowerment	• Who will listen to me? Will anyone believe me? Can I make a difference? Will I even be heard?
Courage	• What will happen if I go forward? Will anyone support me? What risks are involved? What can I afford to lose? Am I committing career suicide? Is it worth it? What if I am wrong?

Source: Adapted from Berry, B. (2004): Organizational Culture: A Framework and Strategies for Facilitating Employee Whistleblowing. Employee Responsibilities and Rights Journal 16 (I): 1–12

3.6.1. The Ministry of Modernisation could engage senior public officials to provide guidance, advice and counsel

85. The openness of an organisation depends on the extent to which ethical issues, for example as ethical dilemmas and suspicions of integrity violations, can be discussed. In organisations where dialogue and feedback are appreciated by management, employees are more willing and feel more comfortable to discuss and report suspected misconduct internally (Heard and Miller, 2006[27]). An open-door policy by management to provide guidance in the form of advice and counsel for public servants to resolve ethical dilemmas at work and potential conflict-of-interest situations can contribute to how open the organisation is perceived. In particular, job satisfaction, employee engagement and performance is linked to ethical leadership, modelling ethical behaviour themselves and advising employees on ethical issues (Stouten et al., 2010[22]; Mayer et al., 2012[23]).

86. In the Australian Public Service 'Leadership' is one of the four building blocks to mainstream integrity into everyday work life. The way leadership is understood that leaders model ethical conduct themselves in their decisions and actions, but also support and guide employees to apply ethical values themselves.

Box 3.11. Australia: Leadership as one of the building blocks to integrate ethics in the daily work

In the Australian Public Service 'Leadership' is one of the four building blocks for integrating the values of the public service in into everyday decisions and actions. On the one hand, this means modelling ethical behaviour. On the other hand, ethical leadership means that senior officials guide employees in understanding and applying the values. To help leaders in the agencies to apply the framework, each building block is broken down to its general meaning for the Australian Public Service and its more specific meaning on the agency level.

In the case of Leadership, the following examples are provided:

The building blocks for a Values based culture	What this means for the APS	What this means for the agency
Leadership	Leaders integrate the Values into their agency's decision-making processes and culture and consistently reflect the Values in their own behaviour.	Leaders take a stewardship role and build the APS Values into the governance practices of their agency and wider APS. Leaders build a culture of trust with employees and agency stakeholders and clients. Leaders model the APS Values, have the highest standards of behaviour and take sound, reliable, fair and ethical decisions. Leaders coach and guide others t take sound, reliable, fair and ethica decisions. Leaders make clear that conduct consistent with the APS Values is expected and deal appropriately and effectively with unacceptable behaviour. Leaders guide employees in understanding the relevance of the APS Values to their day-to-day work.

Source: Australian Public Service Commission (2013), Strengthening a values based culture: A plan for integrating the APS Values into the way we work, available from http://www.apsc.gov.au/publications-and-media/current-publications/strengthening-values

87. Generally, senior civil servants set the tone of the organisational culture prevailing (OECD, 2017[1]). In addition to advising employees on ethical challenges they might face,

management needs to listen and act upon employees suggestions for improving processes and reports on misbehaviour. However, organisational deafness, caused by entrenched hierarchical status and power differences, can create an organisational culture in which managers neither listen nor act on reports of misconduct. By ensuring manager's responsiveness to employee concerns and creating a space for alternative perspectives, organisations can instil courage and strengthen the organisational culture (Berry, 2004[28]). To strengthen courage of employees to seek advice, managers should also be guided to acknowledge errors and turning negatives into lessons learnt for future projects. In this way, employees will not be afraid to approach management with concerns out of fear of punishment (OECD, 2018[25]).

Box 3.12. Importance of managers to create an open working environment: Positive and Productive Workplaces Guidelines in New South Wales, Australia

Recognising the impact manger behaviour on organisation culture and employee attitudes and behaviours can have, the Public Service Commission places particular weight on the behaviour of managers in their guidelines for a positive and productive workplace.

Specifically, the guidelines propose some concrete actions at the management level:

- Ensure leaders understand the importance of values and organisational culture to achieve business outcomes
- Require leaders to behave in an exemplary fashion.
- Ensure leaders implement the organisational values in their areas of responsibility
- Discuss behaviour and acceptable standards of ethics and conduct at regular team meetings.
- Expect leaders and managers to be alert to any signs or reports of unreasonable behaviour and to take quick, informal, discreet action to draw it to the person's attention.
- Expect leaders and managers to treat complaints potential symptoms of systemic issues rather than seeing them as exasperating or, indeed, the cause of poor workplace culture.
- Provide development for managers in holding respectful conversations, managing workplace conflict, providing constructive feedback on work performance, and speaking candidly to employees about unreasonable behaviour.
- Use scenario-based exercises to foster discussions amongst employees and managers about the expected standard of behaviour and organisational culture.
- Promote an understanding of diversity and inclusion based on assisting all people to participate in the workplace and make a valued contribution to the group.
- Expect managers who observe or hear about unreasonable behaviour to act quickly and fairly. They need to have a confidential, clear and direct conversation with the person who engaged in the behaviour about the behaviour, its impact on others, the expected standards of behaviour, the need for the behaviour to stop, and how the organisation can assist the person in changing their behaviour. The focus of the conversation must be on the behaviour and the message must be clear and consistent: the behaviour is not acceptable and it must stop.

Source: Public Service Commission New South Wales (2016), Positive and Productive Workplaces Guidelines

88. As a consequence, many OECD countries focus on senior civil servants in terms of creating an open organisational culture. Guidance in the form of advice and counsel for public servants to resolve ethical dilemmas at work and potential conflict-of-interest

situations can be provided by immediate hierarchical superiors and managers or dedicated individuals available either in person, over the phone, via email or through special central agencies or commissions. Similarly, guidance, advice and counselling could be provided by senior officials, as is the case in Canada. In turn, senior officials can issue guidance on how to react in situations that are ethically challenging and can communicate the importance of these elements as a means of safeguarding public sector integrity.

89. The Ministry of Modernisation could consider engaging senior officials to promote openness and by actively encouraging employees to seek guidance and counselling. To equip management to guide and counsel employees on work-related concerns, the OA in collaboration with INAP could develop a specific training course for senior public officials. This training course could go beyond only providing advice on integrity concerns and ethical dilemmas, as in the case of the Ethics and transparency Units, to familiarising management with general measures to build trust among employees to express any grievances or concerns.

90. The highest level of public officials could be reached through the Ministry of Modernisation's Programme 'Building our future' (*Construyendo nuestro future)*. The programme which currently only exists within the Ministry of Modernisation offers different training courses on leadership, trust, effective conversations. By involving the INAP and the OA in these trainings and focussing on how leaders can promote openness and encourage employees to seek guidance and come forward with new ideas, leaders can significantly contribute to the creation of an open organisational culture.

3.6.2. To empower and engage employees, staff champions for openness could be nominated who would consult with staff on measures to improve employee well-being, work processes and openness

91. In a closed-off organisation, lower-ranking employees can feel powerless and as though they have no ability to effectuate change. In fact, senior level managers are more likely to report misconduct than lower level managers (Keenan, 2002[29]). To create an open organisational cultures, employees must feel empowered and that their voices are being heard, whether this is to improve work processes and structures or to report misconduct. By encouraging and valuing employee contribution, staff can feel empowered to develop and improve their work environment. This can cultivate a pride of ownership and motivation, in which employees are more likely to go beyond minimum job requirements (Berry, 2004[28]). There is an increased likelihood they will see themselves as an important part of the organisation and accept responsibility for voicing their ideas and concerns including speaking out against organisational misconduct (Stamper and Dyne, 2003[30]). Negative experiences that communicate the organisation does not value employee involvement or does not tolerate employee dissent will weaken employee trust and employees will feel powerless (OECD, 2018[25]).

92. In Argentina's public sector entities, there are currently no specific initiatives taken to encourage employees' involvement to effectuate change. In the short term, a pilot project in one ministry could be rolled out in which directorates elect 'Champions for openness'. These champions could be staff representatives which the UETs and Human Resource Units could consult staff on measures to improve work processes, well-being and general openness. In this way hotspots where focused attention is needed could also be identified. In the long-term, this pilot could be rolled out to other entities according to needs assessments.

3.6.3. A dedicated whistleblower protection law in the public workplace according to international standards to encourage public officials and the public to speak up

93. Even in very open organisations, public officials may be faced with situations in which they do not feel confident to report integrity violations for fear of retaliation or because the process is unclear. Establishing a clear and comprehensive whistleblower protection framework is a safeguard for an open organisation. Over the last decade, the majority of OECD countries have introduced whistle-blower protection laws that facilitate the reporting of misconduct and protect whistle-blowers from reprisals, not only in the private sector, but especially in the public sector. In OECD countries, such protections are provided through several different laws, such as specific anti-corruption laws, competition laws or laws regulating public servants, or through a dedicated public sector whistle-blower protection law.

94. While Argentina has formalised and raises awareness of several different whistleblower channels, Argentina has currently no whistleblower protection scheme in place apart from the witness protection programme. There are currently several draft bills debated in the legislature.

95. Argentina could adopt comprehensive regulations on the protection of public servants who in good faith denounce acts of corruption, including protection of their identity, in accordance with the Constitution and the fundamental principles upheld in its legal system. This would be in accordance with the recommendation given in the fifth round of the Follow-up Mechanism for the Implementation of the Inter-American Convention against Corruption (MESICIC, 2017[14]). Such a law could include the following protection measures and mechanism:

- Protection for those who report acts of corruption that may or may not be defined as criminal offences, but which may be subject to judicial or administrative investigation.
- Guaranteeing anonymity to whistleblowers that wish to stay anonymous.
- Protective measures aimed not only at protecting the physical integrity of the informant and his or her family, but also at protecting their employment situation, especially in the case of public servants, especially in cases where the acts of corruption may involve his or her hierarchical superior or colleagues.
- Mechanisms to report the threats or reprisals to which the informant may be subjected, indicating the authorities that are competent to process the requests for protection and the offices or entities responsible for providing it.
- Mechanisms that facilitate international cooperation in the foregoing areas, when appropriate.

3.6.4. Argentina may consider clarifying the overlap between witness and whistleblower protection and ensure that disclosures that do not lead to a full investigation or to prosecution are still eligible for legal protection.

96. There is a potential overlap between whistleblowers and witnesses as some whistleblowers may possess solid evidence and eventually become witnesses in legal proceedings (Transparency International, 2013[31]). When whistleblowers testify during

court proceedings, they can be covered under the existing witness protection laws (*Programa de Protección de Testigos e Imputados*) pursuant to Law 25.764.

97. However, witness protection often comes too late in the process when retaliation might have already occurred. Furthermore, if the subject matter of a whistleblower report does not result in criminal proceedings, or the whistleblower is never called as a witness, then witness protection will not be provided. Even if a whistleblower is entitled to witness protection due to eventual involvement in related criminal proceedings, the measures provided (such as relocation, changed identity, etc.) may not always be relevant. Also, given that whistleblowers are usually employees of the organisation where the reported misconduct took place, they may face specific risks which are normally not covered by witness protection laws, such as harassment, demotion or dismissal. Furthermore, in terms of remedies for retaliation, they may need compensation for salary losses and career opportunities. Witness protection laws are therefore not sufficient to protect whistleblowers (Transparency International, 2009[32])

98. Indeed, basing the eligibility for such protection on the decision to investigate disclosures and subsequently prosecute related offences decreases certainty surrounding legal protections against reprisals. This is because such decisions are often taken on the basis of considerations that remain inaccessible to the public. Indeed, it may be more effective, in terms of detecting misconduct, to implement facilitation measures through which whistleblowers may report relevant facts that could lead to an investigation or prosecution. Whistleblowers will be more likely to report relevant facts if they know they will be protected regardless of the decision to investigate or prosecute.

99. The provisions of a dedicated whistleblower law, as has been proposed to the legislative, could establish protection for those disclosing information pertaining to an act of corruption that might not be recognised as a crime, but could be subject to administrative investigations.

3.6.5. A communication strategy within the different entities as well as externally could encourage staff to raise concerns and improve the perception of whistleblowers

100. To promote a culture of openness and integrity in which public officials have trust that their reports will be followed up and that they will be protected from reprisals, the organisational culture needs to encourage public officials to raise concerns (Table 3.2). This includes communication efforts and awareness-raising of the legislation. Reassuring staff and potential whistleblowers that their concerns are being heard and that they are supported in their choice to come forward is paramount to the integrity of an organisation.

101. In addition to the recommendation to engage senior officials to provide guidance and advice (see 1.3.6), all entities within the administration, co-ordinated by the Department of Strengthening the Organisational Culture (*Fortalecimiento de la Cultura Organizacional)* in the Ministry of Modernisation in collaboration with the OA could introduce awareness-raising campaigns which underscore the importance of whistleblowers to promote the public interest. Such campaigns will change the negative perceptions that blowing the whistle is a lack of loyalty to the organisation. For example, the UK Civil Service Commission includes a statement in staff manuals to reassure staff that it is safe to raise concerns (Box 3.13). In Canada, the Public Interest Commission of Alberta designed a series of posters and distributed them to public entities to be displayed in employee work spaces. The posters show messages such as ‘Make a change by making a call. Be a hero for Alberta’s public interest’. Public officials should feel they should be

loyal to the public interest, and not to public officials who have been appointed by the government of the day. Argentina may consider similar statements and materials. By expanding these communication efforts externally, the public view of whistleblowers as important safeguards for the public interest can be improved. In the United Kingdom, the way the public understands the term 'whistleblower' changed considerably since the adoption of the Public Interest Disclosure Act in 1998.

Box 3.13. Example of a statement to staff reassuring them to raise concerns

"We encourage everyone who works here to raise any concerns they have. We encourage 'whistleblowing' within the organisation to help us put things right if they are going wrong. If you think something is wrong please tell us and give us a chance to properly investigate and consider your concerns. We encourage you to raise concerns and will ensure that you do not suffer a detriment for doing so."

Source: UK's Civil Service Commission: http://civilservicecommission.independent.gov.uk/wp-content/uploads/2014/02/Whistleblowing-and-the-Civil-Service-Code.pdf.

Box 3.14. Change of cultural connotations of 'whistleblower' and 'whistleblowing': The case of the UK

In the UK, a research project commissioned by Public Concern at Work from Cardiff University examined national newspaper reporting on whistleblowing and whistleblowers covering the period from 1st January 1997 to 31 December 2009. This includes the period immediately before the introduction of the Public Interest Disclosure Act and tracks how the culture has changed since then. The study found that whistleblowers were overwhelmingly represented in a positive light in the media. Over half (54%) of the newspaper stories represented whistleblowers in a positive light, with only 5% of stories being negative. The remainder (41%) were neutral. Similarly, a study by YouGov found that 72% of workers view the term 'whistleblowers' as neutral or positive.

Source: Public Concern at Work (2010),Where's whistleblowing now? 10 years of legal protection for whistleblowers, Public Concern at Work, London, p. 17, YouGov (2013), YouGov/PCAW Survey Results, YouGov, London, p.8.

3.7. Summary of proposals for action

Building a strong normative framework for public ethics and conflict of interest by reforming the Public Ethics Law

- Inconsistencies between the Public Ethics Law, the National Public Employment Framework, the Code of Ethics and other regulations on integrity could be overcome during the current reform process of the Public Ethics Law

- A threshold under which gifts can be accepted without reporting them could be established
- A clear and realistic definition of conflict of interest could be developed, delineating conflict of interest from disqualifying factors
- Argentina could reform the Public Ethics Law or pass a regulatory provision to introduce the duty to declare a conflict of interest that goes beyond the declaration of interests in the financial and interest disclosures, clearly state the actor and timeframe in which a conflict of interest has to be declared and state in which timeframe a resolution to the conflict has to be pronounced
- The law could include a non-exhaustive list of solutions that could be taken to resolve a conflict-of-interest situation, such as recusal on certain issues, divesting an economic or financial interest, creating a blind trust and similar.
- The OA could release a form which has to be used to declare and manage a conflict of interest proactively.
- To support the implementation of decree 202/2017, the OA could publish explanatory material for the private sector defining key concepts.
- The OA could develop a manual on conflict-of-interest situations specific to public procurement and how procurement officials can identify them.
- The OA could establish specific codes of ethics and guidance for other remaining at-risk areas such as senior civil servants, auditors, tax officials, and political advisors.
- Argentina could introduce a cooling-off period for pre- and post-public employment according to the level of seniority or/and occupation
- The OA could fulfil the role of an advisory body for post-public employment which monitors and enforces the cooling-off period. During the cooling-off period, former public servants would be required to regularly report on their employment situation in order for the OA to monitor the public official's employment.
- Decisions taken on post-public employment cases should also be published online to enable public scrutiny.
- For pre-public employment, disciplinary sanctions could be introduced, while for post-public employment, the public pension could be reduced and the private sector employer sanctioned.

Implementing integrity to support public officials to apply ethics in their daily work life throughout the public service

- The Code of Ethics should be revised and simplified by reducing the code to five to nine principles. The OA could involve public officials in choosing the most relevant principles for the Argentinian public service to create ownership and a common identity among public officials
- The OA could stipulate that entities have to develop their own codes of conduct based on the existing state Code of Ethics. Employees should be consulted and involved in the elaboration of the codes of conduct through discussion or surveys. The OA would need to provide clear methodological guidance to assist the entities in developing their own codes
- The Code of Ethics could be reinforced with guiding and orientation material for ethical dilemmas and conflict-of-interest situations
- The conflict-of-interest simulator of the OA could be further improved by including contact details of the OA or Ethics and Transparency Units to facilitate the contact

Mainstreaming integrity in Human Resources Management

- The merit principle could be reinforced by limiting the use of short-term contracts and using the same qualification and performance criteria for these positions as for permanent positions
- Resources will need to be mobilised for the implementation of the Directory of Competencies and a common job profile design template developed to strengthen merit in the public sector
- Predetermined qualifications and performance criteria for all positions and personnel management processes need to be established to assess candidates and public officials against the established criteria
- Argentina could consider extending decree 93/2018 prohibiting the recruitment of relatives to the level of secretary. A mandatory disclosure of family relations during the recruitment process could be introduced for lower-ranking public servants.
- To ensure that senior management acts as role models, integrity could be included as a performance indicator

Developing capacities and raising awareness for integrity to promote a change of behaviour

- Once an extensive pool of trainers is built, induction training for public officials on public ethics should be made mandatory irrespective of the public official's contractual status. In addition, refresher courses could be offered
- The OA could enable the exchange of experience of trainers to ensure good quality standards thorough regular meetings to discuss problems they face, to exchange training case studies and to agree on the common approaches to ethical dilemmas
- The learning effect of the training course on public ethics by the Ministry of Modernisation could be strengthened by including a discussion forum in which guided by a moderator, the participants are encouraged to think through an ethical dilemma and a conflict-of-interest situation
- The trainings course on public ethics for senior management could be improved by conducting some of the sessions in-person, in particular the ethical dilemma training, and including a component in which senior management identify individual risks and challenges to integrity and develop a personal plan to mitigate these risks
- Training courses could be made mandatory
- The Secretary of Public Employment could develop a mentoring programme for public officials at the junior level to encourage the development of ethical capacities and build a pool of ethical leaders for the future
- The Anti-Corruption Office could design and test different behavioural reminders and evaluate the effectiveness to develop a targeted and effective awareness-raising campaign
- Statements by prominent people from public life could record short video messages underlining their commitment to public integrity and what it means for them to act with integrity
- Posters with concrete examples about what a particular value might mean could be distributed in the entities
- On an annual basis, Argentina could award an Integrity in the Public Service Award to public officials showcasing ethical behaviour

Creating an open organisational culture

- The Ministry of Modernisation could engage senior public officials to provide guidance, advice and counsel
- To equip management to guide and counsel employees on work-related concerns, the OA in collaboration with INAP could develop a specific training course for senior public officials to familiarise management with general measures to build trust among employees to express any grievances or concerns.
- To empower and engage employees, staff champions for openness could be nominated who would consult with staff on measures to improve employee well-being, work processes and openness.
- Argentina could adopt comprehensive regulations on the protection of public servants who in good faith denounce acts of corruption. Such a law could include the following protection measures and mechanism:
  - Protection for those who report acts of corruption that may or may not be defined as criminal offences, but which may be subject to judicial or administrative investigation
  - Guaranteeing anonymity to whistleblowers that wish to stay anonymous.
  - Protective measures aimed not only at protecting the physical integrity of the informant and his or her family, but also at protecting their employment situation, especially in the case of public servants, especially in cases where the acts of corruption may involve his or her hierarchical superior or colleagues
  - Mechanisms to report the threats or reprisals to which the informant may be subjected, indicating the authorities that are competent to process the requests for protection and the offices or entities responsible for providing it
  - Mechanisms that facilitate international cooperation in the foregoing areas, when appropriate
- Argentina could consider clarifying the overlap between witness and whistleblower protection and ensure that disclosures that do not lead to a full investigation or to prosecution are still eligible for legal protection.
- A communication strategy within the different entities as well as externally could encourage staff to raise concerns and improve the perception of whistleblowers

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4. Promoting transparency and integrity through a targeted and effective Financial and Interest Disclosure System in Argentina

This chapter identifies ways to strengthen the financial and interest disclosure system in Argentina by improving the submission process, verification and sanctions. While the financial and interest disclosure system in Argentina is characterised by a high degree of maturity the system could serve its objectives of conflict of interest prevention and illicit enrichment detection better by demanding further information on sources for conflict of interest. In addition, the oversight function by the enforcement authorities is currently restricted because no access to reserved information is given. Similarly, an improved online search function would enable civil society to scrutinise the declarations.

4.1. Introduction

1. An effective financial and interest disclosure system can play a significant role in promoting integrity, transparency and accountability. Depending on their design, disclosure forms can serve to detect illicit enrichment or to determine whether a public official's decision has been compromised by a private interest, such as former or outside employment, board membership or similar. The disclosure system is a building block of a country's integrity system supporting the process of building a culture of integrity and reinforcing accountability (OECD, 2015[1]).

2. By making financial and interest disclosures public, the government shows its commitment to transparency and enables social control which adds a layer of scrutiny. Recent empirical cross-country evidence has shown the positive effect a disclosure system can have for a country's capacity to control corruption (Vargas and Schlutz, 2016[2]).

3. A disclosure system consists of several interdependent elements: Categories of public officials obligated to declare, Information included in the disclosure forms, design of the submission process, verification and audit of the information, enforcement and evaluation. The design of each single element has an impact on the effectiveness of the system and needs to take into account the overall context and capacities in which the system operates.

4. In Argentina, the financial and interest disclosure regime was put in place by Law 25.188 on Ethics in the public sector (*Ley 25.188 de Ética en el Ejercicio de la Función Pública)* in 1999 and modified in 2013 by Law 26.857 which tied the asset declaration to the tax declaration process. Several decrees and resolutions were adopted to apply the Law in each of the three branches (Table 4.1).

Table 4.1. Overview of the legislative framework of the financial and interest declarations in Argentina

Legislation valid for all three branches	Branch	Regulatory framework	Content	Enforcement authority
Law 25.188 on Ethics in the Public Sector Law 26.857 modifying the Ethics Law	Executive branch	Decree N.895/13	Establishes the Anti-Corruption Office (*Oficina Anticorrupción,* OA) as the enforcement authority which publishes the asset declarations (without the reserved information annex) on the internet and publishes a list of public officials what have not complied with their obligation to present an asset declaration.	Anti-Corruption Office
		General Resolution N.3511/13	Public officials must present their asset declaration (form 1245) via the webportal of the Federal Administration of Public Revenue (*Administración Federal de Ingresos Públicos,* AFIP). For those officials that submit their Income and Personal Property Tax, the asset declaration fills in automatically the information of the tax forms. The forms are then automatically transmitted to the OA.	
		Resolution N. 1695/13	Confirms the provisions of the General Resolution and constitutes that those that want to consult an asset declaration must identify themselves and will be sanctioned according to Law 25.188 and 25.326 if the declarations is used illegally.	
	Judiciary branch	Resolution N. 237/14	Applies to the **lower court judges** and establishes the scope of the financial declaration which replicates the information requested in the executive branch. The Presidency of the Council of the Magistracy of the Nation is responsible for reception, safekeeping, registration and archiving of the financial declarations. The Presidency will also inform the Disciplinary Commission and the Council in cases of non-compliance, so sanctions can be administered	For lower court judges: Presidency of the Council of the Magistracy of the Nation
		Agreement N. 23/13 and N. 9/14	Applies to the **Supreme Court of Justice** and establishes the Secretariat General for the Administration (*Secretaría General de Administración*) as the entity responsible for reception, safekeeping, registration and archiving of the asset declarations. It sets out what information is included in the declaration which is similar to the ones in the executive branch.	For Supreme Court of Justice: Secretariat General for the Administration

	Legislative branch	Provisions of the Administrative Secretary N. 46/14 and N.94/14	For the **Chamber of Deputies,** the provision N.46/14 establishes who is obligated to declare, when and how. In addition to the national representatives, all staff above director-level, and all staff who is part of a public procurement commission or participates in the decision-making in a public-procurement process. Parliamentarians have to present their declarations to the General Directorate of Administrative Co-ordination of the Administrative Secretary of the Chamber of Deputies, while all others have to submit their declarations to General Directorate Human Resources.	Congress of the Nation
		Resolution of the Administrative Secretary N. 24/14	For the **Senate,** the Directorate of Human Resources is responsible for communicating the list of filers to the AFIP, to receive copies of the declarations (except for Senators for which the Administrative Secretary is responsible) and to transmit the documents to the OA. The General Directorate for Audit and Management Control of the Senate is responsible for safekeeping and archiving the declarations.	Honorable Senate of the Nation

4.2. Strengthening the submission process: Adapting the form and processes to better fit the system's objectives

4.2.1. A harmonised and centralised list of filters is needed.

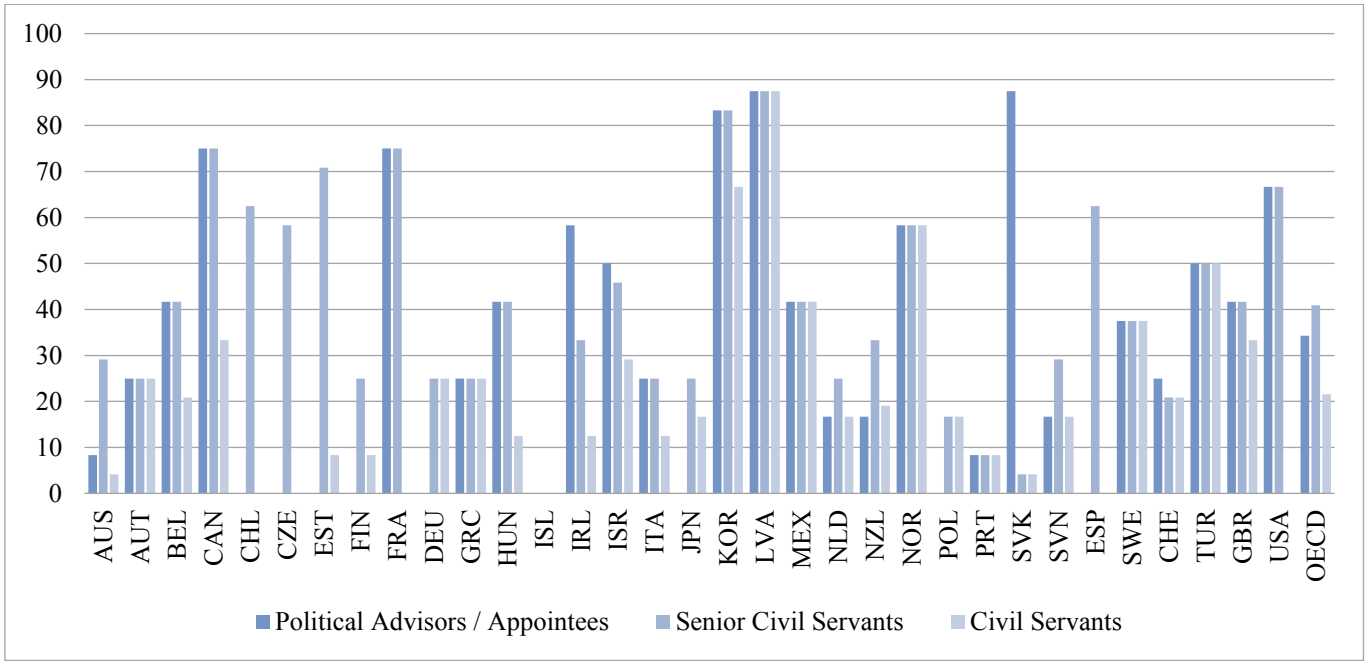
5. The scope of the Argentinian financial and interest disclosure system applies to all three branches, including state-owned enterprises, armed services and police. It has a risk-based approach in so far as it does not require all public officials to declare their assets, but only obliges those that face a higher risk of corruption due to their position. Specifically, according to article 5 of Law 25.188 and modified by article 2 of Law 26.857, these are:

- The president and vice-president;
- The members of the Senate and Chamber of Deputies and personnel working in the Legislative Branch, with a rank not inferior to that of director;
- The judges of the judiciary and Public Prosecutor's Office and personnel serving in the National Judicial Branch and the National Public Prosecutor's Office, with a rank not inferior to that of a secretary or equivalent;
- The Ombudsman and the deputies to the Ombudsman;
- The Chief of the Ministerial Cabinet, Ministers, Secretaries and Deputy Secretaries in the National Executive Branch;
- The Comptroller General and Assistant Comptroller General, the Auditor General and Assistant Auditor Generals, the higher authorities of regulatory bodies and other entities of the control system of the national public sector and members of the administrative bodies, the federal auditors and staff of federal auditors, with a rank or function not inferior to that of director or equivalent;
- Ambassadors, consuls and public officials on permanent official duty abroad;
- Staff with the position of colonel (or equivalent) or higher in the armed forces, federal police, airport police security, national gendarmerie, naval prefecture, federal penal correction service;

- Rectors, deans and secretaries of national universities;
- Officials or employees with a category or function not inferior to that of director or equivalent, who serve in the National Public Administration, centralised or decentralised, autonomous entities, banks and financial institutions of the official system, social works administered by the state, state-owned enterprises and personnel with similar category or function, appointed by the state in public-private partnerships, in public limited companies with state participation and in others;
- Any public official or employee responsible for granting administrative authorisations for the exercise of any activity, as well as any public official or employee responsible for controlling the operation of such activities or for exercising any other control by virtue of police power;
- Civil servants who make up the control bodies of privatised public services, with a rank no lower than that of director;
- Any public official or employee who is a member of bidding, purchase or receipt of goods commission, or who participates in the decision making of bids or purchases and any public official whose function is to administer public or private assets, or to control or audit public revenues of whatever nature;
- Directors and administrators of entities subject to external control by the Congress of the Nation, in accordance with article 120 of Law 24156.

6. The narrowed-down, focused approach of Argentina is in line with the majority of OECD countries (Figure 4.1 and Box 4.1). Given their decision-making powers, elected officials and senior civil servants are more influential and are at greater risk for capture or corruption. The focus on elected officials and senior public officials in all branches makes the best use of the capacities of the responsible bodies by not overburdening with the sheer quantity of declarations without appropriate human and financial resources.

Figure 4.1. Majority of OECD countries have stricter disclosure requirements for senior decision-makers



Box 4.1. The financial and interest disclosure system in France

Since 1988, French public officials are obliged to declare their assets to prevent illegal enrichment. Until the end of 2013, the Commission for Financial Transparency in politics was responsible for controlling the declarations. As a consequence of various scandals, the Higher Authority for Transparency in Public Life (Haute Autorité pour la transparence de la viepublique, HATVP) was created with a broader legal authority to ensure effective auditing of the asset and interest declarations.

The HATVP receives and audits the asset and interest declarations of 14,000 high-ranking politicians and senior public officials:

- Members of Government, Parliament and European Parliament;
- Important local elected officials and their main advisors;
- Advisors to the President, members of Government and presidents of the National Assembly and Senate;
- Members of independent administrative authorities;
- High-ranking public servants appointed by the Council of Ministers;
- CEOs of publicly owned or partially publicly owned companies.

Asset declarations have to be filed online when taking up a position, when a substantial change in assets occurs and when leaving the position. The information submitted in the declaration concerns real property, movable property (e.g. financial assets, life insurance, bank accounts, vehicles), and any existing borrowing and financial debt. The HATVP verifies the declarations and investigates any potentially omissions or unexplained variations in wealth while in office. All declarations are systematically controlled for some specific populations such as members of the Government and members of the Parliament. For public officials holding other functions, a control plan is established with systematic controls for certain targeted functions and random controls for others. The HATVP has the right to refer cases to the prosecutor for criminal investigation. Furthermore, it oversees the fiscal verification procedure of members of Government.

Source: Based on information provided by the Higher Authority for Transparency in Public Life

7. In the executive branch of Argentina, the Human Resource Management (HRM) offices oversee the filing of the asset declarations. This includes the creation and update of the list of filers in each entity which is transmitted by paper to the Anti-corruption Office (Oficina Anticorrupción, OA). The OA then transfers the information into the OA's online database. This procedure is very time consuming and bears a high risk of human error. In the interviews for this review, it was reported that there has been some confusion over the criteria 'public officials with a rank not inferior to director' as there is no harmonisation over the denomination of position throughout the public sector. While the OA does provide advice to HRM offices over cases in which doubts arises, this does not seem to be systemised. However, as enforcement authority the OA has the final decision power whom it includes in the list of filers. In order to create a more harmonised filer list, the OA could elaborate written guiding material on the type of functions that are equivalent to the position of director which could act as a short reference guide in case of doubt in addition to the generic concept of functions of the law. This could build on Resolution 6/2000 which specifies the scope of the legal provisions.

8. To automate this process and avoid human error, the recently introduced Information Data Base on Public Employment and Wages (*Estructura Base Integrada de Información de Empleo Público y Salarios*, BIEP) could be leveraged (Box 4.2). The information also includes the type of position: senior authorities (minister, secretary, under-secretary, head of entity), Members of Cabinet, senior management, non-management position. Once established, the BIEP could include information on the obligation to present an asset declaration. This could be tied to the type of position already included. However, it would also need to include those that have to file a declaration due to their functions, such as public procurement officials. By including a separate section on the obligation to file, a centralised filing list for the executive branch would be created in the Ministry of Modernisation which should be obligated to transmit the list of filers to the OA on a regular basis. In this way the OA would be less reliant on individual HR offices. On a regular basis, the information could be cross-checked with other information, such as the overall number of people employed in an entity to ensure its correctness.

Box 4.2. Centralising Employment Data in Argentina

The integrated information data base on public employment and wages (Estructura Base Integrada de Información de Empleo Público y Salarios, or BIEP), created in 2017, centralises employment data for the entire Argentinian Public Sector at the federal level. The National Directorate of Information Management and Wage Policy (*Dirección Nacional de Gestión de Información y Política Salaraial)* in the Public Employment Secretariat of the Ministry of Modernisation manages the system and receives the information from the different entities and processes and standardises it. The BIEP collects data on:

- Overall number of employees
- Family relations of employees
- Level of studies undertaken of employees
- Contractual links of persons with the public sector
- Results of performance evaluations
- Attendance/Absence rate
- Disciplinary regime
- Settlement of claims or other remuneration

New type of information can be included in the data base as the needs for system evolve. The information is taken from several sources such as personnel administration and human resources management information systems, electronic records such as organisational structures and information provided directly by the entities. The quality of the data provided is reviewed by the Ministry of Modernisation and will notify entities in cases of missing information or inconsistencies to rectify them. The data is updated every month, except for the results of performance evaluations and disciplinary regime which are updated as soon as a change takes place.

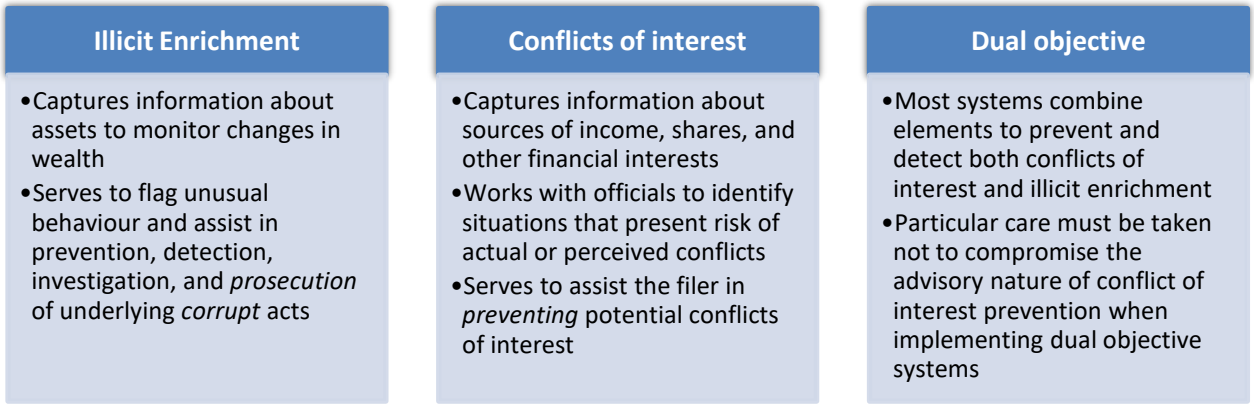
Source: Ministerio de Modernización

4.2.2. Decoupling the asset declarations from the tax declaration to broaden the information captured would strengthen the system's purpose of preventing conflict of interests.

9. Disclosure systems can be categorised according to the underlying objective of either corruption prevention by identifying possible situations of conflict of interest or enforcement by detecting illicit enrichment or other illegal activity. Each single element of the disclosure system, such as the information to be declared by whom and how, the verification, audit and enforcement mechanisms, will have to be designed according to the set objective. For example, disclosure systems which prioritise the detection of illicit wealth seek information on assets, stocks, securities and liabilities to ascertain inexplicable changes in wealth during the public official's time in office. In this way, the system can support the prosecution of corrupt officials and the recovery of stolen assets (OECD, 2011[3]). Systems with the objective of preventing and detecting conflict of interest demand information on secondary employment, unremunerated positions outside of office, sources of income, gifts and companies in which the official has an interest in. The system is often linked to the public ethics framework to advice the public official how to manage a possible

conflict-of-interest situation. Most systems have a dual objective which requires a more comprehensive regulatory framework and extensive resources (**Figure 4.2**).

Figure 4.2. Objectives of disclosure systems



Source: Rossi, Laura Pop and Tammar Berger, 2017[3]

10. In Argentina, the stated objective of the disclosure system is the promotion of transparency, the detection of illicit enrichment and the prevention of conflicts of interest. In order to serve this dual purpose, the system would be expected to collect information on financial assets (income, movable or immovable assets, shares etc.) and information on the sources of income, outside and previous employment and other financial interests. However, since the reform of the asset declaration system in 2013 (Article 4, Law 26.857), the information available to the public and the enforcement authorities, such as the OA, has been limited. This limitation specifically concerns the type of information captured necessary for the prevention of conflicts of interest. This severely undermines the system's objective of promoting transparency.

11. Since the reform of the declaration system, which mandated that the asset declarations are the same as the tax declarations, the declaration captures the following non-exhaustive type of information:

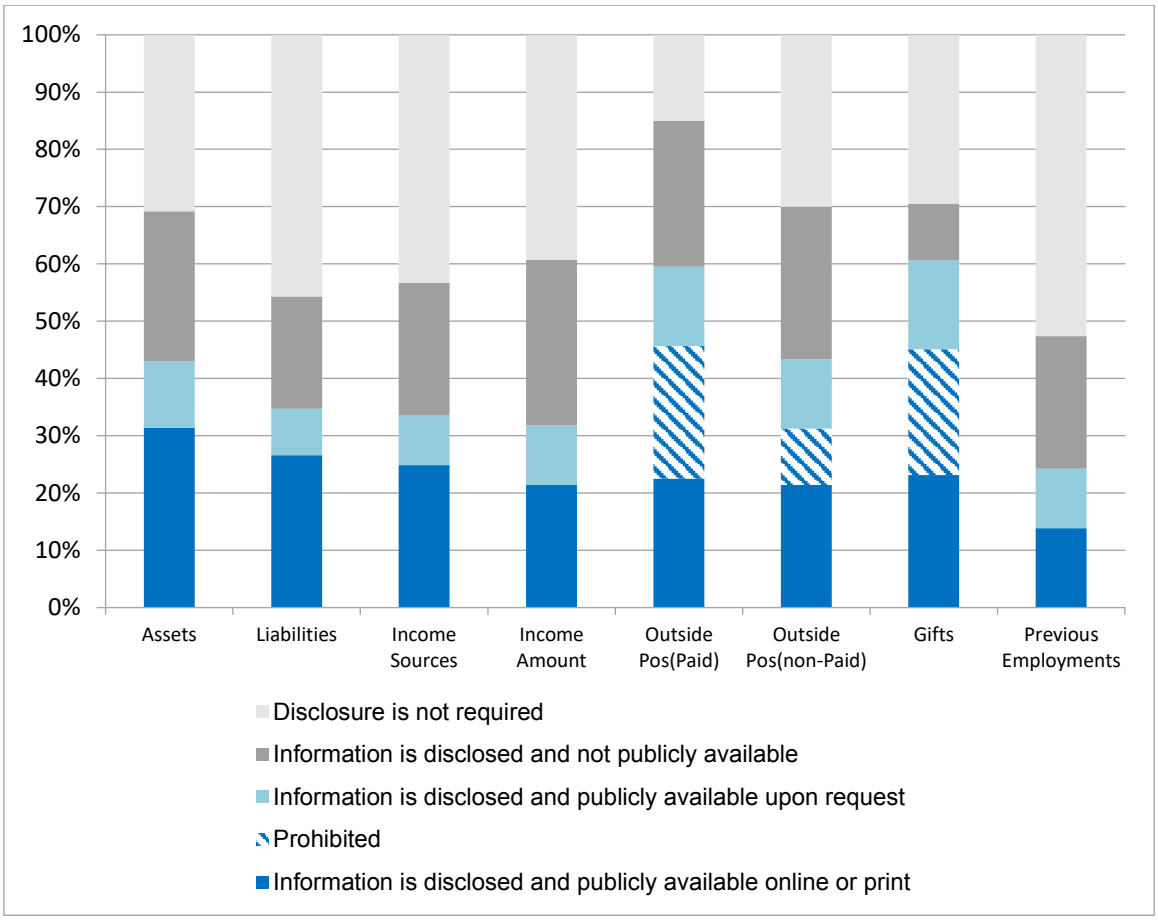
- Real estate, and the improvements that have been made on said properties;
- Movable property;
- Other movable property, determining its value as a whole;
- Capital invested in securities, shares and other securities quoted or not in stock exchange, or in personal or corporate holdings;
- Amount of deposits in banks or other financial institutions, savings and provisional, national or foreign, holdings of cash in national or foreign currency;
- Mortgage loans and mortgages;
- Annual income and expenses arising from work in relation to the exercise of independent and / or professional activities;
- Annual income and expenses derived from income or pension systems.

12. This information is included in the public part of the declaration, accessible to the public and the enforcement agencies such as the OA. The reserved annex, which is only accessible if judicial proceedings are opened, gives greater details on the requested information, such as the individualisation of each asset, its location, size, acquisition value and tax value, ownership, percentage over ownership or, in the case of profits, origin of the

funds. The reserved annex also includes information on external activities and basic information on spouses and children of the public official.

13. The type of information requested from public officials in Argentina varies significantly from the information request in other OECD countries, in particular regarding non-financial information (Figure 4.3).

Figure 4.3. Type of information disclosed in the Executive Branch in OECD countries



Source: OECD (2013), Government at a Glance

Box 4.3. Content of the Income and Asset Disclosure form in the USA

The primary objective of the Income and Asset Disclosure Form in the USA is at the detection and prevention of conflicts of interest. High-ranking public officials, such as the president, vice-president and senior executive branch officers above a certain pay scale and their spouse and minor children need to file the publically available form 278. It includes the following information:

Assets

- Interests in property held in a trade or business or for investment or the production of income (real estate, stocks, bonds, securities, futures contracts, beneficial interest in trusts or estates,pensions and annuities, mutual funds, farms, and so forth) that meet reporting thresholds; reported by categories of values)

Sources and amounts of income

- Sources, type, and amount by category of value of investment income meeting a threshold amount
- Sources and exact amounts of earned income (other than from U.S. government employment), including honorariums

Transactions

- Purchases, sales, and exchanges of real property and securities that meet reporting thresholds

Liabilities

- Creditor, amount by category, and terms of liabilities meeting a threshold amount reached at any point during the reporting period (major exceptions include mortgage on personal residence, certain family loans, and some revolving credit obligations)

Gifts and reimbursements

- Gifts and reimbursements that meet reporting thresholds

Positions held outside of government

- Positions as an officer, director, trustee, partner, proprietor, representative, employee, or consultant

Agreements and arrangements with respect to past or future employment

- Parties to and terms of any agreement or arrangement with respect to future employment, leaves of absence, payments from and/or continuing participation in a benefit plan of a previous employer

Major clients (first-time filers only)

- Identity of each source of income over a threshold amount generated by the performance of personal services for that source

Source: World Bank. 2013. *Income and Asset Disclosure: Case Study Illustrations*. Directions in Development. Washington, DC: World Bank. doi:10.1596/978-0-8213-9796-1.

14. In comparison to the declaration form prior to 2013, the current form (Form 1245) is a step back. Comparing the form to the USA income and asset declarations with the specific objective of preventing conflict of interest, it can be seen that the Argentinian form is not including the majority of the information necessary to assess conflict-of-interest situation (Box 4.3). It does not include information on unremunerated outside positions, such as board functions in political parties, foundations, charities or volunteer work. Similarly, the declaration does not include any information on previous employment which undermines the declarations purpose of preventing conflict of interest. Previous posts the public officials has held could for example influence policy decisions or create the appearance decisions have not been taken according to the public interest, but in the interest of selected stakeholders (Chapter 3 and 7). Information on positions held previous to public service should be collected in the interest of transparency and to prevent conflicts of interest. In addition, by opting to not include information on previous posts, the new public declaration form also infringes on Article 12 of the Public Ethics Law which was not modified by Law 26.857 and is still valid. Article 12 stipulates that all non-elected public officials must include their employment history to facilitate a better control over possible conflicts of interest that might arise because of it.

15. By only including the information already presented in the tax declaration in the publically accessible part of the asset declaration, additional information has been moved to the reserved annex or is omitted completely, as stated above. Limiting access to this information severely impacts the verification and audit functions (see 4.3). Therefore, Argentina could consider decoupling the tax and asset declaration and broadening the type of information requested to facilitate an effective audit process. Besides information on previous and outside employment, a threshold for immovable and movable assets should be specified. Assets above the threshold would be specified individually while below the threshold the accumulated value could be indicated. Demanding a registration number, where applicable (e.g. cars), would improve the verification process by enabling automatic data comparison. In particular for immovable assets, information on other shareholders and the tax value, in addition to the acquisition value, should be captured. For debts the date when the liability was incurred and the deadline for repayment should be included. In addition, for asset declarations, filed when leaving office, future employers should be specified if already known. Furthermore, the disclosure form should include information on partners and dependent children. If amended in such a way, the asset declaration would fulfil the system's dual objective of detecting illicit enrichment and preventing conflict of interest.

4.2.3. Beneficial ownership could be explicitly defined and included as one of the form of possession of assets for politically exposed persons

16. The current disclosure form only asks public officials to declare those assets they or their family members own directly. Limiting assets to direct ownership bares the risk that relevant information is omitted without a misrepresentation made by the filer. For example, it would exclude shares owned by a trust the public official has set up. By not including information on assets whose direct owner the public official is not, but has effective control over creates a gap allowing corrupt public officials to hide their assets from scrutiny. Therefore, Argentina could mandate public officials to not only declare what they legally own, but also those that they effectively use and control, despite being in the name of a third party (Rossi, Laura Pop and Tammar Berger, 2017[4]). Due to the fact that the risk of beneficial ownership is more relevant to higher public officials, beneficial

ownership could be a complementary declaration category only for those public officials fitting the politically exposed person definition by Article 1 of Resolution 52/2012.

17. Given that the concept of beneficial ownership has not been included so far, it can be expected that both the staff of the OA and staff in the HR offices of the entities have limited familiarity with the concept. In order to being able to effectively monitor the implementation and provide guidance on the new requirement, the financial intelligence unit and anti-money laundering experts could raise awareness and sensitise the staff to recognise suspicious information. As a second step, guidance providing examples of how a public official might beneficially own assets or certain rights should be drafted (Rossi, Laura Pop and Tammar Berger, 2017[4]).

4.2.4. The electronic filing system could be further advanced by using the digital signature for the authentication of disclosures.

18. In comparison to the majority of countries, Argentina's submission process is almost completely electronic. However, currently filers still need to print out the declarations and validate them with their signature on paper. This adds a step in the submission process. The hard copies are sent to the HR offices which in turn transmit them to the OA, except for the most senior five percent of public officials who send their declarations directly to the OA. By creating a legal basis for the use of a digital signature as authentication of the declaration, the submission process could further advance to being completely electronic and cutting out the additional administrative step. The electronic file could be transmitted both to the OA and the HR office, responsible for archiving.

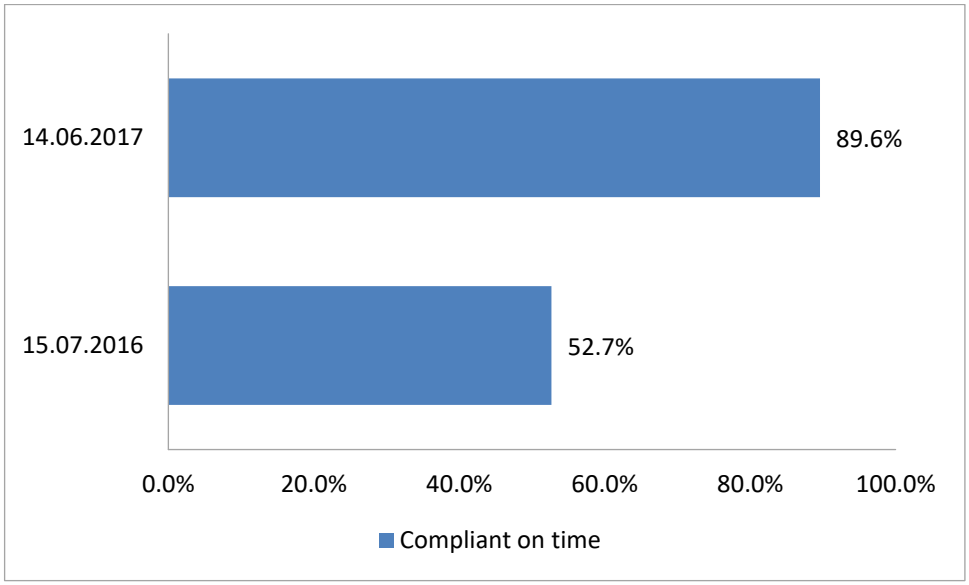
4.2.5. To incentivise more public officials to comply with their duty to declare their assets, measures from behavioural insights could be incorporated throughout the process and awareness-raising activities implemented.

19. Effective communication between the OA and the filers can improve the submission process by ensuring a high compliance rate. Overall, such a communication strategy would have two objectives. First, inform the filers of their obligation and the requirements to disclose financial information. Second, provide guidance and support to the filers. Detailed information an agency might want to disseminate include the purpose of the declaration system, details on the submission process (deadlines, procedures and similar), procedure for review and investigation, applicable sanctions in case of non-compliance and management of conflict of interest (Rossi, Laura Pop and Tammar Berger, 2017[4]).

20. In Argentina, the OA has published detailed information and frequently asked questions about the system's objective, who, what and how public officials need to declare their assets, public availability, applicable sanctions and how to proceed if the official notices a mistake in the declaration. In addition, the OA publishes general reminders for public officials to declare their assets on twitter and their website. It also encourages the HR offices to remind filers in their respective entities of their obligation to file.

21. The compliance rate for submitting the asset declaration has significantly increased over the last two years reaching almost 90% (Figure 4.4). However, considering the individual compliance rate of each entity strong differences can be noted. For example in case of the 2016 disclosures, in October 2017 the Ministry of Energy had a compliance rate of 45.28% and the Executive Office of the Cabinet of Ministers one of 67.24%. Even lower, the Nuclear Regulation Authority had a compliance rate of 0% (Infobae, 2017[5]).

Figure 4.4. Rising compliance on time with the obligation to present an asset declaration



Source: Oficina Anticorrupción (2017), Informe

22. Drawing insights from behavioural science, Argentina could send reminder messages prior to the filing deadline. Evidence, for example, shows that reminders significantly increase tax compliance (Hallsworth et al., 2017[6]). A timely reminder can break through the sometimes combination of reason for not complying, such as inertia, procrastination, competing obligations and simply forgetfulness (Sunstein, 2014[7]). In order to make the reminder salient, the message should be tailored to the recipient and ideally enable the recipient to act directly upon receiving it by including a link or similar (World Bank, 2015[8]). Ideally, the message would directly address the recipient by the name.

23. In a pilot project, the OA, in collaboration with the HRM offices, could test differently framed reminder message via email in one of the entities with a lower compliance rate. Once proven effective, these could be rolled out to other entities. Examples of differently framed messages could be:

- *Entity norm:* Nine out of ten public officials submit their asset declaration on time.
- *Minority norm:* Nine out of ten public officials submit their asset declaration on time. You are currently in the small minority of people who have not done so.
- *Minority status:* You are currently in the small minority of people who have not submitted their asset declaration.
- *Fraction injunctive norm:* Nine out of ten people agree that everyone is obligated to declare their assets should do soon time.
- *Ethical norm:* Contribute to public integrity in Argentina; submit your asset declaration on time.
- *Collective action:* Integrity depends on each and every one of us! Submit your asset declaration on time.
- *Sanction:* Don't get punished! Submit your asset declaration on time (adapted from Hallsworth et al., 2017[5])

24. Going beyond communication efforts to increase compliance with the filing obligation, communication tools can also be used to support declarants. Online chat services, detailed guidelines or designated support staff can facilitate the filing process, make it less time-consuming for users and as a result increase the quality of information collected (Rossi, Laura Pop and Tammar Berger, 2017[4]). As a first step, Argentina could embed information which answers common questions and avoids common errors in the electronic filing form. To give more personal guidance, the Ethics and Transparency Units, which are recommended to be created in the entities (see Chapter 1), could encourage public officials to contact them in case of doubts. This could be done by distributing flyers with the main details and objectives of the declaration system or by publishing a short message on the internal platform. By highlighting the importance of declaring their asset situation and raising awareness, a stronger culture of integrity can be created.

25. Given that the asset declaration system's objective is to prevent conflict of interest in addition to detection illicit enrichment, the OA and possibly the Ethics and Transparency Units should clearly underline the purpose of prevention in regards to conflict of interest by highlighting support tools and processes to resolve a conflict of interest. It needs to be clearly communicated that submitting the declaration does not free the public official from resolving the conflict of interest. In addition, trainings and awareness-raising measures on conflict of interest should emphasise that the annual declaration does not relieve the public official of managing ad hoc emerging conflict-of-interest situations.

4.3. Ensuring effective verification of the submitted information

26. An effective system of verifying the submitted information allows for achieving the objective of detecting illicit enrichment and preventing conflict of interest. It is through the verification that the data reveals the full picture about the declaration's accuracy. Only through this process, sanctions can be administered resulting in a deterrent against illicit enrichment and conflict-of-interest situations (OECD, 2011[3]). If public officials perceive that data stated in the declarations will most likely never be checked or used, there is a risk that the system will deteriorate into simply a "check-the-box" activity undermining confidence in the government's commitment to the integrity system.

27. Similarly, verification can strengthen a culture of integrity among public officials. Potential conflict-of-interest situations can be detected through verification and public officials subsequently advised on how to manage their private interests to avoid an actual conflict-of-interest situation.

28. In the case of the executive branch in Argentina, a specific dedicated Asset Declaration Unit (*Dirección Nacional del Sistema de Declaraciones Juradas*) in the OA is mandated to verify the content of the asset declarations of the Executive Branch. The verification process includes the comparison with the declaration of previous years, the analysis of internal consistency and general reasonableness of the data, corroboration of the data declared through the crossing of information with public records and other available sources of information (for further details, please see below)

4.3.1. To ensure effective verification, the Anti-Corruption Office needs to be granted access to reserved information

29. The purpose of the verification process is to ensure the accuracy of the asset declarations. This means one the one hand no omitted information and on the other hand accurate information. A well-designed verification process detects inconsistencies,

misrepresented information and other red flags, such as a big difference between income and spending. Ultimately, verification can draw a picture to detect false declarations, unjustified variations of wealth, illicit enrichment, potential or actual conflicts of interest, incompatibilities and information relevant to corruption, tax crime or money-laundering investigations (Rossi, Laura Pop and Tammar Berger, 2017[4]).

30. Reviewing asset declaration systems in different jurisdictions, different, at times combined, methods for verification can be identified (for a country example, Box 4.4):

- Check for internal consistency and plausibility;
- Comparison with previous declarations;
- Verifying whether the information declared is compatible with the public official's mandate;
- Cross-check information with other databases;
- Request for additional information from the public official, such as invoices or contracts;
- Lifestyle checks to ensure consistency between declared information and standards of living (Rossi, Laura Pop and Tammar Berger, 2017[4]).

Box 4.4. The financial and interest disclosure system in France: Extensive powers to verify declarations and cross-check data

In order to fulfil its mandate, the HATVP has the right to ask fiscal authorities to analyse the declarations and access documents abroad or any fiscal information deemed of interest. Likewise, the HATVP can demand information from institutions and individuals who detain information useful to the audit process. The asset declarations of Government ministers and members of Parliament are transferred to the Public Finances General Directorate and in return the tax administration provides the High Authority with "all information to enable the latter to assess the exhaustiveness, accuracy and sincerity of the asset declaration, in particular the income tax notices for the person concerned, and, as applicable, the wealth tax notices". Tax administration officers are released from their requirement of professional secrecy with regard to the High Authority's members and rapporteurs. Citizens can also report to the High Authority any irregularities they notice about the online declarations.

Verification and audit process

For members of the government and parliamentarians

For all other declarants

Source: Based on information provided by the Higher Authority for Transparency in Public Life

31. In Argentina, the OA's ability to effectively verify the asset declarations was seriously curtailed by the reform of the system in 2013, merging the asset and tax declaration. The OA only has access to the public form of the asset declaration. The reserved annex is accessible by judicial authorities and the OA with the permission of the minister. In practice this means that the Office has information on cumulative amounts, but without details on sources. For example in the case of income, this would be vital to detect a possible conflict of interest. Size and location of immovable assets is also not accessible to the OA. This makes it difficult, if not impossible, to verify whether the monetary value given for example for a property is in relation to the usual price for the size and area of the property. Outside activities and business partners and contracts, a potential source of conflict of interest, are also not captured in the form accessible to the OA. In addition, the scarce information can seriously undermine the Office's ability to cross-check information with other database.

32. The asset declaration of household members can be an important piece in the verification process. In Argentina, spouses, cohabitants and minor children must submit the same information as the public servant, except the information on employment history.. As information of household members is included in the reserved annex, it is not accessible to the verification unit. As a result, public officials could use family members to hide illicit wealth and sidestep oversight. As such the limitation to access reserved information, restrict the OA to use the common verification methods to their full potential.

33. Therefore, the reform of the Ethics Law could grant the OA access to reserved information. This would ensure that the OA can effectively execute its mandate to verify declarations for indicators of illicit enrichment and for potential conflicts of interest and advising filers on how to avoid conflicts of interest. An additional confidential annex with confidential information, such as bank account details and precise addresses, could be created. Consulting this information would only be possible for the OA with the permission of the Minister of Justice and Human Rights or the Public Prosecutor's Office in a judicial case.

4.3.2. The disclosure system has a well-developed system for verification, however an additional random selection of asset declarations could be verified and further databases cross-checked.

The verification process of the Argentinian disclosure system is characterised by a high level of maturity in comparison to systems in other countries. This is in particular because of the systematic and standardised steps taken to verify the asset declarations. The number of public officials required to file a declaration (currently around 50,000) is too great to permit the verification of every single one. However, the system is designed to enable the systematic verification of all of the declarations submitted by the most senior 5 percent of public officials. This includes the highest members of the central administration, , armed forces, security forces, federal penitentiary system, decentralised bodies depending on the National Executive Branch, ambassadors, national universities and learning institutes, and foundations depending on the National Public Administration. Most notably, it also includes advisors to the President, Vice-president, Chief of the Ministerial Cabinet, Ministers, Secretaries and Deputy Secretaries of the National Executive Branch.

34. The remaining declarations of lower level officials are verified according to different criteria:

- Officials from an entity or hierarchy at risk for corruption
- Officials whose declaration present red flags based on the exploitation of different databases
- Officials with a file in the Investigations Directorate
- Officials analysed in previous analyses.

35. While these criteria cover a wide array of public officials, the selection poses the risk of permanently excluding certain categories of public officials from verification that would not fall under the formal risk criteria established that warrants verification. All public officials, demanded by law to file their asset declarations, have been selected to do so based on some level of exposure to corruption risks. Therefore, their declarations should be subject to verification at least every few years. Furthermore, the selection according to the stated criteria can be misled by incorrect perceptions about corruption. To mitigate this risk, Argentina could select a sample based on a random lottery each year which ensures that each year a different sample is chosen. In this way, all declarations would be covered

over the course of time. In addition, media reports and whistleblower reports could be taken into account in the selection for verification (Hoppe and Kalnin, 2014[9]). This would need to be aligned with the personnel capacities of the OA to ensure the broadened verification. In France, for example, an in-depth audit process of the financial and interest declarations is triggered according to risk exposure, missing or wrong information or late filing, abnormalities in previous years, reports from civil society and a random computer generated selection (Box 4.5).

Box 4.5. Verification process of financial and interest declarations in France

In France, the Board of the HATVP defines and adopts a yearly control plan. It is based on risk exposure, occupied functions and seniority of the different categories of public officials. The verification process of the financial and interest declarations consists of three different levels

***Basic verification*:** Upon reception of a declaration, a first formal check of the disclosed data is conducted. This check verifies that public officials submitting a declaration fall within the scope of the High Authority (eligibility check) and on the other hand that declarations are complete (completeness check).

Simple verification: The completeness, accuracy and consistency of the content is checked to ensure there are no omissions, misevaluations or shortcomings. In this way the coherence of the declaration is verified, any important omissions or inexplicable variation of assets and subsequently illicit enrichment can be detected. In addition, potential conflict-of-interest situations can be identified.

Audit verification: A selection of declarations is subject to a more in-depth audit verification process. This audit process is triggered by:

- Specific exposure to risk factors;
- The fact that, upon formal verification, the declarations are visibly incomplete, sent after the delays or erroneous (35% of in-depth controls in 2016);
- Red flags (civil society organizations, citizens, other administrations, etc.);
- A random check, selected across all categories of filers by random computer generated draws (25% of in-depth controls in 2016);
- Abnormalities revealed in controlling assets variation during the mandate or time in office (40% of in-depth controls in 2016).

Source: HATVP

36. The verification process is conducted according to a standardised process which clearly sets out the procedures, such as verification with external databases and scanning of alert signals and inconsistencies which warrants the transfer of file to investigative authorities. In order to strengthen the verification process, the OA should aim for an integration of a higher quantity of relevant databases which would allow for an automatic cross-check.

37. If an irregularity or inconsistency is detected in the previous steps, a formal "request for clarification" is sent to the official via the HR offices. If no satisfactory clarification or correction is provided, then the case is passed on to the Sub-Secretariat for Anti-corruption

Investigations. In cases of potential conflicts of interest, the Sub-Secretariat for Integrity and Transparency of the OA advises the public official of the appropriate steps to manage the conflict.

4.3.3. To increase the public's ability to scrutinise asset declarations, greater access to reserved information could be given and a better search interface designed

38. Disclosure systems can serve to build greater trust in government by citizens, since the act of public disclosure is a signal to citizens that public sector officials are committed to protecting the public interest, and are open to public scrutiny and oversight. Making disclosures publically available adds to the level of scrutiny by adding a countless number of external stakeholders, namely media, civil society organisations and citizens, that can double-check the information declared and report inconsistencies to the authorities. In this way, public availability can strengthen the deterrent effect and build social pressure to adhere to the integrity standards. However, the information in the disclosure form refers to assets and interests pertaining to the public official's private capacity. As such, privacy and security concerns need to be considered.

39. In Argentina, according to Law 26.857 and Resolution 1695/2013 (applicable to the Executive and Legislative)/ Resolution 237/2014 (applicable to the Judiciary) the asset declarations are freely accessible and can be consulted via the internet at no cost. The OA is responsible for publishing the declarations from the executive and legislative branch. In case of the judiciary, the Supreme Court and Council of the Magistracy of the Nation ratified the Agreement 9/2014 in 2016 which stipulates that the asset declarations are published on the webpage of the Supreme Court. However, at the time of writing no asset declaration have been published.

40. There are strong arguments in favour of making asset disclosures public. In addition to the added layer of public scrutiny, studies have found a correlation between public availability and a decreased perception of corruption. Citizens who can access asset disclosures can revisit their perception of excessive wealth of public officials gained through corrupt practices. However, this only holds if the information available is comprehensive. In countries where these conditions are not given, the relationship between asset disclosure systems and perceived corruption is inconsistent (Djankov et al., 2010[10]).

41. However, in Argentina the public's ability to hold public officials accountable is limited. While Argentina makes disclosures public, the public form severely restricts the access to information as was discussed concerning the OA access above (see 4.3.1). For example no information on the sources of income which could be tied to outside employment is presented. Similarly, by not publishing information on the spouse, no real control of unjustified wealth is possible. As such, the public cannot determine incompatibilities or conflicts of interest. This is not in line with the system's objective of promoting transparency.

42. While privacy and security concerns may have to be weighed against the public's right to access information, in the interest of public accountability Argentina should make more information available to leverage the asset disclosure system's positive effect on corruption perception. Three different levels of access could exist: reserved information (only accessible by a judicial authority or the Public Prosecutor's Office in a legal case), information accessible by the OA and the Supreme Court and Magistrates Council of the Nation and public information. The scope of information available for each level could look as detailed in Table 4.2:

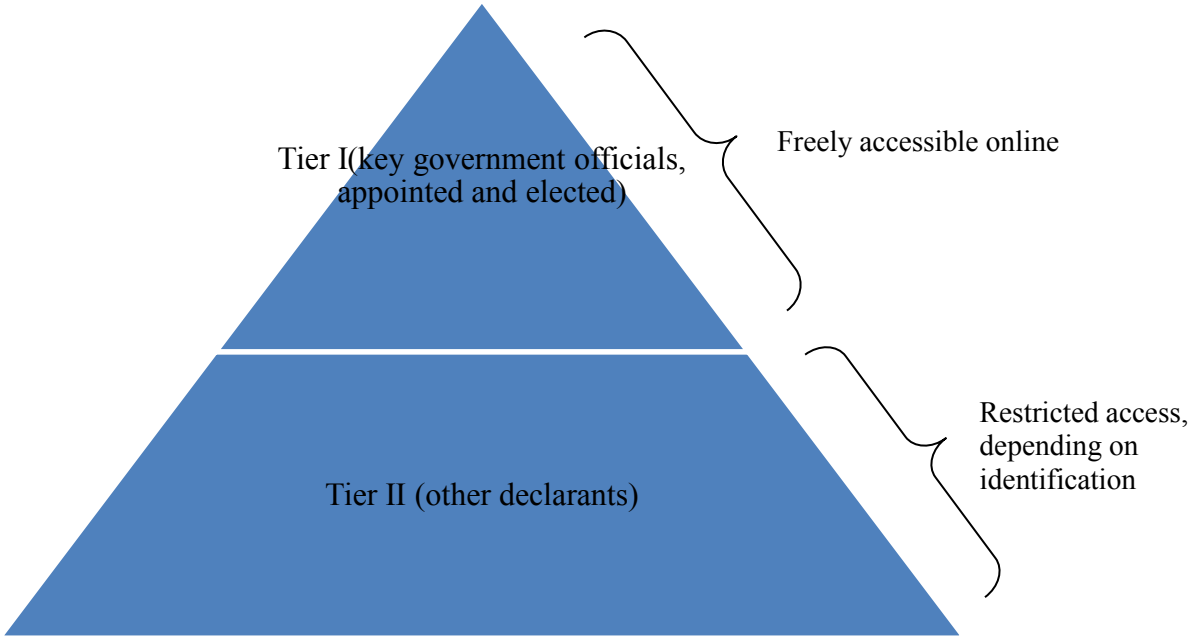
Table 4.2. Suggested information available for the three levels of access

Access level	Information included
Judicial authority in case of legal proceedings	Precise location of the declared properties (declarant and household members) Numbers of bank accounts safety deposit boxes and credit cards (declarant and household members) Precise amount of debt owed Information on debt owned for household members
Entity responsible for verification (e.g. OA)	Exact amount of income from other sources, not related to the public official's primary employment Name, immovable and moveable assets of household members Type of liability, date when liability was incurred and repayment deadline Identification of those who are partners, co-owners or parts of companies, assets or contracts declared by the official (trusts, usufructs, powers of attorney, guarantees, etc.) Information on beneficial ownership Access to the declaration of spouses, cohabitants and minor children
Public	All information, except the information detailed for the other two access levels

43. The asset declarations are available online. It is commendable that the OA makes a file of all declarations for every year since 2012 freely accessible. However for the asset declarations of a particular public servant, both in the executive and the legislative, first and last name, number of a valid identification document and the reason for wanting access (journalist, investigator, academic or other) needs to be stated. Thereby a hurdle is introduced that can dissuade individuals from accessing declarations. For the judiciary branch, prior authorisation is needed which introduces an even bigger hurdle.

44. While security and confidentiality might be a reason for this on-demand access, Argentina could nevertheless satisfy the public's right to information better. For example, some countries have opted to make only the declaration of high-ranking public officials freely accessible. Given the nature of their position, public scrutiny is a reasonable component of their position officials take into account, for example when running for office (StAR (Stolen Asset Recovery Initiative), 2012[11]). Indeed, Argentina could consider a tiered system for granting access (Figure 4.5). Declarations of key government officials would be freely accessible online, while access to the declarations of lower level officials would only be accessible upon identification.

Figure 4.5. Tiered system for access



4.3.4. The online interface should be designed more user friendly and include an enhanced search function to facilitate public access

45. The user-friendliness of the online interface for accessing the asset declarations could be improved to facilitate public access to the declaration. Currently the search function for requesting access to an asset declaration does not autocomplete or suggests the public official's name. Names have to be typed in exactly to render results. Similarly, the search for a group of public officials according to their function is not straightforward, because no categories are prefixed. As such the system might not give any results if functions have not been typed in correctly.

46. For example, in France financial and interest declarations are freely accessible without identifying oneself and the search function autocompletes names or suggest names depending on the function, region or department typed in. In addition, all declarations available according to a specific function, region or department are listed. Similarly, in Chile the search interface presents in addition to the search function an overview of all declarations available according to functions (Figure 4.6). Those that want to consult the financial and interest declaration obtain a quick overview and information on the breadth of the system. The files can then be exported as an open file format. While the OA already makes a csv file of all asset declarations available, individual declarations are only available as a pdf file. Both OA and the Supreme Court and Council of the Magistracy of the Nation could consider a similar search mechanism, way of presentation and search function of the asset declaration and making the declarations available in open file format and pdf to facilitate the public's access to the declarations.

Figure 4.6. The search interface for financial and interest declarations in Chile

Source: Contraloría General de la República and Consejo para la Transparencia, Infoprobidad, http://www.infoprobidad.cl/#!/inicio, accessed at 26-01-2018

4.4. Administrating appropriate and effective sanctions that create a deterrent effect

47. Building on a strong verification process, sanctions are essential to guarantee compliance with the requirements of the financial and interest declaration system. Sanctions can act as deterrent for public officials to on the one hand comply with their obligation to present a declaration and on the other hand to not engage in dishonest conduct because the risk for detection and penalty is heightened. Sanctions can vary between criminal sanctions, administrative sanctions, disciplinary sanctions, civil liability, and other softer measures such as warnings, public announcements or apologies and similar (OECD, 2017[12]).

48. In the majority of OECD countries, the failure to fulfil the duties related to the declaration system results in administrative or disciplinary sanctions. These are related to either the submission process or to the information provided (OECD, 2011[3]).

49. In addition to the actual enforcement of sanctions, publishing sanction statistics will strengthen the credibility of the system and signal to the public the commitment of the government to integrity and anti-corruption (see Chapter 6). Similarly, the public visibilities of a public official's noncompliance can have a strong social effect on behaviour, because the official might not want to be seen and perceived as someone breaking a existing norm (Rossi, Laura Pop and Tammar Berger, 2017[4]). Considering this, the OA's publication of both non-compliant public officials and compliance rate of each entity is an effective measure to build social pressure. The judiciary branch publishes both the list of those who have to present an asset declaration and a list of those who complied. The legislative branch does not publish this type of information.

4.4.1. Given the high burden of proof for declaring false information, Argentina could introduce civil sanctions for false and missing information

50. In Argentina, public officials who fail to submit their declaration on time are warned to comply with their obligation within the next fifteen days. Not complying with this warning results in of a 20% monthly salary retention until the declaration is submitted. Once the declaration has been submitted, the sum is returned. Furthermore, failure to submit the declaration is considered serious misconduct and disciplinary sanctioned according to Article 8 of the Public Ethics Law. This disciplinary sanction consists warning, suspension, dismissal or exemption. . This is similar to the majority of G20 countries where this type of non-compliance involves administrative penalties and fines (Figure 4.7). In the case of the declaration when leaving office, the former public official is banned from re-entering the public sector for non-compliance.

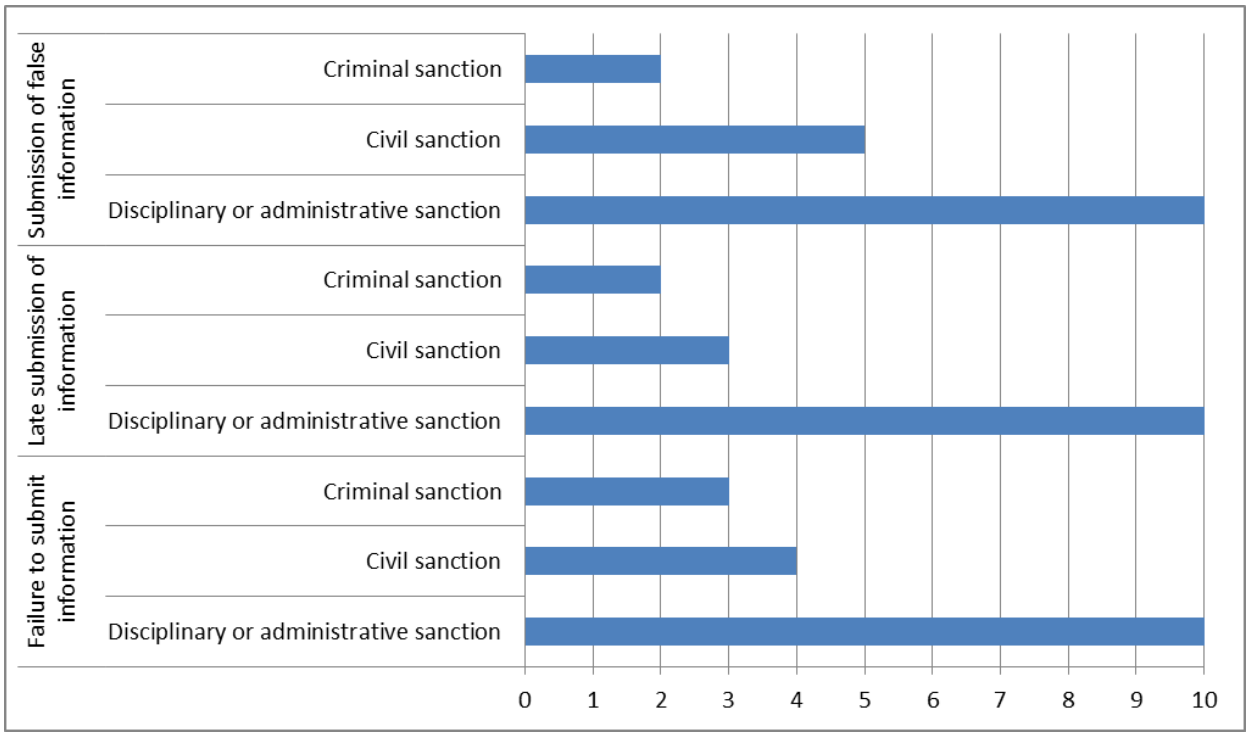
51. The retention of salary is administered by the HR offices in each entity and relies heavily on them taking the appropriate action on time. In the last year, the OA sent and published all entities a communication to apply the salary retentionsigned by the President which showed the high-level commitment. However, to ensure that the salary retentions are applied fairly and consistently throughout the executive, Argentina could consider to administratively sanctioning those heads of HR offices who do not comply with their duty to retain the salary of non-complying public officials. In this way the salary deductions would play an important role in protecting the overall functioning of the financial and interest disclosure system.

52. In case of wilfully omitting or falsifying data in the asset declarations, criminal sanctions can be applied, consisting of a prison term of 15 days to two years and permanent disqualification for the exercise of public duty. In practice, proving the intent to omit or falsify information during criminal proceedings is a challenging hindrance to apply criminal sanctions. Indeed, practitioners in other countries point to the fact that it is difficult to prove intent (Rossi, Laura Pop and Tammar Berger, 2017[4]). This is the more so in Argentina, where a lack of resources to expedite and pursue the investigations are additional factors hindering the application of criminal sanctions in general (OECD, 2017[13]; World Bank, 2016[14]).

53. Some countries adopt a mix of civil, disciplinary and criminal sanctions for false or missing information. For example, in the USA, a civil monetary penalty of up to US$ 50,000 can be enforced for not filing a declaration or wilfully submit false information. In addition, public officials may be subject to criminal sanctions, including imprisonment for wilfully providing false information or failing to submit their declaration. Disciplinary sanctions can also be applied for those that do not submit required information (United States Office of Government Ethics,(n.d.)[15]).

54. Similarly, Argentina could consider introducing civil sanctions in addition to criminal sanctions for wilfully not submitting information or declaring false information. The burden of proof is lower in administrative and disciplinary sanctions which should make it more likely that sanctions are applied. These sanctions should proportional, enforceable and visible (for further information see Chapter 6). In addition, it should be stressed that before applying this sanction, the public official does have the opportunity to rectify information throughout the verification process where the OA seeks communication with the public official to clarify information.

Figure 4.7. Sanctions for public officials in case of violations of the disclosure requirements in 10 G20 countries



Note: Data refers to sanctions in place in Australia, Canada, France, Italy, Japan, Korea, Mexico, Turkey, the United Kingdom and the United States
Source: (OECD and World Bank, 2014[16])

4.5. Summary of proposals for action

Strengthening the submission process: Adapting the form and processes to better fit the system's objectives

- The Anti-Corruption Office could elaborate guiding material on the type of functions that are equivalent to the position of director required to file an asset declaration.
- The Integrated Information Data Base On Public Employment and Wages could include data on the obligation to file an asset declaration to create a harmonised and centralised list of filers throughout the executive branch.
- The Ministry of Modernisation would transmit the list of filers to the OA on a regular basis.
- On a regular basis, the Anti-Corruption Office cross-checks the filer list with other information, such as the overall number of people employed in an entity to ensure its correctness.
- The asset declarations could be decoupled from the tax declarations to strengthen the system's purpose of preventing conflict of interests.
- The asset declarations could capture information on:
  - Employment history;
  - Registration number of assets, where applicable;

  - Information on other shareholders of assets;
  - Acquisition value of assets;
  - Date of when liabilities were incurred;
  - Deadline for repayment of liabilities.
- A threshold could be specified for immovable and movable assets under which the accumulated value of assets would be indicated
- Beneficial ownership could be introduced as a complementary declaration category for public officials fulfilling the politically exposed person definition by Article 1 of Resolution 52/2012.
- The financial intelligence unit and anti-money laundering experts could raise awareness and sensitise the staff to recognise suspicious information.
- The Anti-Corruption Office could elaborate written guidance providing examples of how a public official might beneficially own assets or certain rights.
- Congress creates a legal basis for the use of a digital signature as the authentication of the declaration.
- Based on behavioural insights, the Anti-Corruption Office could send reminder messages to public officials prior to the filing deadline. The message should be tailored to the recipient, ideally directly addressing the recipient by name, and enable the recipient to act directly upon receiving it by including a link or similar.
- The electronic filing form could embed information which answers common questions and avoids common errors when submitting information.
- The Ethics and Transparency Units, which are recommended to be created in the entities, could encourage public officials to contact them in case of doubts.
- Flyers with the details and objectives of the declaration system could be distributed and a short message on the internal platform published.
- The Anti-Corruption Office should clearly underline the declaration system's purpose of prevention in regards to conflict of interest by highlighting support tools and processes to resolve conflict-of-interest situations. This would mean clearly communicating that submitting the declaration does not free the public official from resolving the conflict of interest.

Ensuring effective verification of the submitted information

- The Anti-Corruption Office could be granted access to reserved information.
- Argentina could select a sample based on a random lottery each year for verification which ensures that each year a different sample is chosen. In addition, media reports and whistleblower reports could be taken into account in the selection for verification.
- The OA could aim for an integration of a higher quantity of relevant databases which would allow for an automatic cross-check.
- An additional confidential annex with confidential information, such as bank account details and precise addresses, could be created which can only be consulted by the judicial authority or the Public Prosecutor's Office in a judicial case.
- More detailed information of the declarations could be made accessible to the public.
- A tiered system for public availability of asset declarations could be introduced. Declarations of key government officials would be freely accessible online, while access to the declarations of lower level officials would only be accessible upon identification.

- The online interface should be designed more user friendly and include a search function which at a minimum autocompletes the name of public officials.

Administrating appropriate and effective sanctions that create a deterrent effect

- Heads of Human Resources offices who do not comply with their duty to sanction non-complying public officials could be administratively sanctioned.
- Argentina could consider introducing civil sanctions in addition to criminal sanctions for wilfully not submitting information or declaring false information.

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5. Applying an internal control and risk management framework that safeguards public integrity in Argentina

This chapter assesses Argentina's internal control and risk management framework against international models and good practices from OECD member and non-member countries. It provides an overview of the strengths and weaknesses of the internal control and risk management framework in Argentina and proposals for how this framework could be reinforced, such as through implementing a strategic approach to risk management that incorporates integrity risks, establishing control committees in all government entities, and strengthening the mandate and independence of the external audit function.

5.1. Introduction

1. An effective internal control and risk management framework is essential in public sector administration to safeguard public integrity, enable effective accountability and contributes to preventing corruption. Such a system should include:

- **a control environment with clear objectives** that demonstrate managers' commitment to public integrity and public service values, and that provides a reasonable level of assurance of an organisation's efficiency, performance and compliance with laws and practices;
- **a strategic approach to risk management** that includes assessing risks to public integrity, addressing control weaknesses, as well as building an efficient monitoring and quality assurance mechanism for the risk management system; and
- **control mechanisms** that are coherent and include clear procedures for responding to credible suspicions of violations of laws and regulations and facilitating reporting to the competent authorities without fear of reprisal (OECD, 2017[1]).[1]

2. In addition to an effective internal control and risk management environment, a public administration system should have:

- **an internal audit function** that is effective and clearly separated from operations; and
- **an external audit function** that has a clear mandate and is independent, transparent and effective (OECD, 2017[1]).[2]

[1] OECD *Recommendation of the Council on Public Integrity*, Principle 10: http://www.oecd.org/gov/ethics/recommendation-public-integrity.htm

[2] Ibid., Principle 12.

5.2. A control environment with clear objectives and roles

5.2.1. SIGEN could ensure that clear objectives for the control environment are communicated to staff across the national public sector and included in mandatory training and induction sessions and that internal control standards are clearly outlined for specific roles and embedded in the daily operations of the public service

3. Before assessing risks and determining internal control activities, it is vital that an entity establishes clear objectives for the entity as a whole, for individual programmes and for the control environment. Where there is no clear objective, internal controls and risk management cannot be effectively implemented.

4. Through its General Internal Control Standards for the National Public Sector, SIGEN outlines that entities should clearly define the way in which each area contributes to the achievement of the entity's objectives (SIGEN, 2014, p. 20[2]). However, interviews during the OECD's October 2017 mission to Argentina indicated that there is little awareness of these standards and that these standards are not being consistently applied. It is unclear whether entities have defined their objectives and the way in which each area contributes to this objective.

5. According to SIGEN, projects must align with the National Government's 100 priority initiatives (which are grouped into eight strategic objectives). In addition, there are plans to establish a Control Board within the scope of the Chief of Cabinet of Ministers (JGM), which will monitor these projects. The National Budget Office (ONP), also provides direct technical assistance, in order to help link strategic planning to the national budget.

6. The control environment is the foundation for all components of internal control. According to the International Organization of Supreme Audit Institutions' (INTOSAI's) *Guidelines for Internal Control Standards for the Public Sector*, elements of the control environment include: organisational structure; and "tone at the top" (i.e., management's philosophy and operating style); and a supportive attitude toward internal control throughout the organisation (INTOSAI, 2010, p. 17[3]).[3]

7. In Argentina, SIGEN is the Office of the Comptroller General and the entity responsible for coordinating the internal audit units and establishing standards of internal control. According to Article 97 of the *National Financial Administration and Public Sector Control Systems Act*—Law No. 24.156 (Financial Administration Act), SIGEN is an "entity with its own legal status and administrative and financial autarchy dependent on the National Executive Power". According to Articles 100, 101 and 102, the internal control system is made up of SIGEN and the internal audit units in each entity. Under the law, units are created in each jurisdiction and in the entities that depend on the National Executive Power. These units depend hierarchically on the authority of each entity, but are coordinated by SIGEN. The superior authority of each entity is ultimately responsible for the implementation of an adequate system of internal control.

8. Regarding SIGEN's technical coordination of the Internal Audit Units, SIGEN provided information in April 2018 that the powers granted under Decree No. 72/2018,

[3] Creating an open organisational culture is discussed in Chapter 2.

such as the designation or removal of the Internal Auditor, has increased the institutional strength and independence of internal audit units.

9. Article 103 of the Act stipulates that the internal control model must be comprehensive and integrated and must be based on the criteria of economy, efficiency and effectiveness. Article 104 outlines SIGEN's functions—which includes supervising "the proper functioning of the internal control system", and the responsibility for the internal audit system. (Argentina, 2016[4]).

10. Argentina established Internal Control standards in 1998, basing them on the first version of the COSO framework. The most recent version, *General Internal Control Standards for the National Public Sector,* was published in 2014 (SIGEN, 2014[2]). These standards were designed to help implement the internal control system that is set out in the Financial Administration Act. Although the standards themselves are strong, the implementation of them is not. As mentioned, the OECD found during its October 2017 mission that there was a lack of awareness of these standards. Further information provided by SIGEN in April 2018 indicated that they disseminated the standards in 2015 and provided a number of training courses for the 190 Internal Audit Units (UAI) between 2015 and 2017. Courses included:

- **Audit 1, 2 and 3:** for improving the control and audit processes, as well as increasing, strengthening and updating knowledge in this area;
- **Control tools and Intermediate and Advanced Audit:** for mastering procedures and control techniques and strengthening knowledge of internal audit and control and internal audit supervision;
- **Risk Assessment:** for improving risk assessment and identifying applicable methodologies; and
- **Planning of an audit:** for improving the planning and control processes, the elaboration of standards, and the dissemination of control regulations.

11. SIGEN could provide coordinate with human resources units to incorporate key internal control and risk management requirements into mandatory training and induction sessions for operational staff, in addition to auditors. Government entities could also work to embed internal control standards in the daily work of the public service—incorporating them into standard operating procedures and outlining concrete actions that need to be undertaken by operational staff in their everyday work and for their specific positions. Measures could include:

- introducing awareness programs on the need for internal control and on the roles of each area and staff member; and
- induction training for all staff, including senior management and managers on the internal control system
-

12. SIGEN indicated in April 2018 that they agreed that new dissemination and awareness strategies would be valuable.

5.2.2. SIGEN could assist government entities to more consistently apply the principles of the three lines of defence model to give greater responsibility for internal control and risk management to operational management

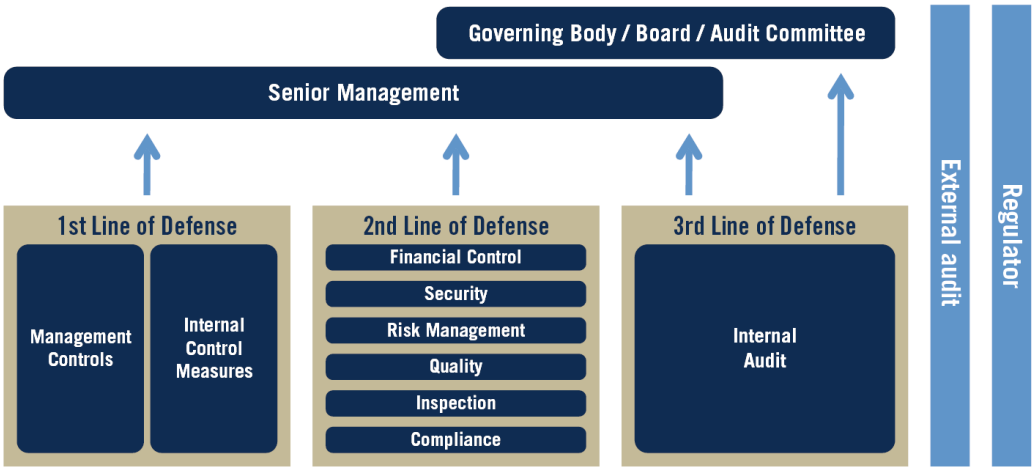
13. While senior managers should be primarily responsible for managing risk, implementing internal control activities and demonstrating the entity's commitment to

ethical values, all officials in a public organisation—from the most senior to the most junior—should play a role in identifying risks and deficiencies and ensuring that internal controls address and mitigate these risks.

14. One of the core missions of public officials responsible for internal control is to help ensure that the organisation's ethical values, and the processes and procedures underpinning those values, are communicated, maintained and enforced throughout the organisation.

15. Indeed, the leading fraud and corruption risk management models among OECD member and partner countries underscore that the primary responsibility for preventing and detecting corruption rests with the staff and management of public entities. Such corruption risk management models often share similarities with the Institute of Internal Auditor's (IIA) Three Lines of Defence Model (see **Figure 5.1**).

Figure 5.1. The three lines of defence model



Source: (Institute of Internal Auditors, 2013, p. 2[5])

16. According to the IIA, the first line of defence comprises operational management and personnel. Those on the frontline naturally serve as the first line of defence because they are responsible for maintaining effective internal controls and for executing risk and control procedures on a day-to-day basis. Operational management identifies, assesses, controls, and mitigates risks, guiding the development and implementation of internal policies and procedures and ensuring that activities are consistent with goals and objectives (Institute of Internal Auditors, 2013[5]). According to information provided by SIGEN in April 2018, SIGEN has been working for a number of years to establish the first line of defence—establishing tools to generate awareness and to modify behaviours and working to transform the public administration over time. SIGEN indicates that they have incorporated the three lines of defence model into their control system, but acknowledges that they have further to go before reaching their optimum point.

17. The second line of defence includes the next level of management—those with responsibility for the oversight of delivery. This line is responsible for establishing a risk management framework, monitoring, identifying emerging risks, and regular reporting to senior executives. Operational management in Argentina's government entities could be given greater responsibility for the implementation and oversight of internal control and

risk management activities. Operational management should regularly report to senior management and be held accountable for the implementation of internal control activities.

18. The third line of defence is the internal audit function. Its main role is to provide senior management with independent, objective assurance over the first and second lines of defence arrangements (Institute of Internal Auditors, 2013[5]).

19. According to SIGEN, their internal audit units, as the third line of defence, issue reports on:

- special audits;
- internal audit unit supervision;
- evaluation of the internal control system; and
- regulatory compliance control—such as, year-end reports, budget evaluation, subsidies and transfers, contract management, and verification of the purchasing and contracting process.

20. Further, Decree No. 1344/2007 established that higher authorities must request a prior opinion from the Internal Audit Unit for the approval and modification of regulations and procedural manuals, which "must incorporate suitable instruments for the exercise of control". To guide this work, SIGEN issued the "*Guidelines for intervention by the Internal Audit Units in the approval of regulations and procedural manuals*" in 2014 (Resolution SIGEN No. 162/2014).

21. Article 102 of Argentina's Financial Administration Act establishes that "the functions and activities of internal auditors must be kept separate from the operations subject to their examination". Interviews during the OECD Mission to Buenos Aires in October 2017 indicated that some officials did not have a clear understanding of the three lines of defence model or the importance of separation, with some operational staff stating that the Internal Audit function should bear full responsibility for internal control.

22. SIGEN should assist government entities, building on already existing training and awareness activities, to help ensure that staff understand and consistently apply the internationally recognised three lines of defence model across the public sector.

5.3. A strategic approach to risk management

5.3.1. SIGEN could improve its risk management approach to ensure it is consistent and clearly separated from the internal audit function

23. An effective internal control and risk management framework includes policies, structures, processes and tools that enable an organisation to identify and appropriately respond to risks. SIGEN's Principle 7 of Internal Control states that each entity should identify, analyse, and manage risks that can affect the achievement of the entity's objectives, which aligns with good governance practices among OECD countries. However, the OECD found through interviews, that operational risk management was generally not being undertaken by operational management and that SIGEN's standards related to risk management were not being applied at the operational level.

24. SIGEN's 2017 Annual Plan outlined, among its strategic objectives, that it would design and maintain a risk management system. During mission interviews, SIGEN internal audit representatives indicated that they were currently piloting a new risk management methodology with one entity (which included an evaluation carried out jointly between the internal audit unit and the entity, as well as a separate evaluation carried out by SIGEN).

SIGEN indicated that they intended to move from the pilot to general implementation—however, they were expecting some difficulties with getting engagement from entities. This will particularly be the case if entity management sees it as an audit tool to be used by auditors to identify and expose entity failings.

25. SIGEN issues an annual Risk Map of the National Public Sector, which is made up of a matrix that exposes the levels of risk associated with the functions of government for each agency or entity of the National Public Sector. This document assists with audit planning and has been issued since 2005. Further, according to SIGEN, 2018 guidelines for internal audit planning established the obligation to incorporate actions to induce the superior authority of the entity to draw up a risk matrix. Internal Auditors developed a risk analysis and management methodology that included a self-evaluation form for the superior authority and each area of the organisation.

26. SIGEN could consider improving its risk management framework to be more strategic, consistent, operational, and clearly separated from the audit function. Operational managers should be able to undertake risk assessments without the fear of reprisal and completely separate from risk assessment undertaken by auditors in their audit planning. Auditors should, of course, have access to risk management information during an audit, but managers should have the freedom to manage their risks in an operational way that is frank and that exposes the real issues. Managers will not have this liberty if auditors are the ones setting up the risk management framework and having operational management create risk management information for the specific use of audit planning. There would be a conflict in this instance. To be effective, the real purpose of the risk management tool needs to be considered. Auditors should, indeed have access to all governance information, including risk management information and should continue to conduct their own separate risk analyses during their audit planning. However, operational management should be undertaking their own risk assessments for use operationally—not in conjunction with auditors or at the behest of the auditors.

27. Internal auditors could drive change by including audits in their audit work programmes on how risks are being managed and drawing attention to the lack of operational risk management across government in their audit reports.

28. In the Canadian government, the Treasury Board of Canada Secretariat has a range of branches and responsibilities, including internal audit coordination under the Office of the Comptroller General and the development of the Risk Management Framework under the Priorities and Planning Unit, as outlined in Box 5.1. These functions are clearly separated to avoid a conflict of interest. Auditors should not design frameworks, create guidance or set standards on risk management, as they are responsible for auditing the risk management system.

Box 5.1. Treasury Board of Canada Secretariat

The Treasury Board of Canada is responsible for accountability and ethics, financial, personnel and administrative management, comptrollership, and approving regulations. The President of the Treasury Board: translates the policies and programs approved by Cabinet into operational reality; and provides departments with the resources and the administrative environment they need to do their work. The Treasury Board has an administrative arm, the Secretariat, which was part of the Department of Finance until 1966.

As the administrative arm of the Treasury Board, the Treasury Board of Canada Secretariat has a dual mandate: to support the Treasury Board and to fulfil the statutory responsibilities of a central government agency. The Secretariat is tasked with providing advice and support to Treasury Board ministers in their role of ensuring value-for-money as well as providing oversight of the financial management functions in departments and agencies. The Secretariat is also responsible for the comptrollership function of government and the development for key policy and guidance activities. The functions of the Comptroller General and the coordination of Internal Audit are clearly separated from the function of developing risk management guidelines:

- The **Internal Audit Sector** of the Office of the Comptroller General of Canada is responsible for the health of the federal government internal audit community. It provides independent assurance on governance, risk management and control processes and leads the audit community in implementing the Treasury Board *Policy on Internal Audit* (Treasury Board of Canada Secretariat, 2017[6]).
- The **Priorities and Planning Unit** is responsible for key policy and planning activities that underpin both government-wide management excellence and efficient and effective corporate governance within the Secretariat. This unit provides leadership for governance and planning processes to ensure coherence in corporate priorities, clear accountabilities, and continuous improvement. This includes the Risk Management Framework (Treasury Board of Canada Secretariat, 2017[7]).

Source: (Treasury Board of Canada Secretariat, 2018[8]).

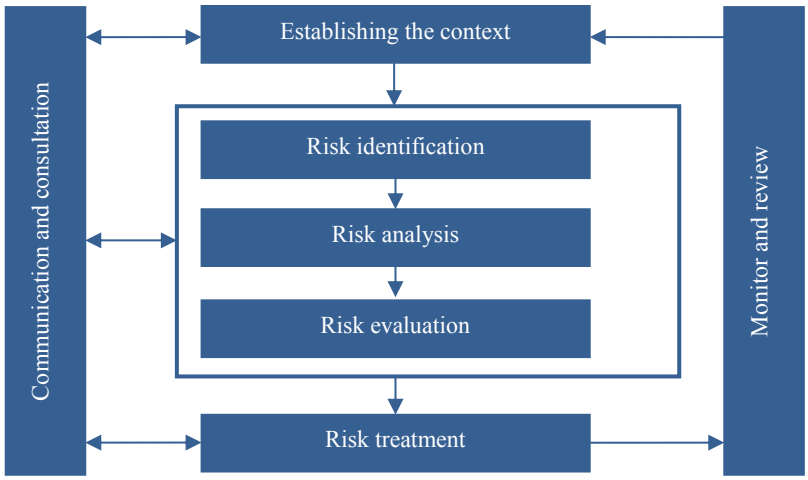
5.3.2. SIGEN could promote the incorporation of risk management into the culture of government entities by providing clear guidance for operational staff and including risk management requirements in mandatory training

29. Once a clear risk management framework has been established, risk management should be promoted and communicated and should permeate the organisation's culture and activities in such a way that it becomes the business of everyone within the organisation—it should not be the domain of the internal audit units and should not be managed in isolation. Informed employees who can recognise and deal with risks are more likely to identify situations that can undermine the achievement of institutional objectives. Operational risk management begins with establishing the context and setting an

organisation's objectives. This concept is captured in SIGEN's Principle 6 of Internal Control, which states that an Organisation 'must specify objectives with clarity' (SIGEN, 2014, p. 23[2]). Risk management continues with the identification of events that might have a negative impact on their achievement and represent risks.

30. SIGEN outlines a risk assessment model under its Principle 7 of Internal Control, which includes risk identification, analysis and evaluation, in alignment with international risk management standards (SIGEN, 2014, pp. 25–26[2]). According to the ISO standards for risk management, risk assessment is a three-step process that starts with risk identification and is followed by risk analysis, which involves developing an understanding of each risk, its consequences, the likelihood of those consequences occurring, and the risk's severity. The third step is risk evaluation, which involves determining the tolerability of each risk and whether the risk should be accepted or treated. Risk treatment is the process of adjusting existing internal controls or developing and implementing new controls to bring a risk's severity to a tolerable level (ISO, 2009[9]). A depiction of the risk management cycle is provided at **Figure 5.2**.

Figure 5.2. Risk management cycle



Source: (ISO, 2009[9])

31. SIGEN's *General Internal Control Standards* outline a solid risk management framework; however, it does not clearly state what risk information should be collected or how responsibility for risk will be assigned. Further, the OECD found through interviews with government officials that although auditors undertake an annual risk mapping exercise, these standards were not consistently applied at the operational level.

32. Appropriate and reliable risk information is essential to operationalising a risk management framework. Information to support risk management can come from a number of internal and external sources. Further, a consistent approach to sourcing, recording, and storing risk information improves the reliability and accuracy of required information. Staff should be made aware of the risk management framework and key requirements through training and awareness-raising activities. Communication and consultation with staff is also a key step towards securing input into the risk management process and giving staff ownership of the outputs of risk management. The Australian Government has developed guidance on building risk management capability in entities (outlined in **Box 5.2**), which could provide some useful insights.

Box 5.2. Building Risk Management Capability: Australian Government

The Australian Department of Finance has developed guidance on how to build risk management capability in government entities, focused on the following areas:

People capability – A consistent and effective approach to risk management is a result of well skilled, trained and adequately resourced staff. All staff have a role to play in the management of risk. Therefore, it is important that staff at all levels of the entity have clearly articulated and well communicated roles and responsibilities, access to relevant and up-to-date risk information, and the opportunity to build competency. Building the risk capability of staff is an ongoing process. With the right information and learning and development, an entity can build a risk aware culture among its staff and improve the understanding and management of risk across the entity. Considerations include:

- Are risk roles and responsibilities explicitly detailed in job descriptions?
- Have you determined the current risk management competency levels and completed a needs analysis to identify learning needs?
- Do induction programmes incorporate an introduction to risk management?
- Is there a learning and development programme that incorporates ongoing risk management training tailored to different roles and levels of the entity?

Risk systems and tools – Risk systems and tools provide storage and accessibility of risk information. The complexity of risk systems and tools often range from simple spreadsheets to complex risk management software. The availability of data for monitoring, risk registers, and reporting will assist in building risk capability. Considerations include:

- Are your current risk management tools and systems effective in storing the required data to make informed business decisions?
- How effective are your risk systems in providing timely and accurate information for communication to stakeholders?

Managing risk information – Successfully assessing, monitoring and treating risks across the entity depends on the quality, accuracy and availability of risk information. Considerations include:

- Have you identified the data sources that will provide the required information to have a complete view of risk across the entity?
- What is the frequency of collating risk information?
- Do you have readily available risk information accessible to all staff?
- How would you rate the integrity and accuracy of the available data?

Risk management processes – The effective documentation and communication of risk management processes will allow for clear, concise and frequent presentation of risk information to support decision making. Considerations include:

- Are your risk management processes well documented and available to all staff?
- Do your risk management processes align to your risk management framework?
- Is there training available, tailored to different audiences, in the use of your risk processes?

Source: (Department of Finance, 2016[10]).

5.3.3. Argentina government entities could operationalise the risk management framework assigning clear responsibility for risk management to senior managers

33. Managers should be responsible for the design, implementation, and monitoring of the internal control and risk management functions, with this being recognised in laws and policies of many countries. Having laws that ensure managers' ownership over these activities can provide incentives for managers, and aid countries in achieving committed oversight and stronger accountability. In the majority of OECD countries, managers in the executive branch are held responsible by law for monitoring and implementing control and risk management activities. Moreover, many countries have laws that hold managers specifically responsible for integrity risk management policies, as depicted in Figure 5.3. However, in Argentina line managers have not been given responsibility for internal control or risk management (OECD, 2017, p. 158[11]).

34. Responsibility for specific risks, including fraud and corruption risks needs to be clearly assigned to the appropriate senior managers. These managers need to take ownership of the risks that could affect their objectives, use risk information to inform decision-making and actively monitor and manage their assigned risks. These managers should also be held accountable to the executive through regular reporting on risk management— (Department of Finance, 2016[10]).

Figure 5.3. Laws require line managers in the executive branch to implement and monitor internal control and risk management policies

	Yes, for internal control policies	Yes, for risk management policies	Yes, specifically for integrity/ corruption risk management
Australia	●		●
Austria	●	●	●
Belgium	●	●	
Canada	●	●	●
Chile	●	●	●
Czech Republic	●	●	
Estonia	●	●	
Finland	●	●	
France	●	●	
Germany	●	●	●
Greece	●	●	
Hungary	●	●	●
Iceland			
Ireland			
Italy	●	●	●
Japan	●		
Korea	●	●	●
Latvia	●		
Mexico	●	●	●
Netherlands	●	●	●
New Zealand	●	●	●
Norway			
Poland	●	●	
Portugal	●		
Slovak Republic	●	●	●
Slovenia	●	●	●
Spain	●	●	●
Sweden			
Switzerland	●	●	●
United Kingdom			
United States	●	●	●
OECD Total	**26**	**22**	**16**
Argentina			
Brazil	●	●	
Colombia	●	●	●
Peru	●	●	

Note: Argentina, Brazil, Colombia and Peru have been included to provide Latin American context.
Source: (OECD, 2017, p. 159[11])

5.4. Coherent internal control mechanisms

5.4.1. SIGEN could assist government entities to strengthen its internal control mechanisms to ensure that they are implemented and effective and that reasonable assurance is provided

35. One fundamental way risks are mitigated is through internal control mechanisms. Internal control mechanisms are implemented by an entity's management and personnel and continuously adapted and refined to address changes to the entity's environment and risks. Argentina's *General Internal Control Standards* define internal control as:

> *A process carried out by higher authorities and the rest of the entity's personnel, designed to provide a degree of reasonable safety in terms of the achievement of organisational objectives—both in relation to the operational management, the generation of information and compliance with regulations* (SIGEN, 2014, p. 8[2]).

36. This aligns with INTOSAI's definition, which views internal control as activities designed to address risks that may affect the achievement of the entity's objectives and to provide reasonable assurance that the entity's: operations are ethical, economical, efficient and effective; accountability and transparency obligations are met; activities and actions are compliant with applicable laws and regulations; and resources are safeguarded against loss, misuse, corruption and damage (INTOSAI, 2010, p. 6[12]).

37. Internal control activities should not attempt to provide absolute assurance—as this could constrict activities to a point of severe inefficiency. 'Reasonable assurance' is a term often used in audit and internal control environments. It means a satisfactory level of confidence given due consideration of costs, benefits and risks. Argentina's internal control standards include the concept of reasonable assurance, stating that "an effective internal control system provides *reasonable assurance* regarding the achievement of the objectives of the organisation" (SIGEN, 2014, p. 9[2]).

38. Determining how much assurance is reasonable requires judgment. In exercising this judgment, managers should identify the risks inherent in their operations and the levels of risk they are willing to tolerate under various circumstances. Reasonable assurance accepts that there is some uncertainty and that full confidence is limited by the following realities: human judgment in decision making can be faulty; breakdowns can occur because of simple mistakes; controls can be circumvented by collusion of two or more people; and management can choose to override the internal control system.

39. Argentina's standards outline three considerations that should be taken into account when internal control mechanisms are designed:

- **Integrity**: ensuring integrity during the treatment, processing and registration of all transactions or operations;
- **Accuracy:** ensuring operations are timely and correct; and
- **Validity:** ensuring posted transactions accurately represent executed operations (SIGEN, 2014, p. 30[2]).

40. These are valid considerations that could assist Argentina government entities with establishing more effective internal control activities. Further, it is not enough to have standards and controls in place; they need to be implemented and effective. It has been observed that a characteristic feature of the Argentine government is 'not the lack of control, but the fiction of control' and that 'while the law is complied with formally, it is

not complied with substantially (Santiso, 2009, p. 86[13]). Further, this 'façade formalism' constrains managers by detecting minor administrative mistakes rather than addressing structural dysfunctions and political corruption (Santiso, 2009, p. 86[13]). To provide reasonable assurance on an entity's operations, it is vital that internal control and its underlying principles are fully integrated.

41. Argentina's standards for internal control include a section on "control activities", which outlines and defines general controls, IT controls and relevant policies and procedures. According to Argentina's standards, control activities should be aimed at reducing the risks that can affect the achievement of the objectives of the organisation, are both preventive and detective, and carried out by all areas of an entity (SIGEN, 2014, p. 29[2]). This corresponds well with INTOSAI's *Guidelines for Internal Control Standards for the Public Sector*, which states that internal control activities should occur throughout an entity, at all levels and in all functions and that internal controls should include a range of detective and preventive control activities. However, as noted in the previous sections, SIGEN's standards are not being systemically applied.

42. In particular, interviews during the OECD's October 2017 mission indicated that internal audits frequently find issues with the use of petty cash and expenditure on travel—related to mismanagement, inefficiency and corruption. In addition to internal auditors examining the internal control system and identifying areas for improvement, government entities could consider updating its internal controls related to petty cash and travel and improving or introducing controls where there are identified gaps. For example, authorising and executing procurement transactions should only be done by persons with appropriate authority. Authorisation is the principal means of ensuring that only valid transactions and events are initiated as intended by management. Authorisation procedures, which should be documented and clearly communicated to managers and employees, should include the specific conditions and terms under which authorisations are to be made. Conforming to the terms of an authorisation means that employees act in accordance with directives and within the limitations established by management or legislation (INTOSAI, 2010, p. 29[12]).

43. SIGEN provided further information to the OECD in April 2018 that it has worked to strengthen the internal control system since its creation in 1992. SIGEN sees this as a long-term process and initially aimed its efforts at determining the status of the system, establishing internal audit units, and developing the regulatory framework. Subsequently, SIGEN has designed monitoring tools and methodologies to assist entities, such as the *Program for Strengthening the Internal Control System*, which includes the Commitment Plan to Improve Management and Internal Control, the Particular Rules for the Establishment and Operation of Control Committees, and the Self-Assessment and Diagnosis Methodology of Processes.

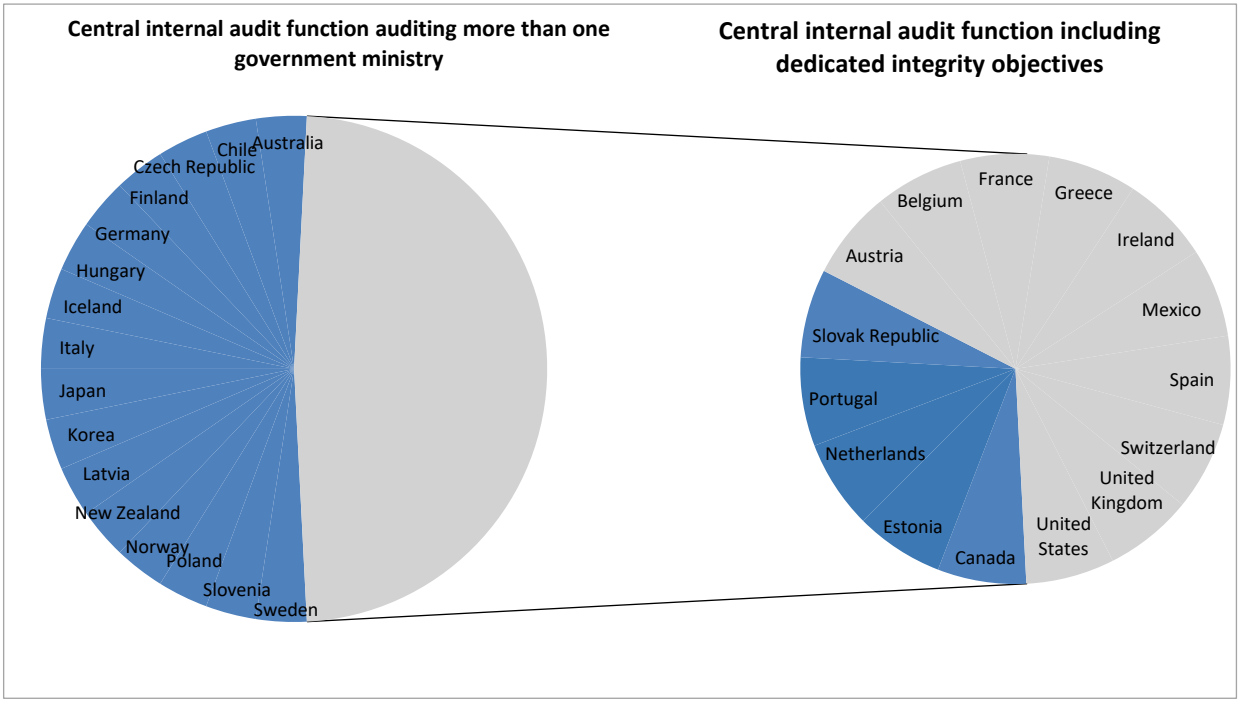
5.5. An effective internal audit function

5.5.1. SIGEN could ensure that its central coordination of internal audit leverages available resources to strengthen oversight and enable a cohesive response to integrity risks

44. Having a central internal audit function, particularly that includes integrity in its strategic objectives, can strengthen the coherence and harmonisation of the government's response to integrity risks. Auditing of multiple entities at a central level can: leverage available audit resources; enhance the government's ability to identify systemic, cross-cutting issues; and put measures in place to respond from a whole-of-government

perspective (OECD, 2017[14]). Many OECD countries have a central internal audit function that has responsibilities for auditing more than one government ministry—and most of these central internal audit functions have dedicated integrity objectives, as shown in Figure 5.4.

Figure 5.4. Existence of centralised internal audit function with dedicated strategic integrity objectives



Note: Czech Republic and Chile have plans to develop a centralised audit function, and the Swedish National Audit Office, an external audit institution located under the Parliament, audits the whole public sector.
Source: (OECD, 2017, p. 159[11]).

45. Argentina has a centrally coordinated internal audit function, an annual audit risk map, and guidelines for internal audit planning, but it could build on this to enhance oversight by establishing dedicated strategic integrity objectives and by identifying trends and systemic issues and giving management the ability to respond to integrity risks, in a cohesive and holistic way. The United Kingdom's Government Internal Audit Agency is a good example of an internal audit entity that has dedicated integrity objectives, as outlined in Box 5.3.

Box 5.3. United Kingdom Government Internal Audit Agency

The Government Internal Audit Agency (GIAA) helps ensure the United Kingdom government and the wider public sector provide services and manages public money effectively and develops better governance, risk management and internal controls. The GIAA delivers a risk-based programme of work culminating in an annual report and opinion on the adequacy and effectiveness of government organisations' frameworks of governance, risk management and internal control. It provides a range of services, including:

- **Assurance work:** This provides an independent and objective evaluation of management activities in order to give a view on an organisation's effectiveness in relation to governance, risk management and internal controls.
- **Counter fraud and investigation work:** We provide advice and support to customers on counter fraud strategies, fraud risk assessments, and measures to prevent, deter and detect fraud. Where commissioned, their professionally trained staff investigate suspicions of internal or supplier fraud or malpractice.

Source: (United Kingdom Government Internal Audit Agency, 2018[15]).

5.5.2. All Argentina government entities could implement control committees to better monitor the implementation of audit recommendations

46. SIGEN's Internal Audit Standards state that auditors must outline recommendations of possible steps to correct detected shortcomings as outlined in audit observations, with these recommendations seeking to increase the efficiency and effectiveness of the entity and its internal control mechanisms. The Standards further state that formal recommendations will "provide a basis for the subsequent follow-up on the part of the internal audit unit, the SIGEN or others" (SIGEN, 2002, p. 26[16]).

47. According to SIGEN, it requires the follow-up of observations through Resolution SIGEN N ° 15/2006 and Resolution SIGEN N ° 73/2010. Further, through the recent Decree No. 72/2018, it is necessary to follow up through the Control/Audit Committee with the participation and commitment of the superior authority.

48. The Standards also state that auditors must monitor compliance with the instructions given by the entity authorities for solving the shortcomings exposed in audit reports. This must be verified through follow-up audits. To this end, SIGEN expects that databases be maintained, containing all the observations and recommendations made in connection with the work. SIGEN expects that periodic monitoring will enable the auditor to ensure that appropriate action is taken and to determine areas for the conduct of new audits. Further, monitoring can assist auditors with evaluating not only the correctness of their advice, but also if the results obtained from their recommendations correspond with expectations. (SIGEN, 2002, p. 32[16]).

49. According to SIGEN's 2017 Annual Plan, of the 53 process controls activities planned to be undertaken in 2017, three were to relate to the follow-up of audit recommendations:

- *Follow-up on pending comments and recommendations in audit reports related to non-contributory pensions (Ministry of Social Development);*

- *Follow-up on the Report executed by the Internal Audit Unit of the Posadas National Hospital;* and
- *Follow-up on the Report executed by the Internal Audit Unit of the National Hospital Network Specialized in Mental Health and Addiction* (SIGEN, 2017, pp. 100–104[17]).

50. .

51. According to SIGEN, it records and regularly follows up internal audit observations and recommendations. In 2001, SIGEN dictated (through Circular No. 1, 17 January 2001) that all Internal Audit Units under its jurisdiction had to present the details of the audit observations pending regularisation at the close of fiscal year (using the SISIO System). In 2006, the Annual Plans of the Internal Audit Units were integrated into the SISIO system, which provided an online platform for including follow-up in the internal audit planning process across the public sector.

52. Further, the recent Work Instruction N° 2/2017 requires the updating of information related to the observations and their status of regularisation. The information generated from this work is then included both in recurring audit reports (where prior audits are referred to in the background section) and year after year in the Internal Control System Evaluation Reports, which are carried out for each entity.

53. During mission interviews in October 2017, the OECD found that SIGEN had assisted agencies with setting up control committees in approximately 30 entities—with the goal to roll out the concept to the almost 200 unique entities in the public sector. Since Decree No. 72/2018 was issued in January 2018, all entities in the national public sector are required to establish a control committee. According to Article 1 of this decree, each committee is required to meet at least twice each year, with attendance to include the superior authority of the entity (or a nominated representative), the head of the internal audit unit, a representative from SIGEN, and those responsible for the operational areas of the entity.

54. These committees will be valuable for monitoring the implementation of audit recommendations. This concept is similar to the audit committee model in use in OECD countries such as the United Kingdom, Canada and Australia. Argentina could consider following this ‘audit committee’ model more closely, where each entity has an audit committee that is independent from the day-to-day activities of management and regularly reviews the entity’s systems of audit, risk management and internal control as well as its financial and performance reporting. These committees are well positioned to assess and track the entity’s implementation of audit recommendations. The Australian example is provided at Box 5.4.

Box 5.4. Audit Committees - Australia

It is a requirement of Australia's *Public Governance, Performance and Accountability Act 2013* (PGPA Act) that every Australian Government entity has an audit committee.

An independent audit committee is an important element of good governance as it provides independent advice and assurance to the head of an entity on the appropriateness of the entity's accountability and control framework. It also independently verifies and safeguards the integrity of an entity's financial and performance reporting.

In Australia, an audit committee must consist of at least three persons who have appropriate qualifications, knowledge, skills and experience to assist the committee to perform its functions. The majority of the members of the audit committee must be persons who are not officials of the entity.

The functions of the audit committee need to be outlined in a charter and must include that the committee will review the appropriateness of the entity's:

- financial reporting;
- performance reporting;
- systems of oversight (including internal and external audit);
- systems of risk management; and
- systems of internal control.

In relation to the audit function, audit committees may :

- advise the head of the entity on the internal audit plans of the entity;
- advise about the professional standards to be used by internal auditors in the course of carrying out audits in the entity;
- review the adequacy of the entity's response to reports of internal and, as far as practicable, external audits—including the entity's response to audit recommendations; and
- review the content of reports of internal and external audits to identify material that is relevant to the entity, and advise the accountable authority about good practices.

The distinguishing feature of an audit committee is its independence. The committee's independence from the day-to-day activities of management helps to ensure that it acts in an objective, impartial manner, free from conflict of interest, inherent bias or undue external influence.

Source: (Department of Finance, 2015[18]; Department of Finance, 2015[19]).

5.6. An independent and effective external audit function

55. The integrity of a government relies not only on an effective risk management, internal control and internal audit framework, but also on a strong external audit function—that, among other things, provides external oversight for the risk management and internal control framework. To this end, a country's supreme audit institution should have a clear mandate and be independent, transparent and effective.

5.6.1. Argentina's National Congress could consider strengthening the AGN's functional independence

56. In Argentina, the external audit function is provided by the Auditoría General de la Nación (AGN). The AGN is a collegiate board model supreme audit institution with seven members—a President and six auditors general. The President of the AGN is appointed by the National Congress under the proposal of the opposition party for a renewable term of 8 years; if the opposition party changes, a new president is appointed. The remaining six members of the Board are elected for on 8-year renewable terms—with three selected by the Senate and three selected by the Chamber of Deputies, along political party lines.

57. The AGN received constitutional status as a legislative body in 1994. Article 85 of the National Constitution of Argentina states that "the Legislative Power is exclusively empowered to exercise the external control of the national civil service" with its opinions to be based on the reports of the AGN. Article 85 further states that the AGN is a technical advisory body of Congress with functional autonomy". It is in charge of the control of the legal aspects, management and auditing of all the activities of the centralized and decentralized civil service. (Argentina, 1994, p. 14[20]).

58. Article 85 also states that the AGN 'shall be made up as established by the law regulating its creation and operation, which shall be approved by the absolute majority of the members of each House.' Although the 1994 Constitution foreshadowed that an organic law specific to the AGN would be introduced, this law has been pending for 14 years.

59. The Auditor General's functions are outlined in Article 118 of the Financial Administration Act (summary provided at Table 5.1)..

Table 5.1. Functions of the Auditor General

The Auditor General's functions include:
Overseeing compliance with laws and regulations regarding the use of state resources;
Carrying out financial audits, legality, management, testing special jurisdictions and entities and evaluations of programs, projects and operations;
Examining and issuing opinions on financial statements of the Federal Government;
Monitoring the implementation of funds from public credit operations and make special examinations to form an opinion on the situation of the debt;
Conducting special examinations of acts and contracts of economic significance, personally or by indication of the Houses of Congress or Joint Parliamentary Committee of Audit;
Auditing and issuing an opinion on the annual report and financial statements of state companies; and
Ensuring that the administrative bodies keep the record assets of public officials.

Source: (Argentina, 2016[4]).

60. OECD country SAIs are established under specific laws that outline, among other things, the powers, responsibilities and independence of the Auditor General. For example, the Australian SAI is established under the *Auditor-General Act 1997* (Australia, 1997[21]) and the Canadian SAI is established under the *Auditor General Act 1985* (Canada, 1985[22]). Within the Latin American and Caribbean context, the SAI of Argentina is the only one that does not have an organic law—with the following 17 countries introducing organic laws for their SAIs between 1953 and 2002: Bolivia, Brazil, Chile, Colombia, Costa Rica,

Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, and Venezuela (Santiso, 2009, pp. 52–55[13]).

61. In its 2013–17 Strategic Plan, the AGN outlined, as one of its strategic objectives, that it would "strengthen the identity of the AGN and its relationship with stakeholders" (AGN, 2013, p. 6[23]). A specific law regulating and outlining the creation, operation, powers, responsibilities, independence, and internal governance of the AGN would be beneficial for strengthening the independence, powers and identity of the AGN and for clarifying its mandate and relationship with stakeholders.

62. The AGN's values are independence, objectivity, institutional commitment, probity, professionalism, and ethics. The Auditor General defines ethics as "observing the set of values and principles that guide our daily work". The AGN is guided by the *Government External Control Standards*, which were based on INTOSAI's International Standards of Supreme Audit Institutions (ISSAI), as well as international best practices and professional standards in force in Argentina.

63. INTOSAI's first cross-cutting priority for 2017–22 is the independence of SAIs. INTOSAI strongly advocates for and supports constitutional and legal frameworks that call for comprehensive audit mandates, unlimited, access to needed information, and allow for the unrestricted publication of SAI reports. According to INTOSAI "only fully independent, capable, credible, and professional SAIs can ensure accountability, transparency, good governance, and the sound use of public funds" (INTOSAI, 2017, p. 9[24]).

64. Argentina's *Government External Control Standards* outline that all government external control work should contribute to the good governance by providing objective, independent, and reliable information (Auditor General of Argentina, p. 5[25]). The Standards further outline that the Auditor General must comply with basic ethical principles, such as: independence of judgement, objectivity and political neutrality (Auditor General of Argentina, pp. 10–12[25]).

65. Although the AGN's values, standards and principles emphasise the importance of independence and political neutrality, the current structures and processes for the planning and approval of audits make it difficult for the AGN to undertake its functions in a completely independent and political neutral way.

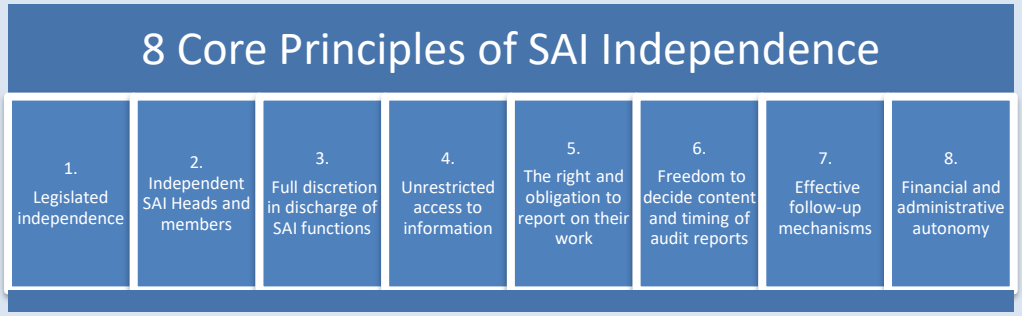
66. The AGN's main liaison point with the National Congress is through the Joint Parliamentary Committee of Audit, which has 12 members—6 senators and 6 deputies. Each year, this committee elects a president, a vice-president and a secretary. The Joint Parliamentary Committee of Audit has a long history. It was first created in 1878 by Law No. 923. Its current powers arise from Law No. 24.156—the Financial Administration Act (Senado Argentina, 2017[26]). According to Article 129 of the Financial Management Act, the committee must, among other things: approve the annual action programme on external control developed by the AGN; and instruct the AGN on studies and special investigations and set deadlines for their implementation.

67. INTOSAI has published a number of documents that cite the importance of independence for external auditors—which includes the need for independence in audit planning and the content and timing of audit reports. Further information is outlined in **Box 5.5**.

Box 5.5. International standards for ensuring independence of audit institutions

Ensuring audit institutions are free from undue influence is essential to ensure the objectiveness and effectiveness of their work, and principles of independence are therefore embodied in the most fundamental standards concerning public sector audit. The International Organization of Supreme Audit Institutions (INTOSAI), for example, has two fundamental declarations citing the importance of independence. Specifically, the *"Lima Declaration of Guidelines on Auditing Precepts"*(ISSAI 1) states that SAIs require organisational and functional independence to accomplish their tasks.

The *"Mexico Declaration on SAI Independence"* (ISSAI 10) and INTOSAI's Strategic Plan 2017–2022 outline eight related principles of independence:



In relation to Principle 3 on **functional independence**, ISSAI 10 states that an SAI should have a sufficiently broad mandate and full discretion in the discharge of its functions, and SAIs should be empowered to audit the: use of public monies, resources, or assets; collection of revenues owed to the government or public entities; legality and regularity of government or public entities accounts; quality of financial management and reporting; and economy, efficiency, and effectiveness of government or public entities operations.

Further, SAIs should be free from direction or interference from the Legislature or the Executive in the: selection of audit issues; planning, programming, conduct, reporting, and follow-up of their audits; organisation and management of their office; and enforcement of their decisions where the application of sanctions is part of their mandate.

Sources: (INTOSAI, 1977[27]; INTOSAI, 2007[28]; INTOSAI, 2017[24]).

68. SAIs that are strong and functionally independent have greater credibility and are better able to effect change. There have been issues in recent years with the National Congress of Argentina ignoring audit reports submitted by the AGN—even those (Manzetti, 2014, p. 192[29]).

69. The AGN could work with the National Congress to strengthen its functional independence, particularly in the audit planning process.

5.6.2. The AGN could increase its influence by setting an example of transparency

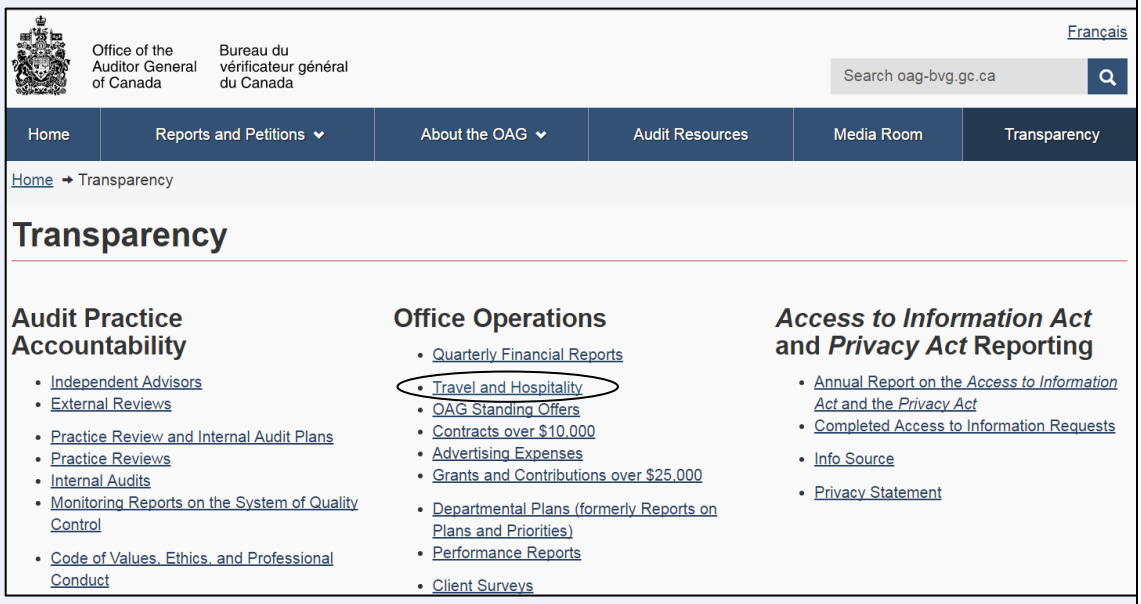
70. In its 2013–17 Strategic Plan, the AGN outlined, as one of its strategic objectives, that it would "promote transparency and accountability in the national public sector" (AGN, 2013, p. 6[23]). Further, Section 6.ii of the *Declaration of Asunción on Budget Security and Financial Stability of SAIs,* which was signed by members of the Latin American and Caribbean Organization of Supreme Audit Institutions (OLACEFS) on 4 October 2017, states:

As a guarantor of the proper use of public resources, we must subject ourselves to a process of oversight that gives transparency to the proper management of the funds that the entity receives and administers.

71. Supreme Audit Institutions, such as the AGN, should set an example for the public sector on transparency and on administering public funds with regard to efficiency, effectiveness and economy. Currently, the AGN provides little to no information on its website particularly regarding its discretionary expenditure. The AGN would increase its influence and credibility by setting an example of transparency for the rest of the public sector. A good practice on SAI transparency from the Canadian Office of the Auditor General is presented at Box 5.6.

Box 5.6. Transparency – Office of the Auditor General of Canada

The Office of the Auditor General of Canada (OAG) has a prominent section on its website entitled Transparency. This includes information on its audit practice accountability (such as detail on its external reviews and internal audits), office operations (such as travel, hospitality, contracts and client surveys) and access to information.



The OAG publishes annual travel reports on its website, as well as quarterly travel expense reports for the Auditor General and all of its executives. Reporting is timely. For example, the OECD accessed the reports for June to September 2017 (as well as all previous quarters going back to 2011) on 18 October 2017. With a few clicks, it was easy to see the details of expenditure for each trip.

Source: OAG of Canada website, http://www.oag-bvg.gc.ca

4.6. Summary of proposals for action

72. Argentina has established an internal control and risk management framework that aligns in many areas with international better practices, however, more could be done to strengthen the implementation of the framework and to build capacity in their internal control and risk management environment. Specific proposals for action that Argentina could consider are outlined below.

Establishing a control environment with clear objectives

- SIGEN could ensure that clear objectives for the control environment are communicated to staff across the national public sector and included in mandatory training and induction sessions and that internal control standards are clearly outlined for specific roles and embedded in the daily operations of the public service
- SIGEN could assist government entities to more consistently apply the principles of the three lines of defence model to give greater responsibility for internal control and risk management to operational management

Developing a strategic approach to risk management

- SIGEN could improve its risk management approach to ensure it is consistent and clearly separated from the internal audit function
- SIGEN could promote the incorporation of risk management into the culture of government entities by providing clear guidance for operational staff and including risk management requirements in mandatory training and induction sessions
- Argentina government entities could operationalise the risk management framework assigning clear responsibility for risk management to senior managers

Implementing coherent control mechanisms

- SIGEN could assist government entities to strengthen its internal control mechanisms to ensure that they are implemented and effective and that reasonable assurance is provided

Improving the internal audit function

- SIGEN could ensure that its central coordination of internal audit leverages available resources to strengthen oversight and enable a cohesive response to integrity risks
- All Argentina government entities could implement control committees to better monitor the implementation of audit recommendations

Strengthening the supreme audit institution

- Argentina's National Congress could consider strengthening the AGN's functional independence
- The AGN could increase its influence by setting an example of transparency

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6. Strengthening the disciplinary regime for greater accountability and legitimacy of Argentina's integrity system

This Chapter assesses the disciplinary regime for public sector employees in the executive branch of Argentina, focusing on duties and obligations related to integrity. It analyses the relevant legal framework and institutional responsibilities as well as the use of data and information related to the disciplinary system. The Chapter acknowledges the efforts to improve cooperation among some of the relevant institutions (National Treasury Prosecutor Office, Prosecutor Office for Administrative Investigations, Office of the Comptroller General) as well as to better coordinate disciplinary offices. At the same time, it highlights the need for a more coherent legal and institutional framework in order to prevent impunity and to support accountability and legitimacy of the integrity system of Argentina as a whole.

6.1. Introduction

1. Enforcing the integrity rules and standards is a necessary element to prevent impunity among public officials and to ensure the legitimacy of the integrity system as a whole. Without effective responses to integrity violations, and the application of sanctions in a fair, objective and timely manner, an integrity system is not able to ensure accountability and to build the necessary credibility for integrity rules and frameworks to deter people from carrying out misconducts. Furthermore, a consistent application of rules within the public sector contributes to build citizens' confidence in the government's ability to tackle corruption effectively and – more generally – to fuel trust in the government leaders and institutions.

2. Public officials in Argentina can be liable under different regimes, including the civil, criminal, administrative/disciplinary and political ones (Gordillo, 2016[1]). Although all the regimes have their relevance and function in holding public officials responsible for their acts, the present chapter focuses on the administrative regime, which is based on the assumption that public officials, and those firms contracted with (or seeking to be contracted with) the public sector, have a number of obligations unique to their status. Generally, these obligations refer to constitutional values and duties such as to need to demonstrate fidelity to the Constitution and legal order of the country, impartiality, personal integrity and propriety in interacting with the public, their superiors and colleagues (Cardona, 2003[2]). In other words, administrative disciplinary regimes are established under the premise that the violation of such principles necessitates a distinct sanctioning system that is tied to their status and obligations as public officials (OECD, 2017[3]).

3. This chapter examines the role of the administrative disciplinary regime in Argentina's executive power and its effectiveness in ensuring accountability within its public integrity system. It assesses the strengths and weaknesses of the current framework and arrangements against international practices and standards, in particular the OECD Recommendation on Public Integrity (OECD, 2017[4]), which calls States to ensure that enforcement mechanisms – including disciplinary ones – provide appropriate responses to all suspected violation of public integrity standards by public officials. In particular, the

Chapter analyses the extent to which integrity rules and prohibitions are consistently applied among public officials, whether mechanisms for coordination and cooperation are effectively in place among all relevant institutions and, finally, how the disciplinary system of Argentina ensures the effective use of relevant data as well as communication among public officials, including through training and capacity building activities.

6.2. Creating a more comprehensive and effective disciplinary framework

6.2.1. The application of the disciplinary regime should be formally extended to all categories of public officials in Argentina.

4. The disciplinary regime of public employees in Argentina belongs to the field of administrative law and is mainly regulated by the legal framework governing the public employment as well as by the provisions on administrative investigations. Furthermore, more specific rules are established in the employment regulation of each category of public official as well as in additional instruments establishing integrity-related obligations and rules of conduct to be followed in the exercise of public duties.

5. The public employment framework of the Argentinian public administration is governed by the National Public Employment Framework Law no. 25.164 (*Ley Marco de Regulación de Empleo Público Nacional*, or LMREPN) and implementing regulation (Decree 14121/2002), which define the general regulatory framework of the public service, including the nature of the public employment relationship that in Argentina can take four forms, namely :

- Stability regime (*régimen de estabilidad*) for those entering the public service through competition;
- Contractors regime (*régimen de contrataciones*) for those working for a fixed amount of time to perform services having a transitory or seasonal character;
- Advisors of superior institutions (*personal de gabinete de las autoridades superiores*) for those carrying out advice or administrative assistance functions;
- A special regime regulated by the Executive Power for those appointed *ad honorem*.

6. The LMREPN lays out the general features of the disciplinary regime and its scope of application, which does not extend to all the officials belonging to these regimes. In particular Article 27 specifies explicitly that it applies to those belonging to the stability regime, while those under the contractors and advisors regime should be subject to specific regulations, which nevertheless are not in place. Considering the absence of any formal regulation applying to a substantial number of officials working for the public administration in Argentina and the ambiguity of the legislation, two institutions playing key roles in the disciplinary proceedings have issued rulings (*dictamenes*) extending the application of the disciplinary regime to any category of public official: on the one hand, the National Treasury Prosecutor Office (*Procuración del Tesoro de la Nación*), which coordinates the activity of disciplinary offices in public entities, with Resolution of 14 March 2017; on the other hand the Prosecutor Office for Administrative Investigations (*Procuraduría de Investigaciones Administrativas*, PIA), which can intervene in any disciplinary proceeding or initiate one by its own initiative, with Resolution of 8 April 2016, which established that all those who carry out functions in the public administration

should be subject to disciplinary proceedings since it is the only way to comply with the constitutional guarantees on due process and on the right to defence.

7. Although one should welcome the jurisprudential attempt to extend the scope of application of the disciplinary regime to any category of public officials, interviews during fact-finding mission highlighted that such approach would not ensure legal certainty in so far as such rulings do not have the force of law and could be overruled in the future by a court giving a different interpretation of the currently unclear legal framework. For this reason, the Argentinian legislator should amend the LMREPN and ensure a consistent disciplinary response to all categories of public officials. In doing so, it could consider the approach followed by Peru whose functional administrative disciplinary regime applies to public officials and servants which Law 27785(*Ley Orgánica del Sistema Nacional de Control y de la Contraloría General de la República*) as anybody who, independently of the labour regime, has a labour, contractual or any other nature's relationship with any of the entities, and exercise functions therein. (OECD, 2017[5]).

6.2.2. Temporary staff working in disciplinary offices should be allowed to prepare cases.

8. A major impediment of the legal framework which also concerns the status of public officials concerns one of the procedural requirements included in Decree 467/99 on Administrative Investigations Regulation (*Reglamento de Investigaciones Administrativas*). It defines the rules on disciplinary investigations applying to all staff under the Basic Legal Regime of the Public Function. In particular, according to its Article 6, the preparation (*instrucción*) of the case takes place within the competent disciplinary office and should be under the responsibility of a public official belonging to the permanent regime.

9. Although this requirement can be waived on *ad-hoc* basis by National Treasury Prosecutor Office following a request for authorization, during fact-finding mission interviewed officials from that institution identified it as one of the most common challenges raised by the heads of disciplinary offices to carry out their function. Considering the burdensome process to obtain authorization and its impact in daily practice, Argentina could amend the Administrative Investigations Regulation to modify this requirement. In particular, disciplinary offices not having a public official belonging to the permanent regime should be allowed to exceptionally rely on those officials in the office appointed under Article 9 of the LMREPN and having the appropriate experience to carry out disciplinary proceedings. For this purpose, considering that the Regulation is a presidential decree, the National Treasury Prosecutor Office – which is formally dependant from the Office of the President (Law no. 24.667) - could take the lead and propose the necessary amendments. In doing that, it should consult with disciplinary offices and take the chance to consider any additional challenge and proposal related to the Administrative Investigations Regulation. For example, interviews during fact-finding mission stressed the need to ensure the functional independence of disciplinary proceedings established in Decree 467/1999 as well as to improve the identification of elements indicating possible fiscal damage caused by the conduct under consideration. Furthermore, it should discuss the proposed text with relevant institutions participating in the Integrity coordination Working Group (*Mesa de Integridad*) created by the Cabinet of Minister Office in 2017 to improve coordination of Argentina's integrity system (see Chapter 1).

6.2.3. The on-ongoing revision of the Public Function Ethics Law could improve consistency between the existing fragmented integrity framework and the disciplinary system.

10. The body of rules which public officials should respect in the exercise of their duty and whose breach generates disciplinary responsibility is scattered across various instruments. The LMREPN includes a list of duties (Article 23) and prohibitions (Article 24), which are then complemented by those established in the collective labour agreements which consider the specificities of the activities. Additional duties and prohibitions related to integrity originate from the Ethics Code (*Código de Etica de la Función Pública*, Decree 41/1999) and the Public Function Ethics Law (*Ley de Etica de la Funcion Publica*, Law 25.188) (Box 6.1).

Box 6.1. Integrity-related duties and principles for public officials in Argentina

The specific rules and principles which apply to public officials in the field of integrity can be mainly found in three instruments:

Firstly, according to the LMREPN, it is prohibited:

- To sponsor administrative procedures related to matters of third parties that are linked to their functions.
- To manage, administer advice, sponsor, represent or provide remunerated or unpaid services to apparent or juridical persons who manage or exploit administrative concessions or privileges at the national, provincial, and municipal level, or who are suppliers or contractors thereof.
- To receive directly or indirectly benefits derived from contracts, concessions or franchises that are celebrated or granted by the ministry, dependency or entity at the national, provincial or municipal level.
- To maintain relationships implying benefits or obligations with entities directly supervised by the ministry, agency or entity where the public official is providing services.
- To rely directly or indirectly on faculties or prerogatives inherent in their functions for purposes beyond that function or for political purposes.
- To accept presents, gifts or other benefits or obtain advantages of any kind connected with the performance of their duties.
- To represent, assist or intervene in extrajudicial disputes against the National Public Administration.
- To carry out any action or omission involving discrimination based on race, religion, nationality, opinion, sex or any other personal or social condition or circumstance.
- To make improper use or use for particular purposes of the state property.

Secondly, the Ethics Code contains two lists of principles, "general" and "particular", which include - among others - probity, prudence, justice, temperance, suitability, responsibility, aptitude, respect for legality, evaluation, accuracy, discretion, transparency, obedience, independence of criterion, equality, equal treatment, proper exercise of the position and correct use of state assets and information acquired by their functions. It also contains sections on gifts and the asset declaration regime.

Thirdly, the Public Function Ethics Law includes a number of ethics-related obligations laid down in its Article 2:

- To strictly comply with and assist other in complying with the provisions of the National Constitution, the laws, and regulations as well as to defend the republican and democratic system of government;

- To perform duties abiding by and respecting the principles and ethical standards established by this law: honesty, probity, rectitude, good faith and republican austerity;
- To safeguard the interests of the State in all their acts aimed at the satisfaction of general welfare, and consequently granting a privilege to public interest over individual interest;
- To refrain from receiving any undue personal benefit related to the performance, delay or omission of any act inherent to their functions, and to refrain from imposing special conditions which may lead to it;
- To justify acts, and to show the greatest transparency in all decisions adopted without refraining to provide all information, unless a law or the public interest clearly require that;
- To protect and preserve the property of the State and to employ its assets only for authorized purposes. To refrain from using the information obtained during the performance of public duties to carry out activities not related to the public functions or allowing the use of such information for the benefit of private interests;
- To refrain from using the State's premises and services for individual benefit or for the benefit of relatives, close friends or any other person not linked to the public function with the objective to back up or promote some product, service or business;
- To comply with the principles of transparency, equity, competition and reasonability in carrying out public procurements acts;
- To refrain from participating in any act that may lead to incompatibility pursuant to the law of civil procedure.

The Public Function Ethics Law also includes the obligation to present asset declarations within the deadline, whose breach (after giving a first notification) represents a serious breach and leads to a corresponding disciplinary sanction (Article 8). For those not complying with this obligation when leaving the office, the sanction is represented by the impossibility to take a public function in the future (Article 9). As for conflict of interest, the Public Function Ethics Law provides for a specific set of rules and, in particular, lists a number of incompatibilities and obligations for the public official in case of being in one of the situations illustrated in its Article 13.

Source: LMREPN; Law 25.188; Decree 41/1999.

11. The fragmentation of rules is coupled with a different subjective scope of application for each instrument. While the LMREPN and the Code of Ethics apply to the Executive Power only, i.e. to all entities of the National Public Administration, the provisions from the Public Function Ethics Law apply to any person performing a public function, "at all levels and hierarchies, in a permanent or transitory manner, by popular election, direct appointment, by competition or by any other legal means, including all magistrates, officials and State employees" (Article 1).

12. Considering the on-ongoing revision of the Public Function Ethics Law, Argentina could take the opportunity to harmonize the list of integrity-related duties and

responsibilities to increase legal certainty and favour understanding and alignment with the expected ethical behaviours, including during training and awareness raising activities.

13. This could be achieved in two ways: firstly, the revised law should ensure formal and substantial coherence with the LMREPN and the Ethics Code by making explicit reference to these closely-related instruments and avoiding any inconsistency. With regards to gifts, for instance, while the LMREPN and the Public Ethics Law prohibit accepting any of them, the Ethics Code provides for an exception and Decree 1179/2016 – which introduces an *ad-hoc* regime - lists two exceptions (see Chapter 3). Secondly, the revised law could provide a more explicit link with accountability mechanisms and responsibilities for breaches of the ethical rules as done in the Australian Public Service Act of 1999, whose Article 15 clearly states that "An Agency Head may impose […] sanctions on an APS employee in the Agency who is found […] to have breached the Code of Conduct", which is provided for in Article 13.

14. With specific regards to conflict of interest, no disciplinary sanction is currently envisaged in case of breaching the related incompatibility regime and obligations, the only consequence being the nullity of the corresponding act (Box 6.1). While simplifying the understanding over duties and prohibition applicable to public officials, Argentina could also introduce an additional duty to declare a conflict of interest situation, whose breach could lead to disciplinary proceedings and sanctions (on top of other criminal sanctions the subsequent conduct may lead to), similarly to the what is already envisaged for not presenting asset declaration on time (Articles 8 and 9 of the Public Ethics Function Law). This would align to the practice of OECD member countries such as Portugal (Box 6.3), where the most utilised sanctions for breaching the conflict-of-interest policy are disciplinary and criminal prosecution, along with the nullity of affected decisions and contracts as provided for by Argentina already.

Box 6.2. Setting proportional sanctions for breaching conflict-of-interest policies

The nature of the position is taken into consideration when countries determine appropriate personal consequences for breaching the conflict-of-interest policy. The following list of personal consequences indicates the variety of severe sanctions applied to different categories of officials in Portugal:

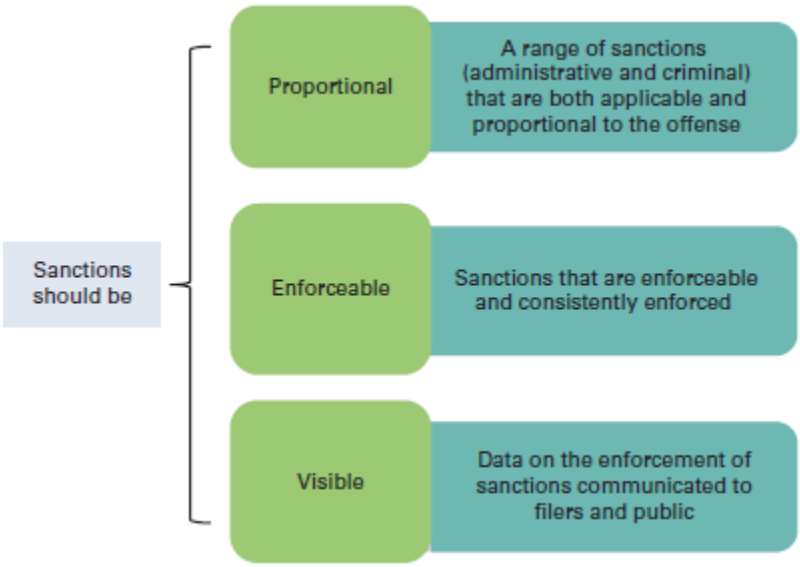
- loss of mandate for political and senior public office holders, advisors or technical consultants
- immediate cessation of office and return of all sums which have been received for ministerial advisors
- three-year suspension of senior political duties and senior public duties for senior civil servants
- loss of office in case of managerial staff
- fine and inactivity or suspension for civil servants and contractual staff.

Source: (OECD, 2004[6])

15. In introducing sanctions related to conflict of interest disclosure, Argentina should also ensure they are coherent with the objectives set for the overall disclosure system, (see

Chapter 4), and they meet a few principles which could enhance their dissuasive effect, including proportionality, enforceability, timeliness and (Figure 6.1).

Figure 6.1. Components of effective sanctions for the disclosure system



Source: (Rossi, Pop and Berger, 2017[7]).

6.2.4. Argentina could introduce economic sanctions for public officials as well as administrative sanctions for private entities.

The typologies of disciplinary sanctions in Argentina are contained in Chapter VII the LMREPN, which defines the features of the disciplinary regime, including the rights of employees in disciplinary proceedings (e.g. *ne bis in idem*, due process), preventive measures, statute of limitations, and relationship with criminal sanctions. With specific regards to sanctions, Argentina provides for the following typologies, which are then linked to a number of underlying causes (

16. Table 6.1):

- Caution (*apercibimiento*), with no greater effect than to constitute a precedent when it comes to deciding the application of a new sanction, and to be taken into account in relation to career development.
- Suspension (*suspensión*) between 1 to 30 days with suspension of salary during the corresponding time. Furthermore, the aggregate sum of days of suspension during a period of 12 months, can lead to dismissal or discharge.
- Dismissal and discharge (*cesantía* and *exoneración*) affect the right to the stability of public employment, as they will end the employment relationship. The difference between the two is the time needed to be rehabilitated and access in the future to a post in the public service.

Table 6.1. Grounds for imposing disciplinary sanctions

Caution (*apercibimiento*) or suspension (*suspención*)	Dismissal (*cesantía)*	Discharge (*exoneración*)
• Repeated non-compliance with the established schedule. • Unjustified absences that do not exceed ten (10) discontinuous days in the immediate twelve-month period and provided they do not constitute abandonment of tasks. • Failure to comply with the duties established in art. 23 of the LMREPN, unless the gravity and magnitude of the facts justify the application of the dismissal.	• Unjustified absences exceeding 10 (ten) discontinuous days, in the previous twelve (12) months. • Abandonment of service, which will be considered consummated when the agent registers more than five (5) continuous absences without cause justifying it and was previously summoned reliably to resume his duties. • Repeated infractions in the performance of their duties, which have given rise to thirty (30) days of suspension in the previous twelve months. • Civil competition or non-causal bankruptcy, except in cases duly justified by the administrative authority. • Serious failure to comply with the duties established in articles 23 and 24 of the LMREPN. • A criminal offense not related to the Public Administration, when due to its circumstances it affects the prestige of the function or agent. • Poor qualifications as a result of evaluations that imply ineffective performance for three (3) consecutive years or four (4) alternates in the last ten (10) years of service (in spite of adequate training opportunities for the performance of the tasks).	• Final conviction for an offense against the National, Provincial or Municipal Public Administration. • Serious misconduct that materially damages the Public Administration. • Loss of citizenship. • Violation of the prohibitions provided for in Article 24 of the LMREPN. • Receipt as principal or accessory sanction the absolute or special disqualification for the public function.

Source: LMREPN.

17. Although it is not possible to assess statistics on the disciplinary regime as a whole given the lack of comprehensive data or assessment of the current system, people interviewed during fact-finding mission expressed serious concerns in relation to the sense of impunity surrounding the enforcement system. Among the measures Argentina could

put in place to improve its legal framework, it could consider expanding the typologies of sanctions and introduce additional ones having economic relevance, as done in other OECD and non-OECD countries (Box 6.3). By proportionally affecting the income of public officials, these can in fact provide an additional disincentive to carry out misconducts.

Box 6.3. Administrative disciplinary sanctions in selected OECD member and partner countries

OECD member and partner countries provide for these and additional types of sanctions including:

- Fines.
- Demotion in rank (France, Germany and the United States).
- Salary reduction (Germany, the Netherlands) or withholding of future periodic salary increases (the Netherlands, the United Kingdom).
- Compulsory transfer with obligation to change residence (France, Spain, the United Kingdom).
- Compulsory retirement (France).
- Reduction or loss of pension rights (Germany – for retired officials, and Brazil).
- Reduction in right to holiday or personal leave (the Netherlands).

Sources: (OECD, 2017[8]); (Cardona, 2003[2]).

18. Furthermore, in view of promoting greater ownership and recognition amongst the private sector about their shared responsibility in embodying the society's integrity values (see Chapter 8), Argentina could introduce administrative sanctions for private entities involved in corruption cases, thereby complementing the regime of corporate criminal responsibility introduced with Law 27401 of 2017 by addressing cases that not reach the criminal relevance, especially in the field of public procurement.

19. Argentina could introduce these sanctions and the necessary procedural modifications by revising Decree 467/99 on Administrative Investigations Regulation. In doing that, Argentina could consider similar regimes which are already in place in the country (e.g. the labour regime regulated by Law no. 18.694) as well as the example of Mexico, where some parts of its General Law on Administrative Responsibilities do not only apply to public officials, but also to any firm or private individual contracting with the public sector (Box 6.4).

Box 6.4. Sanctioning private entities within the disciplinary regime in Mexico

Article 81 of the General Law on Administrative Responsibilities outlines sanctions for individuals (who are not officials) and firms involved in public sector activities (such as through a public procurement procedure). It states that private individuals may be sanctioned with:

- An economic penalty that may reach up to two times worth the benefits obtained or, in case of not having obtained them, for the equivalent of the amount of 100 to 150 000 times the daily value of the unit of measure; and update.
- Temporary disqualification from participating in acquisitions, leases, services or work for a period of not less than three months.
- Compensation for damages and losses caused to the federal, local or municipal administration, or to the assets of public entities.

On top of that, firms and corporations may face the following sanctions:

- An economic penalty that can reach up to two times worth the benefits obtained, and in case not obtained, for the equivalent of the amount of 1 000 to 1.5 million times the daily value of the unit of measure.
- Temporary disqualification to participate in acquisitions, leases, services or works for a period of not less than three months nor more than ten years.
- The suspension of activities, for a period of not less than three months nor more than three years, which will consist in detaining, deferring or temporarily depriving individuals of their business, economic, contractual or business activities because they are linked to faults.
- Administrative penalties provided for in this law.
- Dissolution of the respective company, which will consist of the loss of the legal capacity of the corporations.
- Compensation for damages and losses caused to the federal, local or municipal administration, or to the assets of public entities.

Source: (OECD, 2017[8])

6.3. Promoting cooperation and exchange of information

6.3.1. The National Treasury Prosecutor Office could introduce mechanisms to increase coordination and communication with disciplinary offices.

20. Disciplinary offices (*oficina de sumarios*), the Ministry-level bodies which are in charge of initiating and building disciplinary cases either on their own initiative (*ex oficio*) or following a denunciation, are the centre of the disciplinary system in so far as they have the responsibility to ensure fair and objective proceedings in line with Decree 467/99 on Administrative Investigations Regulation. Although being functionally independent in their activities (Decree 467/99), disciplinary offices are hierarchically dependant from a

Ministry's secretary or sub-secretary (*secretarías* or *sub-secretarías*) and they are supervised by the National Treasury Prosecutor Office (*Procuración del Tesoro de la Nación*), that receives updates on cases every six months, organises meetings to improve their activities, provides them technical advice, and carries out occasional audits to check their compliance with legal procedures. While these activities are key to oversee and monitor the activities of disciplinary offices, interviews and information gathered during fact-finding mission revealed that they are not organized on a permanent basis and they rather take place irregularly: with regards to meetings, two have been organised in 2017; as for consultation, it was estimated by the National Treasury Prosecutor Office that they receive approximately 10 requests for advice per month; in relation to audits, only 1 has been conducted in 2017, and none in 2016.

21. Ensuring oversight on and coordination among disciplinary offices in ministries is key to improve the effectiveness of case-management as well to address their challenges and exchange best practices. Considering the key role of the National Treasury Prosecutor Office in guiding the action of the disciplinary offices, its oversight function could be enhanced by further supporting and coordinating them. While one can welcome the initiative to connect the disciplinary offices and the National Treasury Prosecutor Office by means of an instant messaging application group, representatives from disciplinary offices interviewed during fact-finding mission saw with favour the possibility to institutionalise such coordination and create a formal network of disciplinary offices and improve communication with the National Treasury Prosecutor Office. For this purpose, it could consider the experience of Brazil's Office of the Comptroller General of the Union (CGU), whose National Disciplinary Board oversees the implementation of the centralised federal executive branch's disciplinary system (*Sistema de Correição do Poder Executivo Federal*, or SisCor) and coordinates the sectional units located within federal agencies (*corregedorias seccionais*) through various means, including through a Disciplinary Proceedings Management System (*Sistema de Gestão de Processos Disciplinares*, CGU-PAD) and Coordination Commission (*Comissão de Coordenação de Correição*) (Box 6.7).

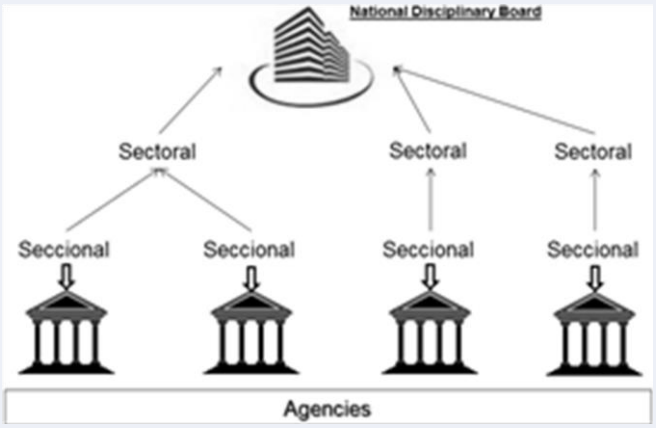
Box 6.5. Brazil's National Disciplinary Board and SisCor

The disciplinary arrangements for public civil servants of Brazil fall under the remit of the Office of the Comptroller General of the Union (CGU), established in 2003 under the Single Judicial Regime of Federal Law 8.112/90. The CGU aims to enhance transparency and defend public assets through both preventative and punitive measures. With its jurisdiction limited to the federal executive branch, the CGU houses the Internal Control Secretariat, Transparency and Corruption Prevention Secretariat, the Ombudsman Office and the National Disciplinary Board.

Prior to the establishment of the National Disciplinary Board (*Corregedoria-Geral da União*, or CRG) in 2005, the responsibility of disciplinary and integrity-related activities were fragmented across federal government agencies, subject to variation in their application and impact. The lack of central co-ordination and trained staff needed for consistent disciplinary action were the main culprits contributing to costly and lengthy processes and public distrust in the objectivity and effectiveness of disciplinary measures.

The National Disciplinary Board was established with the responsibility of overseeing the implementation of the centralised federal executive branch's disciplinary system – the SisCor. Under the SisCor are activities related to investigation of irregularities by civil servants and enforcement of applicable penalties. The SisCor is endowed with legal powers to supervise and correct any ongoing disciplinary procedures and to apply sanctions through its 150 employees across the central department, 20 sectoral units and 47 sectional units located within federal agencies (*corregedorias seccionais*).

The structure of Brazil's federal disciplinary system (SisCor)



The centralisation of oversight under SisCor has been deemed as one driver in improving the effectiveness of the disciplinary regime as well as consistency in the application of sanctions. Indeed, the SisCor has trained almost 12 000 civil servants, which has been mirrored by a substantial increase in investigative capacity and the number of civil servants currently under investigation, an increase in the number of expulsive sanctions applied and a reduction in the annulment and reinstatement rates.

One of the pillar of CGU's coordination function is the Disciplinary Proceedings Management System (*Sistema de Gestão de Processos Disciplinares*, CGU-PAD), a software allowing to store and make available, in a fast and secure way, the information

about the disciplinary procedures instituted within public entities. The CGU-PAD, which has reduced processing times by 20%, is managed in an integrated manner among the entities of the Federal Executive Branch along the following lines:

- Central body (CGR): Responsible for the implementation, update, maintenance and management of the CGU-PAD. It establishes procedures for the correct use of the system and elaborates manuals, guides and tools to support and training to the users (**http://www.cgu.gov.br/assuntos/atividade-disciplinar/cgu-pad**).
- Registration bodies within entities or organs (*Órgãos cadastradores*): They are responsible for the local management of the system regulating the access, registration and use of information under its competence. In order to carry out these actions, each ministry appointed a coordinator and eventual deputy coordinators.

With the information available in the CGU-PAD, public managers can monitor and control disciplinary processes, identify critical points, construct risk maps and establish guidelines for preventing and tackling corruption and other breaches of administrative nature.

An additional mechanism to promote coherence and coordination among entities is the Coordination Commission (*Comissão de Coordenação de Correição*), which acts as an advisory body and aims to promote the integration and to uniform the understanding of the organs and units of the disciplinary system across the Federal Executive branch.

The Commission is chaired by the head of the CGU and is composed of CGU representatives as well as sectorial disciplinary units and some disciplinary units from ministries. The representatives of the disciplinary units are appointed by the head of the CGU.

Source: (OECD, 2017[9]); CGU's website, http://www.cgu.gov.br/assuntos/atividade-disciplinar (accessed on 23 November 2017).

22. In fostering communication and coordination with and among entities, the National Treasury Prosecutor Office should also involve – to extent relevant – the Prosecutor Office for Administrative Investigations (*Procuraduría de Investigaciones Administrativas*, PIA) which also plays a central role in disciplinary cases as it is the entity that should be notified of cases by disciplinary offices for possible intervention pursuant to the Administrative Investigations Regulation. In this context, there could be room for synergies and mutual learning since the PIA has been increasingly organising meetings with disciplinary offices starting from 2015 and it has developed a case management and follow-up system (PIAnet) in collaboration with the Attorney General Office. This system allows to easily access a large amount of documents (around 34000) related to disciplinary proceedings as well as to monitor cases and to evaluate the performance, thereby supporting the PIA's General Coordination Department in managing investigation teams and in monitoring all cases on behalf of the National Prosecutor (PIA, 2017[10]).

6.3.2. All the institutions participating in disciplinary proceedings could create a formal working group to enhance coordination among them.

23. Disciplinary proceedings in Argentina can be an articulated process involving several actors and institutions. In particular, two different procedures can take place depending on the seriousness of the breach and typology of sanction. On the one hand, for

alleged breaches leading to minor sanctions - i.e caution or a suspension for maximum 5 days (or, in some special cases, a suspension for more than 5 days and dismissal) - the applicable regime is contained in the LMREPN and regulatory decree no. 25.164, providing for a simplified regime which does not imply the building of the summary proceedings (*instruir un sumario*). On the other hand, for alleged breaches leading to major sanctions - i.e. remaining cases of suspension for more than 5 days, dismissal and discharge - the specific procedure of the administrative proceedings is laid down in Decree 467/99 on Administrative Investigations Regulation, which details the rules on administrative investigations applying to all staff under the LMREPN, to teachers under special regulation, as well as to those who do not have a special regime on investigations and when decided by the Executive Power. During the course of the proceedings provided for by this regime, the following institutions may intervene, namely:

- The National Treasury Prosecutor Office (*Procuración del Tesoro de la Nación*), which generally speaking is in charge of performing a wide range of legal advisory services to the Executive Power. Among them, its National Directorate of Summary and Administrative Investigations (*Dirección Nacional de Sumarios e Investigaciones Administrativas*) is responsible for conducting administrative disciplinary proceedings involving senior public officials (so-called categories A and B with executive functions regardless of the employment relationship with the State), The Directorate also conducts audits of disciplinary departments, provide them advice and acts as the "interpretation authority" of the Administrative Investigation Regulation.
- The Prosecutor Office for Administrative Investigations (*Procuraduría de Investigaciones Administrativas*, PIA) is the body within the Attorney General's office (*Ministerio Publico*) responsible – among other things - for investigating administrative misconduct by public officials. In order to fulfil its functions, the PIA should be communicated of any administrative proceeding that has been initiated by disciplinary departments (Table 6.2). At the same time, it may carry out preliminary investigations, promote or intervene in administrative or judicial proceedings where administrative irregularities and corruption offenses have been allegedly committed by public officials. When the investigation carried out by PIA detects the possible breach of administrative norms, the information – together with a draft opinion (*dictamen fundado*) - is sent to the National Treasury Prosecutor Office or to the official of higher administrative hierarchy of the relevant department. In both circumstances, the PIA participates in the proceedings as an accusatory party (Law 27.148).

Table 6.2. PIA's involvement in disciplinary proceedings

	Disciplinary cases notified	Cases under consideration by year of initiation (214 in total)*
2017*	2165	46
2016	1612	58
2015	707	24
2014	NA	11
2013	NA	15
2012	NA	13

Note: Data refer to the situation as of September 2017. Out of the 214 cases in progress, PIA is intervening in 84 cases, is the prosecutor in 58 cases, and in 26 cases follows the development of the case and checking the legality of the process.
Source: Data provided by the PIA during fact-finding mission, October 2017.

- The Anti-corruption Office (*Oficina Anticorrupción*) may provide opinions on the violation of the norms on public ethics contained in both the Public Function Ethics Law and the Ethics Code (Decree 41/1999). Similarly to the PIA, when an investigation carried out by the Anti-corruption Office (i.e. the Anticorruption Investigations Undersecretary) detects breaches to administrative norms the corresponding proceedings is passed with a draft opinion *(dictamen fundado*) to the Ministry of Justice, the National Treasury Prosecutor Office or to the head the relevant department.
- The Office of the Comptroller General (*Sindicatura General de la Nación*, or SIGEN) is the main entity responsible for strengthening the coordination with the internal control and oversight bodies of the entities (see Chapter 5). Within disciplinary proceedings, it should be notified when the proceedings reveal the possible existence of a fiscal damage.

24. Considering that disciplinary proceedings can involve a number of different institutions and may have links with other typologies of responsibilities such as criminal or fiscal ones, coordination mechanisms become vital to ensure swift exchange of information and ensure the smooth functioning of the system as a whole. While one can welcome the bilateral coordination agreements signed among the PIA, the National Treasury Prosecutor Office and SIGEN clarifying the competences and prerogatives of each institution in the disciplinary proceedings, no formal mechanism is currently in place to foster coordination as well as mutual-learning and understanding among all relevant institutions within disciplinary proceedings. Interviews during fact-finding mission confirmed that communication between relevant institutions takes place on informal basis and that relevant institutions tend to work in silos with no institutional chance to continuously exchange challenges and experiences, learn from each other or to discuss formal or informal means to improve the system as a whole. In order to promote coordination, Argentina could create the conditions for swift communication and mutual learning through the establishment of a working group which could be formalised in a multi-party agreement as done in Peru on criminal justice matters through the tripartite inter-agency co-operation framework agreement (Box 6.6). On top of the institutions mentioned, additional representatives could be invited to be part on a continuous or case-by-case base: among them it would be relevant to consider the disciplinary offices working in different ministries, the Ministry of Modernization (*Ministerio de Modernización*) because, among its tasks, it centralises

employment data for the entire Argentinian Public Sector at the federal level, including data related to disciplinary system.

Box 6.6. Ensuring co-operation between agencies: The tripartite inter-agency co-operation framework agreement in Peru

On 2 November 2011, the judiciary, the Attorney General's Office, and the Comptroller General's Office entered into a Tripartite Inter-Agency Co-operation Agreement. The purpose of the agreement is to improve co-operation in order to reduce corruption and enhance confidence in state institutions. The Agreement sets out the roles of the three agencies in the detection, investigation, prosecution, trial and sanctioning of corruption offences. It sets up a framework for co-operation and information-sharing, as well as setting out specific tasks and objectives for each agency; for example, the Comptroller General's Office is tasked with creating preventative strategies to combat corruption and developing software-based anti-corruption training programmes. According to discussions with the Peruvian authorities, at national level and for emblematic cases, the Agreement works very well and has proven to be effective in providing specialised expertise. However, the Agreement is reportedly less effective in serious corruption cases involving organised crime, where jurisdiction is transferred to the National Criminal Court.

Source: Tripartite Inter-Agency Co-operation Framework Agreement of 2011 between the judiciary, the Attorney-General's Office, and the Comptroller General's Office, www.oas.org/juridico/pdfs/mesicic4_per_cgr_conv2.pdf/; (OECD, 2017[9]) .

25. The meetings of the working group could represent the opportunity to discuss ways to improve the effectiveness of the disciplinary system, in particular to promote exchanges of practices and information sharing, which emerged as the areas where more cooperation is needed during fact-finding mission. Building on the agreement between the National Treasury Prosecutor Office and the PIA granting the latter institution the "read-only" access to the Single Judicial Management Informatics System (*Sistema Único Informático de Gestión Judicial*, SIGEJ), the working group could discuss how to best leverage existing IT tools to improve the swift communication and sharing of information among institutions but also the elaboration of statistics which could feed policy-making as well as the assessment of the disciplinary system itself.

26. In setting up the working group, the design of the Anti-corruption Attorney Offices (*Fiscalías de Investigaciones Administrativas*,or FIAs) and Anticorruption Offices Forum (*Foro de Fiscalías de Investigaciones Administrativas y Oficinas Anticorrupción*) could be considered as an example as it gathers FIAs and Anticorruption Offices from the federal and regional level with the following objectives:

- Supporting the FIAs, Anti-Corruption Offices and equivalent regional bodies through recommendations and background information, in order to ensure their independence, functional autonomy and financial autarky, in accordance with the fundamental principles of the respective legal systems.
- Discussing issues related to common challenges that would allow cooperation in investigations between different jurisdictions.

- Aiming at creating specialized professional and administrative staff within the member institutions of the Forum.
- Promoting and strengthening the development of Forum's bodies to adequately comply with their anticorruption functions.
- Creating a dynamic relationship between all the institutions towards technical, scientific, research and advisory cooperation.

27. In order to fulfil these objectives, the Forum organises various activities such as the promotion and organization of congresses, courses, conferences and other academic events. The Forum is managed by a Board of Directors consisting of three representatives of the participating institutions, whose mandate is renovated on an annual basis (PIA,(n.d.)[11]).

6.4. Improving the understanding of the disciplinary regime

6.4.1. The collection and use of data on the disciplinary system could be further developed in order to improve monitoring and evaluation of policies, performance assessment and communication.

28. The collection of relevant data on the disciplinary system can have multiple purposes. Firstly, they can feed indicators within the monitoring and evaluation activity of integrity policies (see Chapter 2) or in assessing the performance of the disciplinary system as a whole. Secondly, they can support policy-makers and enforcement authorities in identifying high-risk areas where further efforts are needed. Lastly, they can be part of a communication strategy which gives evidence of the State's enforcement activity and contributes to build trust in institutions' capability to hold public officials accountable for integrity-related breaches.

29. The availability and use of data concerning the disciplinary regime seems to be limited in Argentina, whereas no information is published by any institution and the data collection activity carried out by both the National Treasury Prosecutor Office and the PIA does not seem to serve any purpose but to register and follow-up cases. On top of that, the Anti-corruption Office does not receive the decisions on the violations of the Code of Ethics from the disciplinary offices and does not centralise such information in a register as provided for in Article 49 of Decree 41/99. On the other hand, one should note that since 2017 the Ministry of Modernization is collecting data on the disciplinary regime within the wider exercise to form an integrated information data base on public employment and wages in the public administration (*Estructura Base Integrada de Información de empleo Público y Salarios*, or BIEP). In particular, the data-base would collect the following substantial information:

- Standard code of the sanction typology.
- Local code of the sanction typology.
- Date of sanction.
- Reason and grounds for sanctioning according to the LMREPN.

30. Although this data collection activity represents a step forward in understanding the disciplinary system in Argentina, its scope seems to be limited by the fact that is carried out for HR-related aims and therefore does not reach the level of granularity which would be needed to use it for the above-mentioned purposes, including the number of investigations, typology of breaches, length of proceedings, intervening institutions, etc..

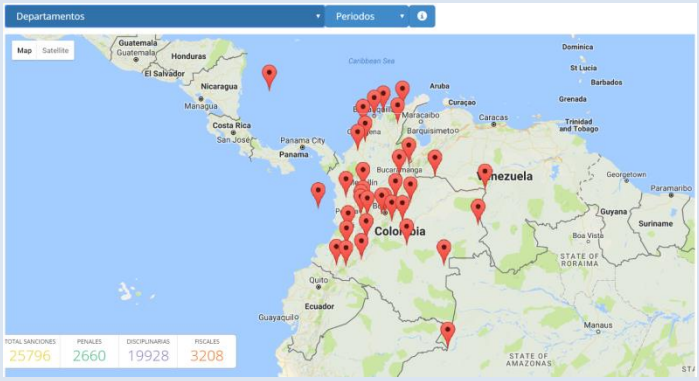
31. In light of this situation, the National Treasury Prosecutor Office could first of all put efforts in improving its data-collection activity in order to have a more comprehensive understanding of the disciplinary system: this would imply not only collecting an increasing number of information, but also drawing trends according to criteria such as year, entity or sanctioned conduct.

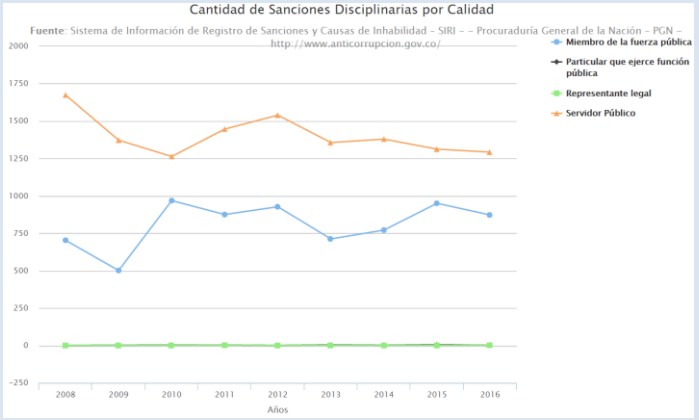
32. Secondly, since data and statics should be as transparent and accessible as possible, the National Treasury Prosecutor Office could not only update and publish data and statistics regularly in the institutional website in different formats, but could also find ways to communicate aggregate information to citizens in a more engaging and interactive way in order to stimulate accountability and foster trust among citizens. For these purposes, Argentina could consider the work of Colombia's Transparency and Anti-corruption Observatory (*Observatorio de Transparencia y Anticorrupción*), a body within the Transparency Secretariat (*Secretaria de Transparencia*) elaborating corruption-related sanctions indicators (*Indicadores de Sanciones*), as well as reporting activity of the CGU in Brazil, which collects and publishes data on disciplinary sanctions in pdf and excel format. (Box 6.7)

Box 6.7. Collecting, publishing and elaborating data on disciplinary sanctions in Colombia and Brasil

In Colombia the Transparency and Anti-corruption Observatory publishes in its website updated statistics on corruption-related criminal, disciplinary and fiscal sanctions. With regards to disciplinary sanctions, data are taken from the Information System Register for Sanctions and Inability Causes (*Sistema de Informacion de Registro de Sanciones y Causas de Inhabilidad*, or SIRI) which keeps record of the decisions executed and notified to Inspector General (*Procuraduría General de la Nación*) by the competent authorities, in particular: disciplinary sanctions, criminal sanctions and inabilities.

In turn, the Transparency and Anti-corruption Observatory elaborates this information not only providing a map and details of sanctions but also analysing the data and providing graphs breaking the data according to several criteria such as entity, breach, department, sanction, typology of official.



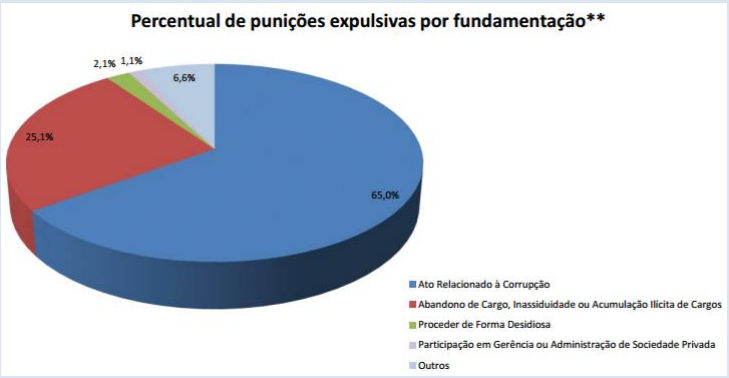


In Brasil, the CGU's website contains a section where data on serious disciplinary sanctions (*punições expulsivas*) to public officials from the Federal Executive Power are reported and updated on a monthly basis. Information is displayed according to different criteria (e.g. year, month, entity, state and underlying conduct) and is elaborated into tables and graphs showing trends and comparisons as in the following examples:

1. Punições expulsivas por ano

Punições	2003 a 2011	2012	2013	2014	2015	2016	2017	TOTAL
DEMISSÃO	3.009	421	431	420	446	444	424	5.595
CASSAÇÃO DE APOSENTADORIA	220	45	51	58	54	65	56	549
DESTITUIÇÃO	306	39	49	69	41	40	26	570
TOTAL	3.535	505	531	547	541	549	506	6.714

Ano de 2017 atualizado até DEZEMBRO



Source: Transparency and Anti-corruption Observatory's website, http://www.anticorrupcion.gov.co/Paginas/Indicadores-de-Sanciones.aspx and http://www.anticorrupcion.gov.co/Paginas/nota-sanciones-disciplinarias.aspx; SIRI's website, https://www.procuraduria.gov.co/portal/Siri.page;h CGU's website on disciplinary sanctions' reporting, http://www.cgu.gov.br/assuntos/atividade-disciplinar/relatorios-de-punicoes-expulsivas.

33. Data on disciplinary proceedings should not only be collected and made publicly available for accountability purposes, but they could also be used to openly assess the effectiveness of the disciplinary system of a whole through the definition of key performance indicators (KPIs) which could help identify challenges and areas where further efforts and improvement are needed (OECD, 2017[4]). Considering that Argentina does not have any mechanism in place for that purpose, the National Treasury Prosecutor Office could leverage its oversight role and develop a system assessing the performance of the federal administrative disciplinary regime by means of KPI. For this purpose, it could consider some commonly-used performance indicators on effectiveness, efficiency, quality and fairness from the field of justice (Box 6.8). The National Treasury Prosecutor Office should also make sure to give wide publicity to this exercise as well as to the corresponding results in order to demonstrate commitment to accountability and integrity values. Cooperation and support could be also sought within the Integrity Working Group lead by the Office of the Presidency (*Mesa de Integridad*), which could give further visibility to the results of the assessment and could carry out an analysis of its results in order to address challenges and shortcomings of the disciplinary system as well as of the integrity system as a whole.

Box 6.8. Potential key performance indicators for evaluating administrative disciplinary regimes

No single indicator can be useful in isolation, instead, a set of indicators must be assessed as a whole, along with contextual information, to be analysed and interpreted more accurately.

KPIs on effectiveness

- **Share of reported alleged offences ultimately taken forward for formal disciplinary proceedings**: Not all reported offences may be taken forward following a preliminary investigation or hearing; however, the share of cases not taken forward, especially when analysed by area of government or type of offence, may shed light on whether valid cases are successfully entering the disciplinary system in the first place.
- **Appeals incidences and rates**: A measure of the quality of sanctioning decisions and the predictability of the regime. Common metrics include the number of appeals per population (or civil servants liable under the disciplinary law), and cases appealed before the second instance as a percentage of cases resolved in first instance.
- **Inadmissible or discharged cases**: The share of cases declared inadmissible (as well as a disaggregation for what grounds were provided for dismissal) can be considered an indication of the quality and effectives of procedures and compliance of the government with disciplinary procedures.
- **Overturned decisions**: A second common measure on the quality of sanctioning decisions is the share of appealed cases where initial decisions were overturned. This can signify, in addition to failure to follow proper disciplinary procedures, the sufficient proportionality of sanctions.
- **Recovery**: In the case of economic fines, the share of funds recovered or recuperated as per original sanctioning decision can indicate the effectiveness of government in carrying out sanctions.
- **Clearance rates**: Another common indicator of effectiveness, this refers to the sanctions issued over the cases initially reported. It serves as a proxy for identifying "leaky" systems, whereby cases reported are not brought forward and/or to conclusion.

KPIs on efficiency

- **Pending cases**: The share of total cases which are unresolved at a given point in time can be a useful indicator of case management.
- **Average/median length of proceedings (days)**: The average length of proceedings for cases is estimated with a formula commonly used in the literature: [(Pendingt1+Pendingt)/(Incomingt+Resolvedt)]*365.
- **Disposition time**: Similarly to the previous one, this indicator provides a theoretical average of the duration of a case within a specific system by calculating the theoretical time necessary for a pending case to be solved in court in the light of the current pace of work of the courts. It is obtained by dividing the number of pending cases at the end of the observed period by the number of resolved cases within the same period multiplied by 365.

- **Average spending per case**: Proxies for financial efficiency can include total resources allocated to the investigation and processing of administrative disciplinary procedures divided by the number of formal cases. Other methodologies include total spending on disciplinary proceedings per civil servant liable under proceedings.

KPIs on quality and fairness

- In addition to some of the aforementioned indicators (i.e. high appeals rates or admissible/dismissed cases could suggest poor procedural fairness), the following qualitative data could also prove useful. The Council of Europe has produced a "Handbook for conducting satisfaction surveys aimed at court users" that could offer insights for similar exercises on administrative disciplinary regimes:
  - Perception survey data on government employees (including managers) on their perceptions of the fairness regime, the availability of training opportunities for them, etc.
  - Perception survey data from public unions, internal auditors/court staff (for serious cases), etc.

Sources: (Council of Europe, 2016[12]); (Council of Europe, 2014[13]); (Council of Europe, 2010[14]); (Council of Europe, 2008[15]); (Palumbo et al., 2013[16]); (OECD, 2017[9]).

6.4.2. The National Treasury Prosecutor Office could ensure regular training and provide further guidance to staff working on disciplinary matters.

34. Professionalism and capacity building are needed to sustain an effective disciplinary system, whose success also depends on having adequate capacities in place as well as on staff whose professional profiles reflect the mandate and tasks required to carry out meaningful investigations. In relation to disciplinary regimes, this may translate into administrative law experts, investigators, accountants, subject-matter experts (for particularly complex cases), financial experts, IT specialists, managers/co-ordinators and support staff. Although having the right number and mix of staff is a challenge, particularly in times of budget constraints, capacity costs should be weighed against the costs of non-compliance such as the decline in accountability and trust, direct economic losses, etc.

35. Training of disciplinary matters in Argentina is carried out by the National Treasury Prosecutor Office's National Directorate of State Lawyers (*Dirección Nacional de la Escuela del Cuerpo de Abogados del Estado*), which is in charge of providing training to the body of lawyers working for the Government of Argentina, including those working in disciplinary units. Although there is evidence that a module on "labour relationship of the State and disciplinary means" is part of the continuous learning programme for lawyers [https://www.ptn.gob.ar/page/institucional-6] and that the disciplinary offices in ministries organize training to all staff on disciplinary matters, the information provided therein and interviews during fact-finding mission did not clarify whether such training on disciplinary matters is regularly offered or is rather based on voluntary attendance. At the same time, the staff working in disciplinary offices does not benefit from continuous guidance from the National Treasury Prosecutor Office, which does not provide any tool or formal channel to clarify issues arising from proceedings. This situation creates the risk of undermining

the efficiency of the system as well as weakening the cases and breaching procedural issues, including the guarantees of the accused official.

36. In order to strengthen the capacity and to support of public officials in building and sustaining disciplinary cases, the National Treasury Prosecutor Office – as coordinating body of the disciplinary offices - could scale up efforts in two directions: on the one hand it could ensure continuous training of disciplinary staff to improve the effectiveness and consistency of the disciplinary regime as illustrated in Box 6.5 by the case of Brazil. On the other hand, it could provide tools and channels guiding and supporting disciplinary offices in carrying out cases. In this context, since the National Treasury Prosecutor Office is developing a manual of disciplinary proceedings to complement the implementation of the Electronic Documentation Management System (*Sistema de Gestión de Documentación Electrónica*, SGDE) and standardise steps and processes across disciplinary offices, Argentina could consider relevant practices from both OECD and non-OECD member countries, where support is provided through guides, manuals, or a dedicated email addresses (Box 6.9).

Box 6.9. Providing guidance on disciplinary matters

The **United Kingdom's Civil Service Management Code** recommends compliance with the Advisory, Conciliation and Arbitration Service (ACAS)'s Code of Practice on Disciplinary and Grievance Procedures and notifies departments and agencies that it is given significant weight in employment tribunal cases and will be taken into account when considering relevant cases. The ACAS, an independent body, issued the code in March 2015, which encourages:

- clear, written disciplinary procedures developed in consultation with stakeholders
- prompt, timely action
- consistency in proceedings and decisions across cases
- evidence-based decisions
- respect for rights of the accused: right to information, legal counsel, hearing and appeal.

The code also contains guidance on how to interact with employees under investigation (i.e. providing information, evidence, allowing a companion to the hearing, role of the companion at hearings), which institutions to contact during the process to ensure due diligence and that the employees' rights are respected, how to apply sanctions fairly (i.e. consistently, progressively and proportionately), how to handle special cases (i.e. cases of misconduct by trade union members), and what proceedings to follow in relation to potential criminal offences.

Australia's Public Service Commission (APSC) has also published a very comprehensive Guide to Handling Misconduct, which provides clarifications of the main concepts and definitions found in the civil service code of conduct and other applicable policies/legislation as well as detailed instructions to managers on proceedings (see workflow below). The guide also contains various checklist tools to facilitate proceedings for managers such as: Checklist for Initial Consideration of Suspected Misconduct; Checklist for Employee Suspension; Checklist for Making a Decision about a Breach of the Code of Conduct; Checklist for Sanction Decision Making.

The **Comptroller General of the Union (CGU) in Brazil** provides different kinds of tools to provide guidance to respective disciplinary offices: firstly, similarly to the previous examples, it has elaborated – and published in its website - guides, manual and material on a wide range of relevant issues related to the disciplinary proceedings, including:

- administrative disciplinary law manuals
- manual on the role and function of the disciplinary units
- specialization modules on *ad-hoc* issues
- practical manuals, slides and legislation on the administrative procedures
- manuals from other entities

Secondly, the CGU's website provides more than 200 questions and answers related to most recurrent doubts serving as a quick reference for consultation by disciplinary units, civil servants and citizens in general, as well as to guide and standardize the procedures related to disciplinary system.

Lastly, the CGU, through the National Disciplinary Board (*Corregedoria-Geral da União*, or CRG), also provides an email address to clarify questions related to the disciplinary system and to solve any doubt related to the building of disciplinary cases, with the aim to support disciplinary units in conducting proceedings a fair and rigorous way.

Peru's Ministry of Justice (Minjus) has also published a practical guide on the disciplinary regime and proceedings (*Guía práctica sobre el régimen disciplinario y el procedimiento administrativo sancionador*) which addresses basic concepts and principles on the disciplinary regime, the procedural rules applicable to the

administrative disciplinary procedure as well as some cases to better illustrate the issues. The purpose of the guide is to provide a didactic and useful tool for public servants and officials to know the different aspects and steps related to the administrative disciplinary procedure, but also the guarantees that protect them and that should be respected by the various public entities involved.

Source: (ACAS, 2015[17]); (APSC, 2015[18]); (CGU,(n.d.)[19]); (Minjus, 2015[20]).

6.5. Proposals for action:

Enforcing the integrity rules and standards is a necessary element to prevent impunity among public officials and to ensure the credibility of the integrity system as a whole. In order to strengthen Argentina's disciplinary system and thereby the accountability and legitimacy of its integrity system, Argentina may consider the following actions:

Creating a more comprehensive and effective disciplinary framework

- The application of the disciplinary regime should be formally extended to all categories of public officials provided for by the LMREPN.
- Argentina could consider amending the Administrative Investigations Regulation in order to allow disciplinary offices not having a public official belonging to the permanent regime to exceptionally rely on temporary staff having the appropriate experience to carry out disciplinary proceedings.
- The on-ongoing revision of the Public Function Ethics Law could improve consistency between the existing fragmented integrity framework and the disciplinary system. Firstly, the revised law should ensure formal and substantial coherence with the LMREPN and the Ethics Code by making explicit reference to these closely-related instruments and avoiding any inconsistency. Secondly, the revised law could provide a more explicit link with accountability mechanisms and responsibilities for breaches of the ethical rules.
- Argentina could expand the typologies of sanctions and include additional ones having economic relevance such as fines or salary reduction.
- Argentina could consider introducing administrative sanctions for private entities involved in corruption cases.

Promoting cooperation and exchange of information

- The National Treasury Prosecutor Office could create a formal network of disciplinary offices to increase coordination and communication between and among them.
- In fostering communication and coordination with public entities on disciplinary issues, the National Treasury Prosecutor Office should also involve the Prosecutor Office for Administrative Investigations, which has developed a case management and follow-up system (PIAnet) in collaboration with the Attorney General Office.
- All the institutions which may be involved in disciplinary proceedings could create a formal working group through a multi-party agreeement to enhance coordination, communication and mutual learning.

Improving the understanding of the disciplinary regime

- In order to have a more comprehensive understanding of the disciplinary system, the National Treasury Prosecutor Office could improve its data-collection activity by collecting an increasing number of information, but also drawing trends according to criteria such as year, entity or sanctioned conduct.
- The National Treasury Prosecutor Office could regularly update and publish disciplinary-related data and statistics in the institutional website in different

formats, as well as communicate aggregate information to citizens in a more engaging and interactive way in order to stimulate accountability and foster trust among citizens.

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7. Ensuring transparency and integrity in Argentina's public decision-making processes and political financing

This chapter looks at the resilience of Argentina's public decision-making processes with respect to the risk of policy capture, that is, the undue influence on public decisions. Resilience to policy capture can be achieved by levelling the playing field for interest groups to participate on an equal basis. First, this requires strengthening and effective implementation of Argentina's new Access to Public Information Law and the existing mechanisms to promote stakeholder engagement in the legislative and the executive branches. Second, Argentina could promote integrity and transparency in lobbying activities by extending the scope of its framework to other branches of government, improve the negative perception of lobbying through stakeholder participation and ensure that all actors involved are held to account. In turn, to enable accountability the high degree of informality in political financing needs to be reduced, along with an increase in the effectiveness of monitoring and enforcement. In addition, efforts need to be made to expand political finance regulations to the provincial level in order to make the financing system more coherent.

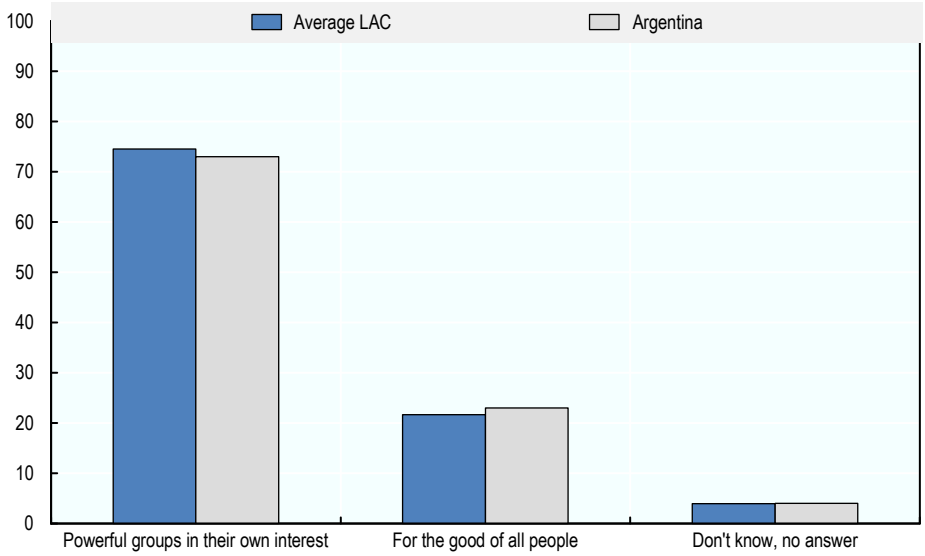
7.1. Introduction

1. Public policies are at the centre of the relationship between citizens and governments. They largely determine the quality of citizens' daily lives. While policy makers should pursue the public interest, they are confronted, in practice, with the existence of a variety of groups with vested interests in the policies. This context creates incentives and opportunities to seek undue influence over public decisions to obtain a favourable environment for one's own interests. Such undue influence on the rules of the game has been coined policy capture. Policy capture is when public policy decisions are consistently or repeatedly directed away from the public interest towards the interests of a specific interest group or person (OECD, 2017[1]). Capture is thus the opposite of inclusive and fair policy-making and undermines core democratic values. In essence, capturing a decision-making process equates excluding others from it.

2. In Argentina, according to the 2017 Latinobarómetro survey, 73 % think that their country is governed by powerful groups in their own interest, while only 23 % believe Argentina is governed for the good of all people (Figure 7.1). Even though this is slightly but not significantly better than the average of all Latin American countries covered by the survey, it is clearly an indicator that citizens perceive that policies are captured by narrow interests.

Figure 7.1. Argentines perceive that a few powerful groups dominate their country

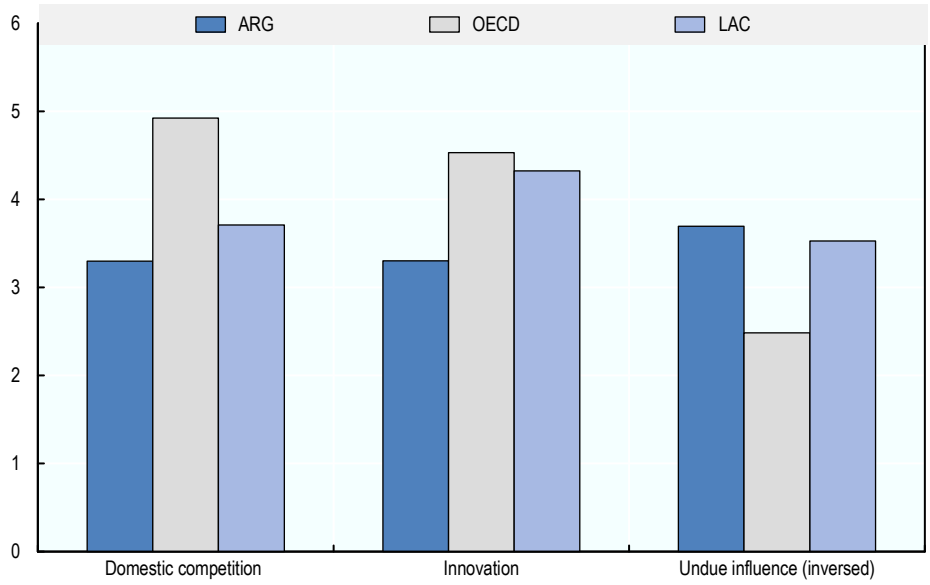
In general terms, would you say that your country is governed by a few powerful groups for their own benefit, or that it is ruled for the good of the whole population?



Note: The original question is: "En términos generales ¿diría usted que (país) está gobernado por unos cuantos grupos poderosos en su propio beneficio, o que está gobernado para el bien de todo el pueblo?" Overall, this survey has been conducted in 18 countries in the region (Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, and Venezuela).
Source: Latinobarómetro (2017).

3. The consequences of policy capture are devastating. Policy capture fuels a vicious cycle of inequality and undermines possible reforms, and it also weakens the economic growth potential of an economy itself. Indeed, where a weak integrity system is facilitating the capture of policies, obtaining "legal" protection against competitive pressure through undue influence may be the most efficient way of obtaining rents for companies (OECD, 2016[2]). In other words, policy capture implies a misallocation of private resources: rent-seeking activities, such as financing political campaigns and parties or investing into lobbying activities, are favoured at the cost of investments into product, process or business model innovations, affecting both allocative and productive efficiency and thus growth potential. Data from the World Economic Forum's Global Competitiveness Report 2017-2018 indeed shows that Argentina seems to be on average more vulnerable to undue influence than other Latin American and OECD countries and exhibits lower levels of perceived domestic competition and innovation.

Figure 7.2. Undue influence comes along with lower levels of perceived domestic competition and innovation



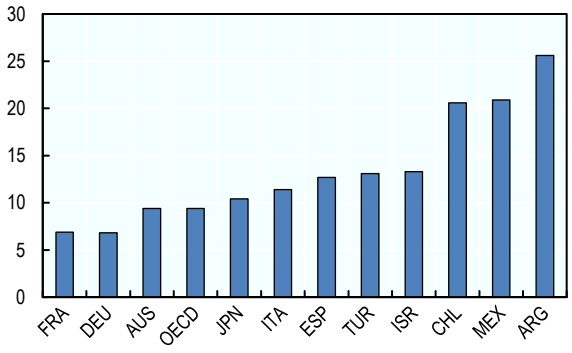
Note: A value of 0 is "low" and a value of 6, "high". The scores for the "undue influence" indicator have been inverted to reflect that higher scores mean higher levels undue influence. The World Economic Forum calculates the indicator based on the responses to two questions, relating to judicial independence ("In your country, to what extent is the judiciary independent from influences of members of government, citizens, or firms?") and favouritism ("In your country, to what extent do government officials show favouritism to well-connected firms and individuals when deciding upon policies and contracts?").
Source: World Economic Forum (2017).

4. To overcome the concentration of economic resources in the hands of ever-fewer people (Figure 7.3), and to enable an environment conducive to inclusive growth that promotes innovation and competition and reduces inequalities, Argentina should therefore aim at improving its policy-making processes by making them more accessible, inclusive and subject to public accountability. In addition to strengthening public integrity as emphasised throughout the previous chapters, Argentina needs to reinforce its policies in both the executive and the legislative branches, along three lines:

- Policies promoting transparency and stakeholder engagement
- Policies fostering integrity and transparency in lobbying activities
- Policies supporting integrity in political finance and elections

Figure 7.3. Income inequality in Argentina is high

S90/S10 disposable income decile share*



Note: 2014 or latest year available, 2016Q2 for Argentina.
Source: (OECD, 2017[3]).

7.2. Promoting transparency and stakeholder engagement

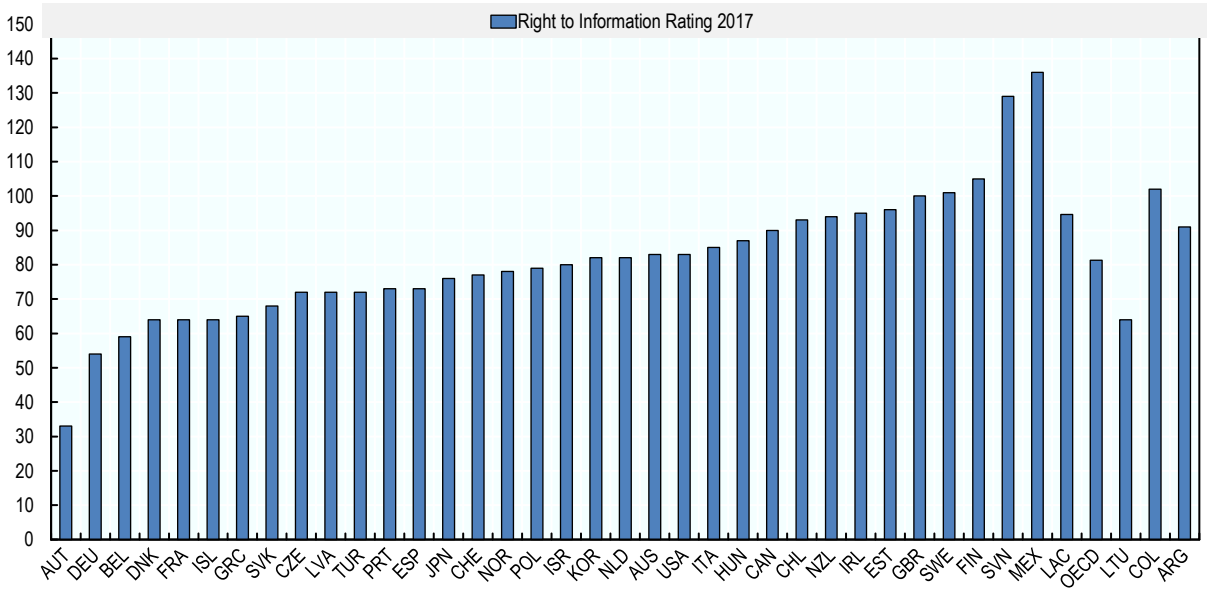
7.2.1. All public entities across powers and levels of government need to ensure an effective implementation and enforcement of the Access to Information Law

5. A necessary, although not sufficient condition, to make policy-making more inclusive and to mitigate risks of policy capture and corruption is to ensure effective transparency and access to information (OECD, 2017[1]; OECD, 2017[4]). Both active and passive transparency can provide relevant information to interested stakeholders, for instance information regarding available budget, resources spent or policy objectives. With such information, interested individuals and organised groups can participate more effectively in decision-making processes and hold the government to account. Of course, transparency alone is not sufficient to ensure effective participation or social accountability. Stakeholders also need channels to express their interests in policy-making processes effectively, and they need to believe that the government is genuinely interested in their views and will consider them. Only then, transparency can promote trust in public institution. Without such credible channels of participation and a visible reaction by the government, transparency can even lead to cynicism and resignation (OECD, 2001[5]; Bauhr and Grimes, 2014[6]; OECD, 2017[7]).

6. In 2016, Argentina made a significant step towards promoting transparency and access to information by adopting the Law on the Right of Access to Public Information, Law 27.275 (Ley de Derecho de Acceso a la Información Pública). The law requires the creation of Access to Information Agencies (*Agencias de Acceso a la Información Pública*) in the executive, the legislature, and the judiciary (Poder Judicial de la Nación) as well as in the Attorney General's office (Ministerio Público Fiscal de la Nación), the Defender General's Office (Ministerio Público de la Defensa), and the Council of Magistrates (Consejo de la Magistratura). They shall ensure compliance with the legal framework, the effective exercise of the right of access to public information and promote active transparency measures. The law builds in particular on Decree 1172 from 2003, strengthening its framework and expanding its application beyond the executive. In addition, Article 29 requires the creation of a Federal Council for Transparency. The Council is a permanent interjurisdictional body aimed at promoting technical co-operation

and agreeing on transparency and access to public information policies across levels of government. According to the Right to Information (RTI) Rating elaborated by Access Info Europe (AIE) and the Centre for Law and Democracy (CLD), the legal quality of Argentina's Access to Information Law is slightly above the OECD average, but below the average score of Latin American countries included in the RTI (Figure 7.4).

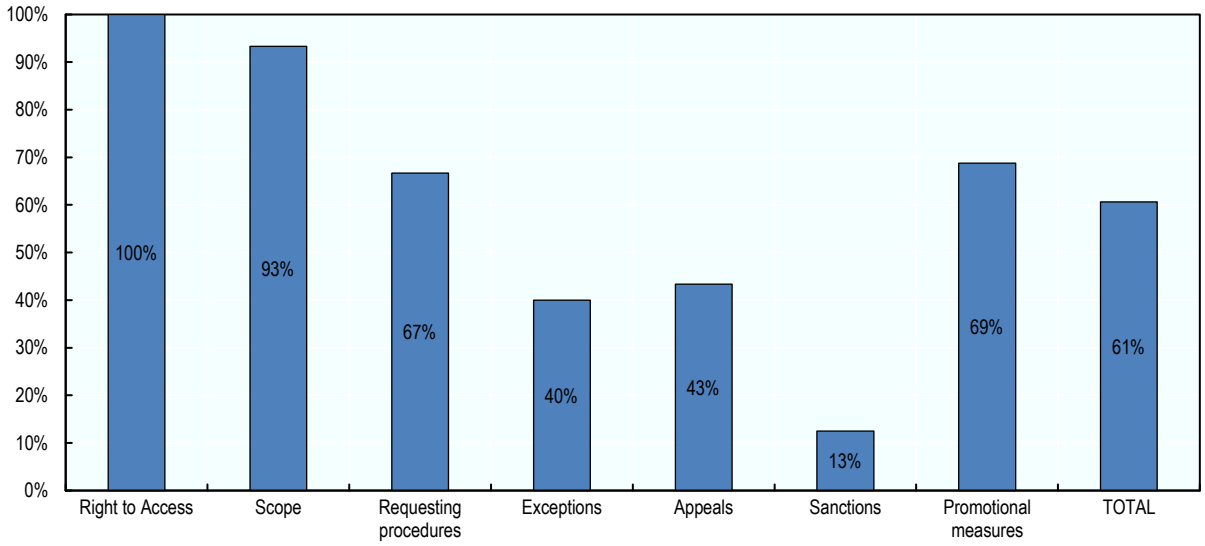
Figure 7.4. In terms of its legal framework, Argentina's Access to Public Information Law (Law 27.275) is slightly above OECD average



Note: The maximum achievable composite score is 150 and reflects a strong RTI legal framework. The global rating of RTI laws is composed of 61 indicators measuring seven dimensions: Right of access; Scope; Requesting procedures; Exceptions and refusals; Appeals; Sanctions and protection; and Promotional measures. The LAC countries are: Argentina, Brazil, Chile, Colombia, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay. No data available for Luxembourg and Costa Rica.
Source: Access Info Europe (AIE) and the Centre for Law and Democracy (CLD), Right to Information Rating.

7. A closer look at RTI scores shows room for improvement, especially in the dimensions related to appeals, and sanctions (Figure 7.5). In relation to appeals, the legal framework does not specify whether the decisions taken by the Access to Information Agency are legally binding. Therefore, its legal effect and how to follow up in case of incompliance are not clear. To ensure effective appeal mechanisms, Argentina could amend the Access to Public Information Law, specifying the consequences of appealing a decision of the Agency. In this context, it could consider the case of Mexico, whose Transparency and Access to Public Information Law (*Ley Federal de Transparencia y Acceso a La Información Pública*) specifies that the resolutions of the Federal Access to Information Institute (*Instituto Federal de Acceso a la Información y Protección de Datos*) should establish the time limits and terms for their compliance as well as the procedures to ensure their execution, which may not exceed ten days if it mandates the submission of information (Article 157).

Figure 7.5. Argentina's Access to Information legal framework exhibits weaknesses in the dimensions of exceptions, appeals, and sanctions



Note: The percentages are calculated based on the maximum possible scores by dimension and the actual RTI score obtained by Argentina.
Source: Access Info Europe (AIE) and the Centre for Law and Democracy (CLD), Right to Information Rating.

8. With respect to sanctions, the score is particularly low. For example, the Law does not provide for imposing sanctions or confer the power to require remedial actions of public authorities who systematically fail to disclose information or who underperform in fulfilling their duties related to the Law. The only explicit consequence of a decision taken by the Access to Information Agency is the decision's publication on the agency's website. However, as of March 2018, the corresponding section of the website does not contain the name of any non-compliant entity (https://www.argentina.gob.ar/que-organismos-no-cumplen-con-la-ley-de-acceso-la-informacion-publica). In addition, the Law currently does not grant legal immunity to the staff of the Access to Public Information Agencies for acts undertaken in good faith in the exercise or performance of any power, duty or function under the Access to Public Information Law. Similar immunity is also not provided for others who release information in good faith pursuant to Law. Finally, as mentioned in Chapter 3, there are currently no legal protections in Argentina against imposing sanctions against those who, in good faith, release information that discloses wrongdoing.

9. Beyond this potential for improvement of the legal framework itself, Argentina needs above all to ensure an effective implementation of the new law. In particular, the Access to Public Information Agencies and the Federal Council for Transparency need to be established and provided with the resources required to fulfil the respective mandate and responsibilities. Furthermore, Argentina should improve the coordination mechanism among Access to Information Agencies in each branch of government in order to ensure the uniform implementation of the transparency and access to information framework. In November 2017, Decree 899 created a Roundtable for Institutional Coordination on Access to Public Information located under the Ministry of Interior. As of May 2018, the roundtable organised three coordination meetings with the Access to Information Agency of the executive branch and representatives from other state branches in charge of

implementing the regulation on access to information. However, as of May 2018, some of the access to information authorities of state branches have not been designed yet.

7.2.2. Argentina could improve the effectiveness of tools for stakeholder engagement and participation, as well as their awareness among citizens

10. Inclusion means not only that all citizens should have equal opportunities and multiple channels to access information, but also that they should be consulted in policy making (OECD, 2015[8]; OECD, 2015[9]). Ensuring the inclusive and fair participation of different interests in public decision-making processes is at the core of democracy. Consultation and engagement can help policy makers gather the necessary inputs and evidence to deal with the multidimensional nature of policy objectives and identify trade-offs. As such, stakeholders include citizens, domestic and foreign companies, labour unions, civil society organisations (CSOs), and public sector organisations, and engaging them is an essential element of Open Government policies (Box 7.1). Stakeholder engagement also enables social control of the decision-making processes and strengthens the accountability of the government and individual public officials. Therefore, engaging stakeholders is a key tool against policy capture: an inclusive process involving different interests is more likely to be resistant to the risk of a single interest capturing the process.

Box 7.1. Types of Stakeholder Participation

Stakeholder participation, as defined by the OECD Recommendation of the Council on Open Government, refers to all the ways in which stakeholders can be involved in the policy cycle as well as in service design and delivery, including information, consultation and engagement.

Information: an initial level of participation characterised by a one-way relationship in which the government produces and delivers information to stakeholders. It covers both on-demand provision of information and "proactive" measures by the government to disseminate information.

Consultation: a more advanced level of participation that entails a two-way relationship in which stakeholders provide feedback to the government and vice-versa. It is based on the prior definition of the issue for which views are being sought and requires the provision of relevant information, in addition to feedback on the outcomes of the process.

Engagement: when stakeholders are given the opportunity and the necessary resources (e.g. information, data and digital tools) to collaborate during all phases of the policy-cycle and in the service design and delivery.

Source: OECD Recommendation of the Council on Open Government (OECD, 2017[7])

11. In Argentina's Executive branch, Decree 1172 of 2003 introduced two central tools of stakeholder engagement: On the one hand, the Participatory Rule-making (Elaboración participativa de normas, Decree 1172, Annex V and VI), and on the other hand, Public Hearings (Audiencias públicas, Decree 1172, Annex I, II).

12. Under the Participatory Rule-making mechanism, interested stakeholders can comment on proposals for administrative rules and bills that the national executive branch sends to Congress. Citizens have access to files and can comment but their contributions are not binding in the final elaboration of the document. This mechanism has been used for

example in the process of drafting the last reform of the Public Ethics Law (2017-2018). Public hearings, in turn, are a form of participation in the decision-making process in which the responsible authority facilitates an institutional space so that anyone who may be affected or has a particular interest can express their opinions. Many of the regulating entities of public services have used this tool to make decisions in their sectors of competence, as in some situations public hearings are legally compulsory. Regarding electricity production, transport and distribution activities, for example, Law 24.065 mandates that Public Hearings are to be held when the Electricity Regulating Entity (Ente Nacional Regulador de la Electricidad, or ENRE) resolves issues related to the execution of works to expand the transport and distribution facilities; with the merger between transport companies or distribution companies; with conducts allegedly contrary to the principles of free competition; with fixing or adjustments of rates and with complaints about actions of generators, carriers, distributors or users considered to be in violation of the sectoral regulations.

13. However, for both tools, the call for participation is initiated or authorized by the authority of the executive, which means that the decisions to open given processes in the end does not necessarily coincide with those in which stakeholders would like to have a say. Also, the existence of these mechanisms as well as open consultation processes could be better communicated to citizens. Further, the fact that the opinions expressed are not binding in any way (not even formally answered) and that participation requires a formal registration may discourage the participation of actors who have fewer resources. For instance, the Executive branch can consider to formally allow the reception of comments by e-mail, or through other electronic channels, in order to facilitate access to citizens from all over the country, and not only to those living in the capital. Besides, public comments can be formally replied or addressed. Along these lines, a mandatory publication of draft regulations on the official websites coupled with time to provide written comments could be considered to provide the opportunity for both social control and constructive feedback to interested stakeholders.

14. In the legislature, both the Chamber of Deputies and the Senate have participation channels. In the Chamber of Deputies, the citizen participation is formally stipulated in Article 114bis of its Internal Regulation, which establishes that the 'commissions' may hold public hearings, open forums and virtual video chat debates in order to know the opinion of citizens, of legal, public or private persons and community organizations. The committees themselves determine the accreditation, requirements and intervention modality of the participants to the hearing and the Chamber allocates an area for its realisation. The opinions of the participants and the conclusions reached as a result of these activities are not binding. Nonetheless, they must be formally received by the commission or commissions, and included as background information in the agenda corresponding to the file or files related to the matter for which it has been convened. Calls for hearings are made by each of the Chamber's committees and regulated at their discretion. As such, they fulfil the criteria of simple, oral, informal and procedurally brief, given the number of topics and issues on which it is legislated. However, the fact that there is no general regulation for the realization and development of the hearings can threaten an effective participation. A formal framework with more detailed criteria to be met when carrying out public hearings could provide a better guarantee for all citizens who wish to participate in them.

15. In turn, the regulation of the Senate in Article 99 stipulates that Senate commissions can call public hearings when they consider projects or matters of public importance. In cases where it is deemed necessary, they can call on experts on the topics to be discussed, to facilitate understanding, development and evaluation of the issues at hand. Articles 112

to 123 establish the details and requirements of the procedure, which confers broad powers to the president of the hearing, to suspend or extend it and expel from the room those who he/she considers could alter its development. Moreover, the holding of public hearings is also foreseen in some specific laws, for example when appointing officials of the Judiciary and the Public Ministry, for which the specifications presented by the Executive must have the Senate's agreement. The Senate has also a tool called the "citizen vote", through which citizens can learn about various bills that are discussed in the Senate and vote whether they agree or disagree with it. This tool has been used in thirteen opportunities to date, for example in the creation of a social tariff scheme and in the criminalization of the possession of child pornography. The publication of the projects and the voting are done digitally, on the Senate's website.

16. However, these procedures for citizen participation in legislative processes are not sufficiently known by citizens. There are many examples of their use as they are frequent practices in the legislature, but they do not invoke broad participation. They are formally regulated, but lack publicity. Argentina could therefore consider designing and implementing a campaign to communicate the existence of these tools to citizens and stakeholders, and to sustain efforts in communicating whenever a participation process is opened. For example, the Executive communicates open participative processes on official websites and in newspapers. More specifically, the campaign should aim at highlighting the responsiveness of the government and the actions taken based on the participation processes to build trust and raise their credibility. In addition, these mechanisms could be used more coherently, for example by establishing some general rules applicable for both Chambers instead of leaving calls and regulations at the discretion of committees. Public hearings could be made mandatory if more than two committees intervene in a draft law.

7.3. Fostering integrity and transparency in lobbying

7.3.1. Argentina could strengthen the existing framework on lobbying by extending its objective and subjective scope.

17. Lobbying is a fact of public life in all countries. It has the potential to promote democratic participation and can provide decision makers with valuable insights and information. Lobbying may also facilitate stakeholder access to public policy development and implementation. Yet lobbying is often perceived as an opaque activity of dubious integrity, which may result in undue influence, unfair competition and policy capture to the detriment of fair, impartial and effective policy-making. This is the case in Argentina where people associate lobbies with pressure groups (*grupos de presión*) and interest groups (*asociaciones de interés*), and where lobbying activity is often associated with secrecy as well as trafficking of influence (Johnson, 2008[10]).

18. Argentina introduced regulation on the "management of interests" (*gestión de intereses*) in the executive branch with Decree 1172 of 2003, which also addresses issues of public hearings (*audiencias publicas*) and participatory decision-making (*elaboración participativa de normas*). In particular, the regulation mandates a number of high level officials from the executive branch – including the President, Vice-president, Chief of Cabinet of Ministers, Ministers, Secretaries and Undersecretaries – to register any hearing with natural or legal persons whose objective is to influence the exercise of official functions or decision-making.

19. The OECD experience shows that the definition provided by countries usually includes all activities (not only hearings) carried out in order to influence public decisions

and policies, or as communication or contact with public officials. This is the case, for example, of Austria, Poland and Slovenia, which define lobbying according to the broad nature of the activities carried out in order to influence public decisions and decision makers (Box 7.2). Furthermore, countries such as the United States include members of the legislative branch among officials covered by the scope of the law, in particular:

- A Member of Congress;
- An elected Officer of either the House or the Senate;
- An employee, or any other individual functioning in the capacity of an employee, who works for a Member, committee, leadership staff of either the Senate or House, a joint committee of Congress, a working group or caucus organized to provide services to Members, and any other Legislative Branch employee serving in a position described under Section 109(13) of the Ethics in Government Act of 1978 (Section 3 of Lobbying Disclosure Act).

Box 7.2. Defining lobbying in national legislation: The cases of Austria, Poland and Slovenia

In Austria, the Lobbying and Interest Representation Transparency Act of 2013 defines lobbying activities as every organised and structured contact whose purpose is to influence a decision maker on behalf of a third person. In Poland, the Act on Legislative and Regulatory Lobbying of 7 July 2005 regulates lobbying in the law-making process. Article 2 defines lobbying as any legal action designed to influence the legislative or regulatory actions of a public authority. The Act also defines professional lobbying as any paid activity carried out on behalf of a third party with a view to ensuring that their interests are reflected in proposed or pending legislation or regulation. In Slovenia's Integrity and Prevention of Corruption Act, Article 4 (11) defines lobbying as the activities carried out by lobbyists who, on behalf of interest groups, exercise non-public influence on decisions made by state and local community bodies and holders of public authority with regard to matters other than those subject to judicial and administrative proceedings, to proceedings carried out in accordance with public procurement regulations, and to proceedings in which the rights and obligations of individuals are decided upon. Lobbying means any non-public contact made between a lobbyist and a lobbied party for the purpose of influencing the content or the procedure for adopting the aforementioned decisions

Source: (OECD, 2014[11]).

20. Although the decision-making process in Argentina is historically concentrated in the executive branch, Argentina could expand the scope of its regulation and align its definition of lobbying to any "oral or written communication with a public official to influence legislation, policy or administrative decisions [whereas] the term public officials include civil and public servants, employees and holders of public office in the executive and legislative branches, whether elected or appointed." (OECD, 2010[12])

21. Argentina is currently revising the existing regulation with the aim to provide a more comprehensive lobbying framework beyond the executive branch. Indeed, the current framework only applies to activities taking the form of hearings (*audiencias*) and is regulated by a Decree, which can only apply to the government and therefore covers only

part of the potential lobbying activities. In particular, a draft law revising the regulation on the management of interests is currently under discussion in the Congress (No. 4-PE02017). It specifically includes among those can be the target of lobbying activities members of the legislative branch and of the judicial branch. The draft law also broadens the scope of the definition on "interest management" to all activities aiming to influence the public decision-making process.

22. However, Article 8 maintains the obligation to report such activity in a registry (*registro de audiencias*) only when a "management hearing" (*audiencia de gestión*) takes place, which is defined as a meeting in person or through videoconference (Article 2(d)). In order to set up a comprehensive scope of the regulation, the draft law could be revised to ensure the transparency of any kind of lobbying activity that may take place in practice and not restrict the definition to certain channels. For example, as highlighted by representatives from the private sector interviewed during the fact-finding mission, other relevant interactions through channels such as popular messaging applications currently would fall outside the scope of the regulation, thereby impairing its effectiveness.

7.3.2. The Roundtable for Institutional Coordination on Access to Public Information could also ensure co-ordination of the implementation of lobbying regulation and manage a single online platform

23. Under the current legal framework each public person or institution with the obligation to register the hearings has to set up its own Registry of Meetings containing the following information: meeting request; information on the requesting person; interests invoked; participants; place, date, time and purpose of the meeting; meeting minutes; and evidence of the meeting taking place. This information should be public and free access, daily updates and dissemination through the website should be ensured. In practice, all the information about the meetings provided for in the decree are contained in a single on-line platform (https://audiencias.mininterior.gob.ar/) called "Single Registry of Interests' Management Hearings" (*Registro Único de Audiencias de Gestión de Intereses*) which is managed by the Ministry of Interior. The online platform has recently been renewed and reorganised with the help of the Ministry of Modernisation, and it now allows searches according to specific criteria (public official, entity and participants) as well as downloading data.

24. A similar approach seems to be followed in draft law No. 4-PE02017, which gives the "implementation authority" (*autoridad de aplicación*) of each branch of the state (the same ones envisaged by the Access to Information Law) the responsibility to ensure that the required institutions register and update information on the internet regarding their interaction with lobbyists. However, the proposed reform does not envisage any co-ordination mechanism that could allow for technical collaboration, coherence in the implementation, and the creation of a single registry where citizens could consult all the lobbying-related information across branches of government.

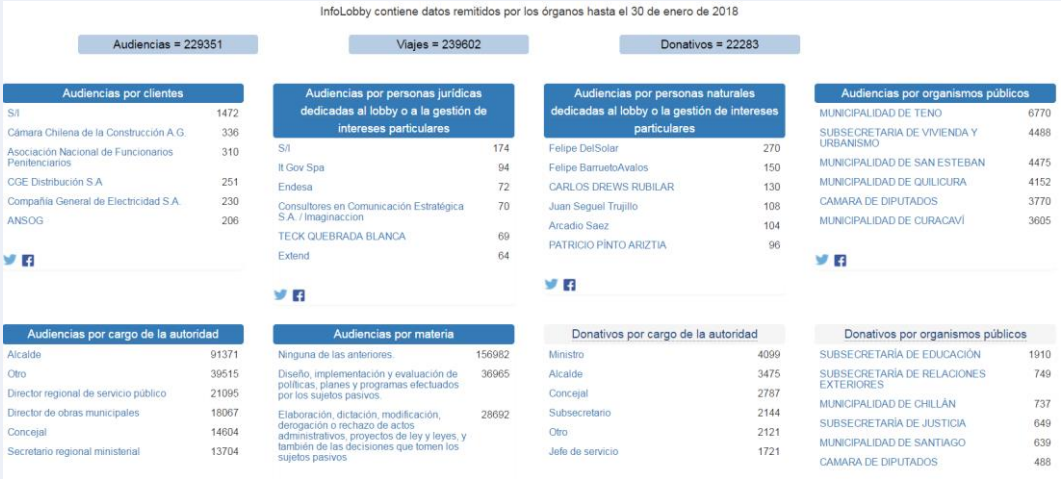
25. Following the stakeholder proposals during a public hearing on the reform of lobbying regulation (Ministerio del Interior, 2016[13]), Argentina could address the risk of fragmented implementation by extending the competence of the above-mentioned Roundtable for Institutional Coordination on Access to Public Information to lobbying-related issues. In relation to lobbying regulations, this co-ordination mechanism could ensure the uniform implementation of the lobbying obligations and provide technical assistance to those institutions lagging behind. Furthermore, it could create and manage a single on-line portal, which would facilitate the consultation of information across branches

of government, help communication of all the existing information, and eventually incentivise public scrutiny of citizens and interested stakeholders.

26. In this context, Argentina could consider the example of Chile's Transparency Council, with whom the Ministry of Interior has already established cooperation to exchange experiences and promote mutual learning. In particular, Argentina could learn from the experience of the Transparency Council's single platform (Info Lobby) which contains all the lobbying-related information of the country. Although the typology of information to be disclosed is broader in the Chilean legislation (it includes donations and travels), Argentina could also consider organising the information and allowing the search according to additional criteria (i.e. lobbyist, subject matter, and public official ranking). At the same time, the platform could provide links to file reports on lobbying-related integrity breaches, training material and reports on activities, including infographics with findings and trends (Box 7.3).

Box 7.3. Co-ordinating and uploading lobbying information in Chile

The on-line portal allowing citizens to obtain information about lobbying in Chile called Info Lobby is managed by Transparency Council (*Consejo para la Transparencia*), the coordination body overseeing the implementation of the Transparency Law and, in particular, promoting transparency, monitoring compliance, and guaranteeing the right to access to information. With regard to lobbying, it is also in charge of making all registers of every institution accessible in a user-friendly website. For this purpose, all subjects covered by the lobbying regulation have to send relevant information to the Council, which will then publish it in the on-line portal. These not only include lobbying-related information – which are then organised according to several criteria (paid/unpaid lobbyist, lobbyist client, institution, public officials ranking and subject matter) – but also information about public officials' travels and donations, which are also to be disclosed according to Lobbying Law No. 20.730.



Source: Lobbying Law No. 20.730 of 2014; http://www.infolobby.cl/.

7.3.3. In order to improve the perception of lobbying among citizens and address concerns, Argentina could further promote stakeholder participation in the discussion and implementation of the regulations.

27. One of the main challenges that emerged during the interviews conducted in Argentina is the limited – and often negative – understanding of the concept of lobbying and of the benefits of making it a transparent process, including to ensure fair and equitable access to the decision-making process and to enable public scrutiny. This perception affects both the willingness in disclosing these activities by those who take part in meetings (i.e. public officials and lobbyists) but also the scrutiny of citizens, who see lobbying regulation suspiciously rather than a tool for transparent participation to the decision-making process.

28. The proposal to reform lobbying regulations elaborated by the Government and currently under discussion in the Congress has been the result of a public consultation process which culminated in a public event which took place in September 2016 (Ministerio del Interior, 2016[13]). In this event, all relevant stakeholders, namely public

officials, private sector, NGOs, academia addressed key lobbying regulation issues such as equal access to decision-making processes, pros and cons of registries, controls and sanctions, codes of ethics for lobbyists as well as models of autoregulation. Although consultation processes are an effective tool for bringing stakeholders on board and ensuring that proposed regulations effectively address concerns over lobbying (OECD, 2014[11]), Argentina could further work with stakeholders and citizens to communicate and involve them not only throughout the rest of the drafting process, but also in its implementation. Building on the proposals emerged during the event, and following the example of Ireland (Box 7.4), this could include education and awareness raising campaigns addressing the negative perception of lobbying through information material and social media, as well as the creation of a permanent advisory group to the co-ordination body or mechanism to be created (see section above). This advisory group could include public and private actors but also civil society. Although the debate over the law is as crucial as the law itself (Ministerio del Interior, 2016[13]) and effective implementation starts with an inclusive design of regulation shaping understanding, consensus, and ownership, this body could already be created informally to foster discussions and promote the parliamentary debate over a law which is needed to update the existing framework from 2003.

Box 7.4. Supporting a cultural shift towards the regulation of lobbying in Ireland

The Standards in Public Office Commission established an advisory group of stakeholders in both the public and private sectors to help ensure effective planning and implementation of the Act. This forum has served to inform communications, information products and the development of the online registry itself.

The Commission also developed a communications and outreach strategy to raise awareness and understanding of the regime. It developed and published guidelines and information resources on the website to make sure the system is understood. These materials include an information leaflet, general guidelines on the Act and guidelines specific to designated public officials and elected officials.

The Commission launched a more targeted outreach campaign through letter mail, and issued a letter and information leaflet to over 2 000 bodies identified as potentially carrying out lobbying activities.

The website was developed to contain helpful information on how to determine whether an activity constitutes lobbying for the purposes of the Act. (Three Step Test: www.lobbying.ie/hel p-resources/information-for-lobbyists/am-i-lobbying/) Instructional videos were added to the site as well (www.youtube.com/watch?v=cLZ7nwTI5rM).

Source: Lobbying.ie, www.lobbying.ie/.

7.3.4. Argentina could increase the responsibility of the private sector and promote complementary self-regulation

29. While public officials have the prime responsibility to demonstrate and ensure the transparency of the decision-making process, the existing and prospective approach of Argentina may result unbalanced as it lays on them all the responsibility of recording lobbying activities. Indeed, public officials and institutions may not have enough or

accurate information regarding the clients or types of interests every lobbyist may represent. As a consequence, lobbyists and their clients also share an obligation to ensure that they avoid exercising illicit influence and comply with professional standards in their relations with public officials, with other lobbyists and their clients, and with the public. (OECD, 2010[12])

30. Argentina could increase the accountability and responsibility of the private sector and lobbyists for their activities in two ways. First, the draft law which is currently under revision could include a few explicit obligations for lobbyists clarifying their essential role in providing information which public entities will be then obliged to register and eventually publish on-line. This would not mean creating an additional register where lobbyists would be required to sign up but rather to share the responsibility of having accurate and updated information in the already existing registers. In this sense, Argentina could follow the example of Chile, whose lobbying law provides for a number of disclosure obligations for lobbyists as well as for sanctions in case they are not complied with, namely:

- To provide in a timely and truthful manner to the respective authorities and officials the information provided for by law, both to request hearings or meetings, and for publication purposes.
- Inform the requested public official or institutions the names of the natural/legal person they represent, if applicable.
- Inform the requested public official or institutions if they receive a compensation for their work.
- To provide, in the case of legal persons, the information regarding their structure, without it being obligatory in any case to provide confidential or strategic information. (Lobbying Law no. 20.730 of 2014)

31. Furthermore, Argentina could promote responsible lobbying and self-regulation by stressing that lobbying entities should ensure that:

1. staff assigned to conduct lobbying activities have a good understanding of transparent, responsible and thus professional interaction; and
2. accurate and consistent processes and procedures for transparent interaction with authorities and organisations are implemented in order to reassure the public that lobbying is done professionally and with high standards (OECD, 2017[14]).

32. In this context, following the consultation event held in 2016 and other meetings organised with the private sector in relation to the lobbying reform, the Ministry of Interior could continue promoting specific dialogue with private stakeholders and underline their responsibility and role in making lobbying a transparent and professional activity. As such, the practice of introducing a code of conduct for lobbying activities could be considered, as done by private entities such as the French bank BNP Paribas, which has adopted a "charter for responsible representation with respect to public authorities" (Box 7.5). Alternatively, Argentina could take advantage of the dialogue established with the Ministry of Interior of Canada on lobbying-related issues to discuss the possibility of providing guidance for lobbyists on the regulation as done by the Office of the Commissioner of Lobbying of Canada in relation to issues such as conflict of interest, preferential access, political activities and gifts (Office of the Commissioner of Lobbying of Canada,(n.d.)[15]).

Box 7.5. BNP Paribas' charter for responsible representation with respect to public authorities

In December 2012, BNP Paribas published its charter for responsible representation with respect to public authorities. The charter applies to all employees in all countries, and to all activities carried out in all countries in which BNP Paribas operates. BNP Paribas was the first European bank to adopt an internal charter for its lobbying activities.

The charter contains a number of commitments to integrity, transparency, and social responsibility. Under the terms of the integrity commitment, the charter establishes that:

"The BNP Paribas Group shall:

- comply with the codes of conduct and charters of institutions and organisations with respect to which it carries out public representation activities;
- act with integrity and honesty with institutions and organisations with respect to which it carries out public representation activities;
- forbid itself to exert illegal influence and obtain information or influence decisions in a fraudulent manner;
- not encourage members of institutions and organisations with respect to which it carries out public representation activities to infringe the rules of conduct that apply to them, particularly regarding conflict of interest, confidentiality and compliance with their ethical obligations;
- ensure that the behaviour of employees concerned by the Charter is in accordance with its Code of Conduct and internal rules regarding the prevention of corruption, gifts and invitations;
- ensure that any external consultants who may be engaged comply with strict ethical rules that are in accordance with this Charter."

In addition, BNP Paribas' employees and any external consultants who may be engaged must inform the institutions and organisations with which they are in contact who they are and whom they represent. The bank has also undertaken to publish its main public positions on banking and financial regulation on its website. BNP Paribas provides the employees concerned with regular training on best practices in public representation activities.

Source: (OECD, 2017[14]).

7.3.5. Argentina should introduce effective sanctions for breaches of lobbying rules and make this information public

33. As for integrity rules in general (see Chapter 6) sanctions are necessary features of lobbying rules, demonstrating accountability, serving as deterrents for breaches, and indirectly promoting compliance. Although they may be different in nature, most legislation provides for disciplinary or administrative sanctions like fines, while a few countries' laws also have criminal sanctions, which can include imprisonment (Table 7.1).

Table 7.1. Sanctions for public officials who breach lobbying principles, rules, standards or procedures

	Disciplinary and administrative sanctions	Civil sanctions (e.g. fines)	Criminal sanctions (e.g. imprisonment)
Austria	●	○	●
Canada	●	○	●
France	●	○	○
Germany	●	●	●
Hungary	●	○	○
Italy	○	○	●
Japan	●	○	○
Mexico	●	○	○
Poland		○	○
Slovenia	●	●	○
United States	●	●	●
Total OECD11			
● Yes	10	3	5
○ No	1	8	6

Source: (OECD, 2014[11])

34. The existing legal framework on lobbying in Argentina defines the breach of corresponding obligations as a serious disciplinary breach (*falta grave*) and refers to additional civil and criminal responsibility the conduct may lead to. Institutional responsibilities are divided between the Ministry of Interior, which verifies and requires compliance with obligations, and the Anticorruption Office, which receives and formulates complaints as well as informing relevant authorities. In practice, the current system does not ensure sanctions for those subject to the regulation (Ministerio del Interior, 2016[13]), as also evidenced by the lack of public statistics, which – as in many many OECD countries – makes it difficult to assess the enforcement of rules (OECD, 2014[11]). The draft law under discussion does not move substantially away from the current system as far as it refers to the applicable disciplinary, administrative, civil and criminal sanctions for those public officials who do not comply with the obligations or obstruct their compliance. Furthermore, it gives the responsibility of monitoring compliance to the application authorities of each branch that, in case of breaches, should inform those authorities in charge of taking disciplinary and political decisions (draft Article 11). However, nothing is said on how to deal with those breaches that could have relevance from a criminal law perspective.

35. The lack of sanctions does not only undermine the effectiveness of the lobbying regulation system but also affects the perception of lobbying activities among citizens. Therefore Argentina could take several actions. First, give the future co-ordination mechanism for lobbying regulations the responsibility of collecting enforcement statistics from application authorities and publish them on the single platform to be created pursuant to the previous recommendation. Second, Argentina could consider clarifying the potential sanctions in the law and introducing different types such as fines or a "naming and shaming" mechanism affecting the reputation of those breaching the rules. This should apply for sanctions for public officials as well as for lobbyists in relation to the obligations that could be introduced in line with the previous recommendation. For this purpose, Argentina could consider the example of Canada, whose legal framework spells out the exact consequences of breaching the lobbying framework (Box 7.6).

Box 7.6. Sanctions for breaches of the Canadian Lobbying Act or Lobbyists' Code of Conduct

Amendments to the legislation in 2008 created the position of Commissioner of Lobbying and gave the Commissioner greater investigatory powers than the previous Registrar of Lobbyists enjoyed. The Lobbying Act provides for the following sanctions in the event of such breaches of the act as failure to file a return or knowingly making any false or misleading statement in any return or other document submitted to the Commissioner:

- on summary conviction, a fine not exceeding CAD 50 000 or imprisonment for a term not exceeding six months, or both;
- on proceedings by way of indictment, a fine not exceeding CAD 200 000 or imprisonment for a term not exceeding two years, or both.

If a person is convicted of an offence under the Lobbying Act, the Commissioner may prohibit the person who committed the offence from lobbying or arranging meetings with public officials or any other person for a period of up to two years.

The Commissioner may also make public the nature of the offence, the name of the person who committed it, and the penalty applied – so called "naming and shaming".

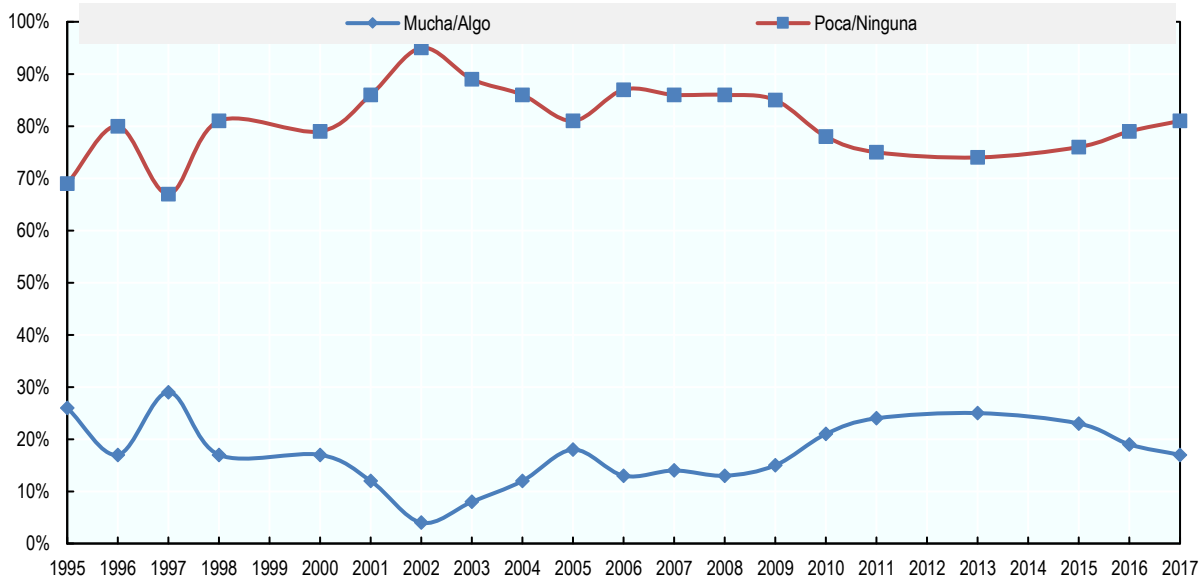
Source: Lobbying Act (RSC, 1985, c. 44 [4th Supp.]).

7.4. Enhancing integrity in politics

36. Beyond lobbying elected or appointed public officials, a way to influence policy making is to exert control over the election of representatives who will vote for or against certain policies or who are able to pressure the public administration to take certain decisions. This is seen, for example, with respect to technical standards and regulations or public procurement. Specific interest groups can help politicians get elected into office and later ask for favours in return. This can be achieved, for instance, by providing financial contributions to candidates or political parties and their campaigns, by providing other kinds of non-monetary advantages, such as access to private media, or by helping politicians gain votes through vote-buying or by organising and mobilising voters.

37. These and similar practices endanger the legitimacy of democratic systems. In addition to the widespread perception of Argentines that those who govern them are doing so to favour of small, powerful groups and not the public interest (Figure 7.1), evidence indicates growing discontent with democracy. According to the 2017 Latinobarómetro, 81% of Argentine respondents have little or no trust in political parties (Figure 7.6). Also in 2017, for the first time since 2010, 60% of Argentines are either "not very satisfied" or not "satisfied at all" with democracy; those who declare themselves to be "very satisfied" with democracy declined from 14% in 2016 to just 7% in 2017.

Figure 7.6. Trust in political parties in Argentina (1995-2017)



Source: Based on data from Latinobarómetro (1995-2017), www.latinobarometro.org.

38. In Argentina, allegations of fraud have overshadowed many elections in the last century. After introducing the secret ballot in 1912 through the Sáenz Peña Law and making important steps towards a consolidated democracy in the 1920s, the Great Depression eventually led to a military coup in 1930. The following decade was a turning point in the history of Argentinian democracy, as the governments used electoral fraud to stay in power (Alston and Gallo, 2009[16]). For example, electoral fraud has been demonstrated to have occurred in the province of Buenos Aires between 1931 and 1941 (Cantú and Saiegh, 2011[17]). This sequence of governments ended, again, by a military coup in 1943.

39. The period of electoral fraud was followed by a long period of political and economic instability. Between 1946 and 1976, Argentina had five coups (two in 1955 alone, as ones in 1962, 1966, 1970, 1971 and 1976), and eight coup attempts. In between, Argentina's political system oscillated between restricted democracies to military regimes (Figure 7.1). Since 1983, Argentina's democracy has been consolidating. While there are occasional reports of coercion and vote buying, as seen for example the undue retention of 1000 identity cards for legislative elections in Formosa province in 2009, there are very few reports about irregularities regarding the aggregation of preferences, that is, explicit fraud. Nonetheless, Argentina's political history underscores the importance of integrity in political election processes and in particular of ensuring a level playing field in political competition through adequate regulations of elections and political finance.

7.4.1. Improving regulation of public funds and subsidies for campaign financing could strengthen the party system and level the field of competition by reducing incumbents' advantages

40. Most OCDE member countries have provisions for direct public funding to political parties, for their ordinary activities as well as their election campaigns. Public funds can guarantee political parties the minimum resources needed to develop political and

representative activities in democracies, pay ordinary expenses, maintain representative and participation bodies and organise electoral campaigns. The eligibility criteria for receiving these funds can be based on the share of votes in elections (as in France, Australia, Mexico or USA) or their representation in elected bodies (as in the UK, Austria or Japan). These criteria assure the allocation of public funds to legitimate political contenders and avoid incentivising the creation of parties and candidatures with the sole objective of receiving state resources. At the same time, just one OECD member country, Chile, has 'participation in elections' as the eligibility criteria for direct public funding. That is the case for Argentina, too. This criteria is more flexible, as all the political parties that compete in elections are entitled to receive public funds, whether they are representative or not. It can incentivise the creation of flash parties or the use of parties as an electoral business.

41. According to Law 26.215 on Political Party Financing, there are different types of direct public funding for political parties. On an annual basis, the Permanent Partisan Fund (Fondo Partidario Permanente) provides funds for party operating costs, with 20% equally distributed among all recognised parties, and 80% distributed in proportion to the votes received during the previous congressional (deputies) election. The Ministry of Interior is in charge of the distribution of the funds and has the discretion to assign up to 20% of the budget to extraordinary contributions, even before distributing the total amount of the Fund. Further, following the official announcement of lists of candidates, Electoral Campaign Funds are provided to all parties with candidates running for elections; 50% of the contributions are equally distributed among all parties and 50% are distributed in proportion to votes in the previous election by electoral category (and new parties receive the same as the lowest amount allocated to established parties). Parties also receive funds to finance the cost of ballots, which are printed by the political parties (see section 7.4.6).

42. Like other political systems, Argentina guarantees resources to all political organisations that compete in elections. However, the 'participation criteria' to assign funds combined with a flexible law to recognise political parties currently seems to provide incentives for the creation of parties with the only objective of receiving resources, thereby multiplying the electoral offer and diluting public funds. A way to revalue public financing and guarantee a representative political arena would be to revise the requisites for political party recognition and continuity, stating for example individual requisites of votes that cannot be replaced by the ones got through electoral alliances. Another option could be to explore establishing a 'votes or representativeness criteria' when assigning campaign financing, as most OECD member countries have. Moreover, public resources of the Permanent Partisan Fund contribute to political parties' institutional development and maintenance, but its discretional assignment by the Ministry of Interior through extraordinary contributions prevents timely accountability. Therefore, it could be worth considering the establishment of formal procedures and the definition of strict criteria to assign extraordinary contributions and how these should be spent.

43. Furthermore, the political party in power has better access to state resources. It can abuse these resources for gaining unfair advantages. Governments communicate to citizens about the different policies and measures implemented, and such publicity can unbalance political competition if it done during campaigns. Therefore, the inauguration of public works, launching or promoting plans, projects or programmes with the purpose of getting votes should be strictly regulated.

44. In Argentina, governmental propaganda is banned only during part of campaigns. The Public Ethics Law states that "advertising of public institutions' programs, works, services and campaigns should have an educational, informative or social oriented

character, prohibiting names, symbols or images that can personally promote public authorities or employees". However, the Inter-American Commission on Human Rights has evidenced in their Principles on Official advertising and freedom of expression Regulations (2012) that the Argentine Supreme Court had pointed out that a more comprehensive and detailed legal framework should be established to avoid public officials discretionality, and highlights Canada as a case to be observed in the region (see Box 7.7). Therefore, in order to avoid bias and governmental advantages concerning public funds, it would be desirable for Argentina to ban government propaganda during all campaign periods, to strictly regulate official advertising and to introduce accountability mechanisms.

Box 7.7. Regulation on official advertising in Canada

The Policy on Communications and Federal Identity of the Government of Canada establishes that Government communications must be objective, factual, non-partisan, clear, and written in plain language. In order to guarantee this, the Directive on the Management of Communications on its requirement 6.23 made the head of communications responsible for the governmental advertising, applying the principles of the Canadian Code of Advertising Standards and complying with the oversight mechanism for non-partisan advertising.

This directive requires that governmental advertising is reviewed by an external oversight mechanism which supports the Government's commitment to ensure that its communications are non-partisan.

The reviews are conducted by the Advertising Standards Canada (ASC), a not-for-profit organisation and independent body composed of Canadian advertising industry professionals that administers the Canadian Code of Advertising Standards and has extensive experience reviewing advertising against legislative and regulatory requirements.

The ASC reviews creative materials for government advertising campaigns against established criteria for non-partisan communications, which is defined as follows:

- Objective, factual, and explanatory;
- Free from political party slogans, images, identifiers; bias; designation; or affiliation;
- The primary colour associated with the governing party is not used in a dominant way, unless an item is commonly depicted in that colour; and
- Advertising is devoid of any name, voice or image of a minister, Member of Parliament or senator.

The whole process is clearly defined and transparent to citizens, it includes reviews, publishing results, and meetings with different governmental bodies as the Public Service and Procurement Canada (PSPC) and the Treasury Board of Canada Secretariat (TBS).

Source: Policy on Communications and Federal Identity of the Government of Canada (2016)

7.4.2. The scope for informal campaign financing should be reduced by closing existing loopholes in the law, especially by prohibiting contributions in cash and allowing donations by legal entities

45. Levelling the playing field of political competition specifically calls for regulating money in politics. Parties need money to compete and finance election campaigns, also to communicate their proposals to citizens. Private funding allows for support from society-at-large for a political party or candidate. It is widely recognised as a fundamental right of citizens. Yet if private funding is not adequately regulated, it can be easily exploited by special private interests. Indeed, anecdotal evidence and research suggest that companies that contribute more money receive a larger number of public contracts (Witko, 2011[18]). Also, democracy is at risk of turning into a plutocracy if elected public officials are

representing the interests of their funders and not of those who elected them. Evidence from analysing data of the Brazilian electoral court (Tribunal Superior Eleitoral, or TSE) indicates that money is the determining factor for whether a candidate is elected or not (Gamermann and Antunes, 2018[19]). Therefore, countries increasingly regulate private funding to ensure a level playing field among parties and candidates (OECD, 2016[20]).

46. The main challenge with respect to private funding is to address the high level of informality that endangers accountability. In the worst case, informality facilitates funds from illicit origins flowing into political parties and campaigns that may lead to organised crime corrupting democratic institutions (Casas-Zamora, 2013[21]); there is evidence of such links in Argentina (Ferreira Rubio, 2013[22]).

47. There are no easy solutions to limit the problem of illicit or undeclared funding, however. More than merely prohibiting informal contributions, inducements have to be provided in a way that private donations are channelled as much as possible through formal means. This can be achieved by adequately framing the rules of the game for private funding, by establishing clear limits on private donations, prohibiting donations in cash, and allowing contributions by legal entities up to a certain amount.

48. Table 7.2 provides an overview of OECD member and accession countries with respect to existing limits on the amount a private donor can contribute to a political party over a time period that is not specifically related to elections. A total of 21 out of 39 countries, including Argentina, do consider a limit. The permitted value varies considerably, though. In general, if the limit is too low, it may provide incentives to channel funds informally to the political parties, and if it is too high, it may have no impact on levelling the playing field.

Table 7.2. Limits on the amount a donor can contribute to a political party

Country	Is there a limit on the amount a donor can contribute to a political party over a time period (not election specific)?	If yes, what is the limit?
Australia	No	Not applicable
Austria	No	Not applicable
Belgium	Yes, for natural persons	A party may receive maximum EUR 500 from an individual each year. A donor may contribute a maximum of EUR 2,000 per year.
Canada	Yes, for natural persons	C$ 1,500 in total in any calendar year
Chile	Yes	300 indexed units/per year (non members); 500 indexed units/per year (members).
Czech Republic	No	Not applicable
Denmark	No	Not applicable
Estonia	No	Not applicable
Finland	Yes, for both natural and legal persons	Limit is EUR 30,000 [I$ 32,000] per calendar year
France	Yes, for natural persons	Limit is EUR 7,500 [I$ 8,700] per year.
Germany	No	Not applicable
Greece	Yes, for natural persons	Annual limit is EUR 20,000 from the same donor.
Hungary	No	Not applicable
Iceland	Yes, for both natural and legal persons	Annual limit is ISK 400,000 [I$ 3,300]
Ireland	Yes, for both natural and legal persons	Annual limit is €2,500 [I$2,590]
Israel	Yes, for natural persons	Maximum 1,000 new shekels [I$ 270] per year from an individual and his/her household.
Italy	Yes, for both natural and legal persons	€ 100000
Japan	Yes, for both natural and legal persons	Annual limit is 20 million yen [I$ 178,000] (individuals); between 7,5 million yen to 100 million yen [I$ 67,000 to I$ 890,000] (corporations, labour unions and other organisations)
Korea, Republic of	Yes, for natural persons	Not applicable
Latvia	Yes, for natural persons	Annual limit is 50 minimum monthly salaries.
Luxembourg	No	Not applicable
Mexico	No	Not applicable
Netherlands	No	Not applicable
New Zealand	No	Not applicable
Norway	No	Not applicable
Poland	Yes, for natural persons	Annual limit is 15 times the minimum wage
Portugal	Yes, for natural persons	Annual limit is 25 monthly minimum wages
Slovakia	No	Not applicable
Slovenia	Yes, for natural persons	10 times the previous year's average monthly wage
Spain	Yes, for natural persons	Annual limit is EUR 50.000 per individual
Switzerland	No	Not applicable
Sweden	No	Not applicable
Turkey	Yes, for both natural and legal persons	Limit is announced every year.
United Kingdom	No	Not applicable
United States	Yes, for natural persons	There are different limits depending on the type of the contributor.
Colombia	No	Not applicable
Costa Rica	Yes, for natural persons	45 times minimum wage
Lithuania	Yes, for natural persons	During a calendar year the total amount of donations by one natural person for independent political campaign participants may not exceed 10 per cent of the amount of the annual income declared by the natural person for the previous calendar year
Argentina	Yes, for both natural and legal persons	2% from legal persons and 1% from natural persons, out of the annual limit on campaign spending.

Source: IDEA.

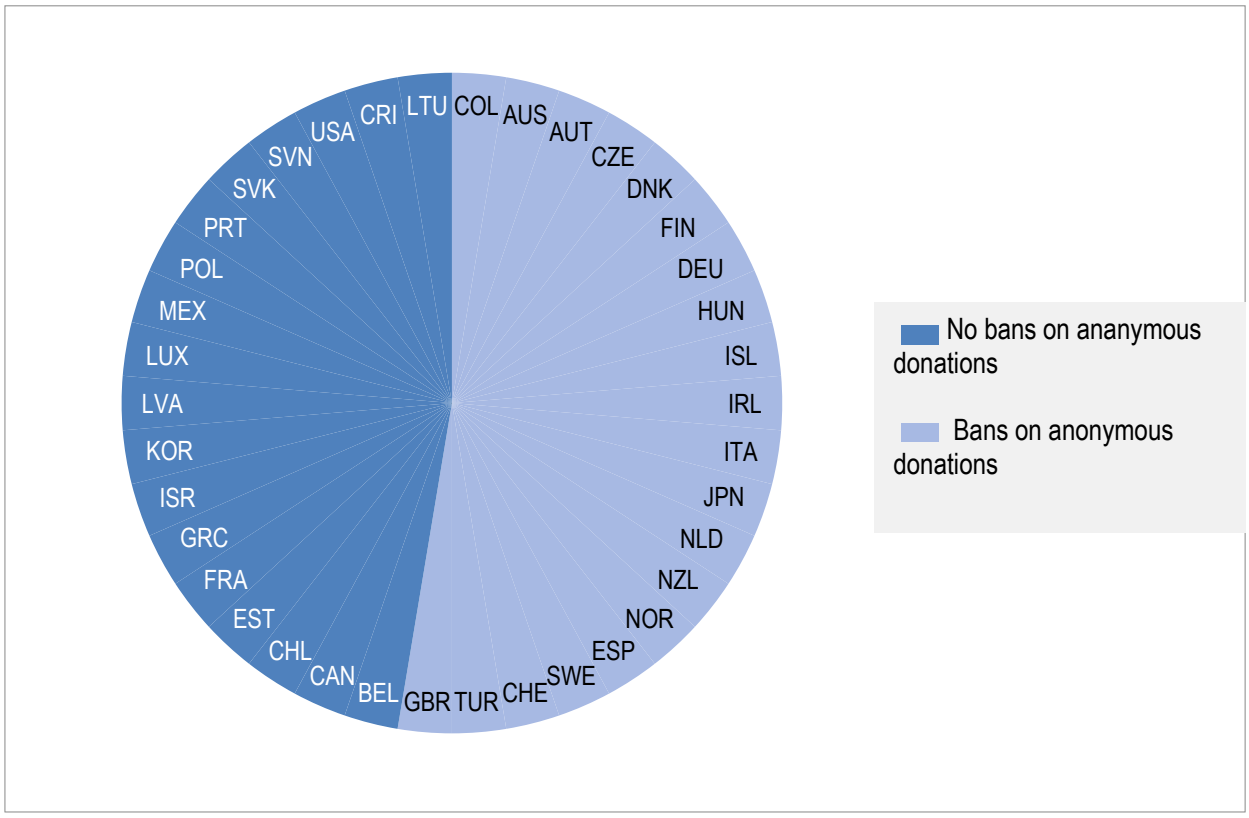
49. In Argentina, Article 16 of Law 26.215 defines the limit for contributions with reference to the maximum allowed spending amount. As such, private donations cannot exceed 1% out of the annual limit on campaign spending from legal persons, and 2% from natural persons. Yet contributions from legal persons are only allowed outside of elections periods. The spending limit, in turn, is calculated according to Article 45 of the same law by multiplying the Electoral Unit (*unidad de modulo electoral*) by the number of legally entitled voters. The electoral unit is a useful parameter to keep the limits updated and linked to inflation rates.

50. According to the Law, the electoral unit should be defined by the Congress and incorporated into the National Budget Law. This, however, has often not been the case. The political logic was that without a value there would not be a limit. Hence, over the last years, the CNE decided to fix the value of the electoral unit itself (Ferreira Rubio, 2012[23]). In 2017, the situation was regularised by Law 27.341, which approved the national budget, and defined and included the value of the electoral unit for $9,43 Argentine pesos (Art. 62).. To keep financing transparent and the situation regularised, it should be compulsory for Congress to regularly establish the value of the electoral unit. This is the only way to guarantee that parties respect clear limits, and avoid discretionary decisions by the CNE (i.e. for 2013 and 2015 elections the CNE at its discretion unilaterally fixed limits around 20% higher than those for 2017).

51. Also, like most OECD member and accession countries, Argentina bans anonymous private contributions (Figure 7.7). The idea behind requiring the identity of private donors to be unveiled is to foster social accountability through transparency: if citizens know about the links between private interests and politicians, they are able to detect situations in which politicians are in a conflict-of-interest situation and are acting in the interests of their electoral campaign contributors.

Figure 7.7. Argentina, like most OECD member and accession countries, bans anonymous donations

Is there a ban on anonymous donations to political parties?



Note: Responses from 35 OECD member countries and the following OECD accession countries: Colombia, Costa Rica, and Lithuania.
Source: Adapted from IDEA (n.d.), Political Finance Database, www.idea.int/political-finance/ (accessed on 22 January 2018).

52. However, in Argentina, even though anonymous donations are banned, it is often not possible to know where the money comes from, since 90 % of all donations are made in cash (Page and Mignone, 2017[24]). A first step to change this situation was taken by issuing Decree 776/2015, which in order to implement Article 44bis of Law 26.215, allows parties to receive funds electronically by credit cards and compels banks, credit and debit card issuers to inform political parties about the origins of the funds. Further to this, Argentina could consider prohibiting contributions in cash altogether and establishing a system based only on the use of bank accounts, that is using credit and debit cards as well as electronic transfers. Moreover, to facilitate control of contributions it could also be considered to return to the situation previous to Law 26.571 (2009), where political parties were required to use two separate bank accounts, one for donations received outside elections periods, and one bank account for donations during election periods.

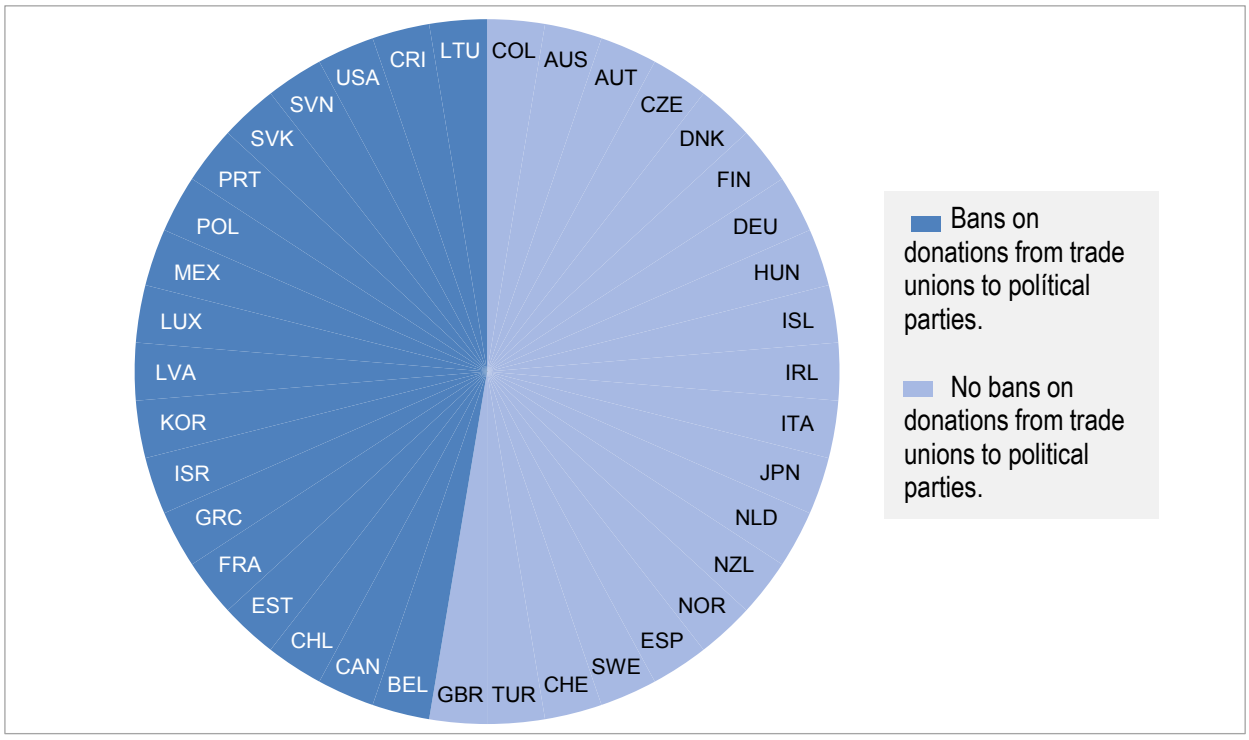
53. Finally, if adequate safeguards are in place to monitor and enforce the political finance regulations, Argentina could consider allowing again contributions by legal persons that were banned through the reform introduced in 2009. Indeed, currently companies are only prohibited from donating during election times. In between, they are allowed to contribute; for 2017, this amounted to 3,150,746 Argentine Pesos. This prohibition

incentivises informal ways of circumventing financing rules. Added to the fact that most contributions are currently made in cash, it is quite easy for companies to contribute informally through the use of intermediaries. Considering this, it might be better to provide rules for contributions from private companies during campaigns, in order to be able to regulate their limits and formally control them.

54. In turn, it could be considered to not only allow donations by private companies but also by other legal persons, such as labour unions. This could assure a balance between different interests and promote a level playing field, multiplying access to actors who want to contribute to financing politics, and promoting pluralism. Indeed, a majority of OECD countries allows such donations from labour unions following the rationale of levelling the playing field between influence by employers and employees (Figure 7.8). From 17 countries in Latin America, excluding Argentina, only six countries ban contributions from labour unions (Brazil, Chile, Paraguay, Uruguay, Costa Rica, and Mexico). Again, the maximum amount should be chosen carefully to avoid donations being given informally to elude too-low thresholds.

Figure 7.8. A majority of OECD member and accession countries allow donations from trade unions to political parties

Is there a ban on donations from Trade Unions to political parties?



Note: Responses from 35 OECD member countries and the following OECD accession countries: Colombia, Costa Rica, and Lithuania.
Source: Adapted from IDEA (n.d.), Political Finance Database, www.idea.int/political-finance/ (accessed on 22 January 2018).

7.4.3. Transparency and audit capacities need to be strengthened in order to enable or facilitate better enforcement

55. Even with strong regulations on paper, weak monitoring and enforcement can open the door for interest groups or individuals to seek informal ways to exert influence. Also, if sanctions are too low, political parties may just factor them in as a cost and continue with the practices that are breaching the law, as the benefits from doing so outweigh the costs. Indeed, a weakness of Argentina's system is that the enforcement of the law is not effective, and it seems that the current sanctions are not able to deter political parties from not complying (Ferreira Rubio, 2012, p. 119[23]; Page and Mignone, 2017[24]). Enforcing regulations has two components; on the one hand, breaches must be effectively detected, on the other hand, detected breaches must be effectively sanctioned.

56. To enable effective enforcement of political finance regulations, transparency is essential. Transparency is a key component in ensuring that citizens and the media can serve as watchdogs to effectively scrutinise political actors. That is why most parties have to report on their finances in relation to election campaigns and have to make reports public (in Latin America only Venezuela, Paraguay, Panama, Bolivia and the Dominican Republic do not provide for public reporting). In Chile, for example, Article 48 of Law 19.884 states that all the information regarding campaign financing must be published online by the Electoral Service. Moreover, the Electoral Service has to update all the information on parties' accounts while reviewing them, and state if they are accepted, rejected or observed.

57. An option to promote transparency is the immediate online publication of campaign financial reports, thus allowing media and interested citizens or researchers to monitor campaigns for activity significantly out of line with these reports. As such, the CNE could consider creating a register for campaign contributors and parties' accounts accessible online, where all contributions and expenses are uploaded in real time, as is the case for the USA, Estonia and Canada, among other OECD member countries (Table 7.3).

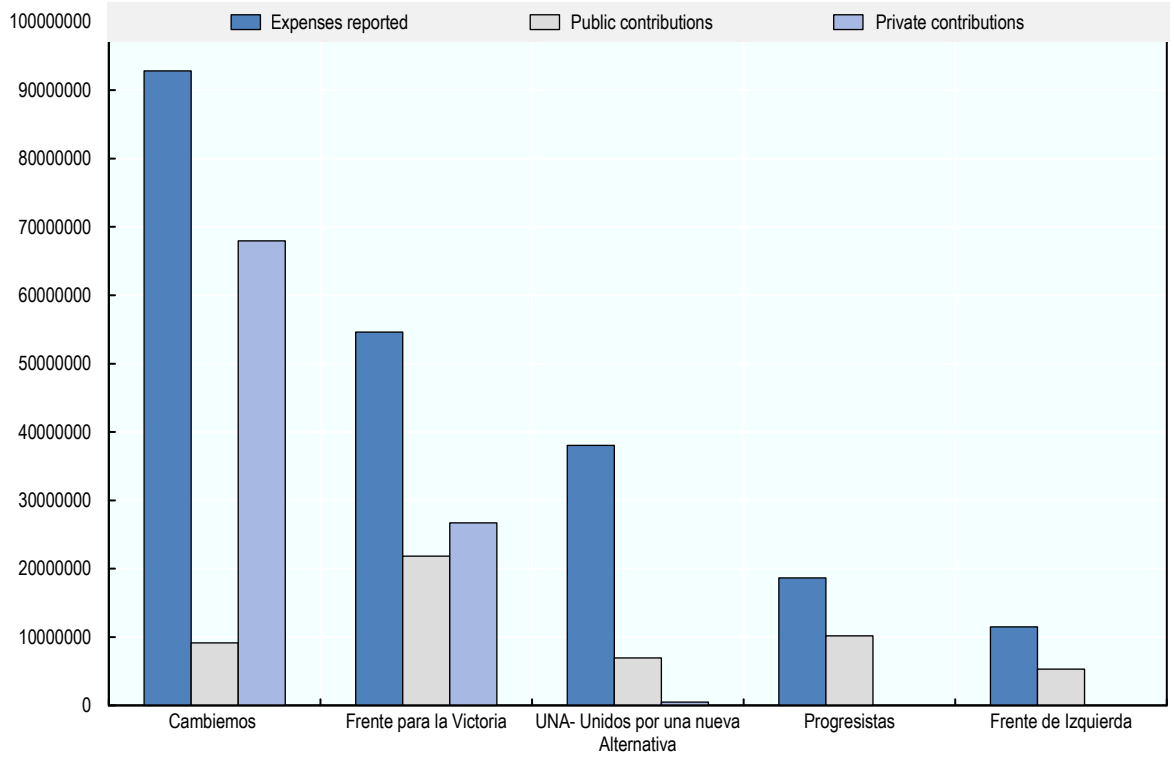
Table 7.3. Online reports and information contained on political finance

Country	Online report	Information contained	Searchable
Canada	Yes	Information on contributions and contributors Expenses related to elections, leadership and nomination contests, loans and unpaid claims	Yes
Estonia	Yes	Party income from membership dues, state funding, donations or other income Expenditures, including advertising, events, publications Campaign donors and amounts Campaign expenses such as wages, advertising, transportation, events and administrative expenses	Yes
Mexico	Yes	Origin, amount, destination and use of the income received through any kind of funding	No
United Kingdom	Yes	All income including donations, public funding, loans, or other sources All expenditures on wages, offices, campaign expenses, fundraising costs, or other miscellaneous expenses	Yes
United States	Yes	All income and donations, including contributor information for donations more than USD 50, loans, non-monetary and other miscellaneous income All expenditures, including information on the recipient and a receipt or invoice	Yes

Source: (OECD, 2016[20]).

58. However, transparency alone may not be sufficient if political parties underreport political contributions and spending on a regular basis. In Argentina, there seems to be evidence for such underreporting, especially if we consider that currently most donations are in cash (Figure 7.9). Also, observing for example the last legislative elections in 2017, in Buenos Aires province, the governing coalition declared in its 'previous report' (a report parties are obliged to present before elections) incomes for $33.280.233 (Argentine Pesos) and predicted to spend $26.650.000 (Argentine Pesos) during campaign. In fact, in the final election report it later declared expenses for only $8.049.930 (Argentine Pesos). These numbers could imply that the prohibition of legal persons contributions and cash contributions, as the two mentioned legal loopholes, can incentivise underreporting, avoid transparency and promote the hiding of origins and resources.

Figure 7.9. Incomes and expenses declared by electoral alliances, presidential elections 2015



Source: CIPPEC, 2017.

59. A proper auditing of political financing accounts by independent auditors is a growing practice in OECD countries (e.g. Norway) to promote the accountability of parties for the funds they use for their activities or to participate in elections (OECD, 2016[20]). Verification and audit of financial records are effective measures to spot irregularities of financial flow in politics (Box 3.1). These verifications should be conducted by auditors and specialised experts. In the United Kingdom, a political party with a gross income or total expenditure in a financial year that exceed GBP 250 000 must have its statement of accounts audited. An audit is also required of any return of party election expenditure if the expenditure exceeds GBP 250 000 during a campaign period. In addition, the UK Electoral Commission undertakes its own compliance checks of the information it receives, e.g. checking the permissibility of donations, and cross-referencing statements made in different reports to identify any inconsistencies.

60. In Argentina, although article 4 of Law 19.108 establishes the organisation of a Body of Auditors Accountants (Cuerpo de Auditores Contadores), its capacities are insufficient. Indeed, there are more than 600 recognized parties and even though they usually compete in elections in alliances, the number of reports to be reviewed after each election reportedly largely exceeds the capacities of the Body. . The current body of auditors of the CNE in charge of reviewing all these reports is composed of seven auditors and sixteen assistants. That means that the amount of reports widely exceeds the current auditing capacity. Therefore, Argentina could consider increasing the electoral audit staff to avoid capacity constraints and improve the operative activity of the financing control system. In addition, the use of data analytics could facilitate the effective verification and

investigations of political finance data. In addition, datasets available online enable more scrutiny by the media and the public as seen in Estonia (Box 7.8), even more when information is presented timely. In other cases, electoral management bodies have taken innovative measures beyond ensuring audits for monitoring campaign activities for wrongdoing (Box 7.9).

Box 7.8. Estonia's integration of technology in electoral management

The Estonian Party Funding Supervision Committee (EPFSC) oversees the public funding system, financial reporting, investigation, audit and compliance. It is also in charge of sanctioning campaign finance violations. The EPFSC is able to accomplish its work with a staff of nine committee members, a legal advisor and an office manager. This is due in part to its high level of integration of technology. The EPFSC requires all financial reports to be completed in an online electronic spreadsheet, allowing the staff to easily organise, access and review financial documents in a consistent form. In addition, the financial information can be published quickly in an online database and is easily accessed and searched by the public and media, improving transparency and oversight.

Source: OECD (2016), *Financing Democracy: Funding of Political Parties and Election Campaigns and the Risk of Policy Capture*, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264249455-en.

Box 7.9. India's compliance teams

In India, a variety of methods support political party compliance with the Election Commission of India's regulations on candidate and political party expenditures. As elections begin, several different specialised teams are formed:

- Flying Squads: Dedicated Flying Squads under each Assembly Constituency/Segment track illegal cash transactions or any distribution of liquor or any other items suspected of being used for bribing voters.
- Static Surveillance Team (SST): These teams set up checkpoints and watch for movement of large quantities of cash, illegal liquor, suspicious items or arms being carried in their area. The checkpoints are video-recorded to prevent harassment or bribery.
- Video Surveillance Teams: These teams capture all the expenditure-related events and evidence for any future reference as proof. Expenditure-related events and evidence are reviewed by the Video Viewing Teams and Accounting Teams to prepare Shadow Observation Registers for each candidate.

While these teams are often used to monitor for vote-buying activity, they can also be useful in detecting large-expenditure events for later comparison with financial declarations of income and expenses.

Source: OECD (2016), Financing Democracy: Funding of Political Parties and Election Campaigns and the Risk of Policy Capture, OECD Publishing, Paris. http://dx.doi.org/10.1787/9789264249455-en.

61. Finally, to enable better control of contributions and to mitigate the risk of money from illegal activities entering into political finance, Argentina could strengthen the co-ordination and the sharing of information between Electoral Chamber and other relevant public agencies through Memoranda of Understanding (MOUs). The CNE already exchanges information with the Financial Information Unit (Unidad de Información Financiera, or UIF), the Federal Administration of Public Revenues (Administración Federal de Ingresos Públicos or AFIP), the Office of Economic Crime and Money Laundering (Procuraduría de Criminalidad Económica y Lavado de Activos, or PROCELAC) and the National Administration of Social Security (Administración Nacional de la Seguridad Social or ANSES). In addition, the CNE should also be able to exchange information and data with the Office of General Inspection of Justice (Inspección General de Justicia or IGJ), the Anti-corruption Office (OA) and any other entity that the CNE considers relevant. .

7.4.4. Reviewed, wider and stricter applicable sanctions could make the financing system enforcement more credible and parties more accountable

62. Sanctions are the "teeth" of regulations on financing political parties and election campaigns. They serve as deterrents for breaches and indirectly promote compliance. In OECD countries, sanctions range from financial to criminal and political. Parties may have to pay fines (74% of member countries), have their illegal donations or funds confiscated (44%), or lose public subsidies (47%) in cases of violation. More severe sanctions include criminal charges such as imprisonment (71% of member countries), loss of elected office

(18%), forfeiting the right to run for election, or even deregistration (21%) or suspension (3%) from a political party.

63. Effective sanctions clearly have deterrent effects and promote higher compliance. In the United Kingdom, the Electoral Commission struggled to encourage political parties to submit required quarterly and yearly financial reports in a timely manner. However, in 2009, the Electoral Commission was given the power to levy civil sanctions in the form of monetary penalties, for violations of the Political Parties Elections and Referendums Act, including failure to submit financial reports by the statutory deadlines. Since 2010, compliance rates have increased to 93% (OECD, 2016[20]).

64. In Argentina, sanctions related to financing political parties are mostly stipulated in Articles 62-67, Law 26.215 and include mainly economic penalties: the loss of the right to receive public funding and subsides as well as funds for electoral campaigns between one and four years, and fines for the amount of illegal contributions, among others. Furthermore, during the campaign, economic and political authorities (the party president, the treasurer, and the economic representative) can lose their political rights to elect and be elected for national seats for between six months and ten years. However, monetary sanctions only apply to pre-candidates in national primaries under Law 26.571. Candidates who are not responsible under this law are therefore not directly accountable.

65. To address the issue of candidates' impunity, regardless parties' monopoly of representation under Law 23.298, Argentina should consider making sanctions applicable to them, as well as other actors. Currently, sanctions only apply to political parties; they are the ones fined or denied access to state funds. Formal authorities can also be sanctioned, but politicians are not covered in the electoral law. Candidates can remain unpunished in the face of any irregularity in political financing during the campaign. Co-responsibility of sanctions means they apply not only to parties, but also candidates, who may be fined and be political responsible in case of irregularities concerning campaign financing. In Japan, for example, a candidate can in certain cases be prosecuted for illegal fundraising by members of his or her staff as well or in Colombia (Article 26, Law 1475) violation of limits on campaign expenses allows sanctioning candidates even with the loss of their seats. A co-responsibility system would enforce the law, avoiding loopholes and reaching every person involved in the electoral campaign. Affecting political careers and personal accounts would lead to candidates being held to account by citizens and the electoral justice system.

66. The analysis of sanctions imposed on political parties show that there is no party at the national level which has not been sanctioned, either because they have presented their annual or campaigns reports after the deadlines established by law or because their accounts have negative balances. The situation at the provincial level is worse. For example, in Santiago del Estero, the Partido Justicialista had all its reports unapproved during the 20 years it ruled the province (1983-2005) and after that it did not present its reports during five years. In 2014, none of the 32 recognized national parties met the requirements of the law and although the situation has been improving, parties started a discussion about revising the law's overly restrictive deadlines and were proposing a 'general amnesty'.

67. As such, the sanctions that are imposed do not seem to discourage parties' violation of the law. The economically responsible persons of Electoral alliances are not included as politically exposed persons (the ones legally recognised by the Financial Information Unit). Also, parties can dissolve electoral alliances before the approval of campaign reports and easily make new alliances for each election. Therefore, Argentina should consider establishing stricter regulations for electoral alliances, especially prohibiting their dissolution before all campaign financing reports have been approved. Stricter sanctions

could consist of freezing accounts of parties or alliances that do not present the 'previous report' during campaigns, or not allowing parties to receive the 'extraordinary funds' if they have been sanctioned.

68. Finally, creating the previously proposed online register of contributors and forbidding cash contributions will help parties to put their accounts in order and will facilitate presentations of reports. In Argentina, parties' accounts and campaign expenses are audited after the end of the fiscal year and after elections. This means that citizens are only able to access previous reports and estimations of expenses some days before elections (if they presented reports according to the law) but cannot supervise or access parties accounts during elections. In order to make party's accounts accountable to citizens and guarantee them access to complete information on parties when there are elections, electoral regulations could promote stronger penalties for parties that do not send their previous financial reports of campaigns in the established deadline (i.e. freezing their accounts).

7.4.5. Closing the gap between the national and subnational level is essential for the integrity of the political financing system

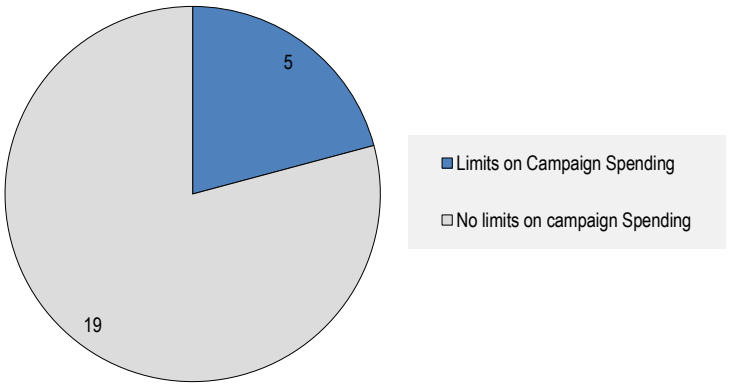
69. In Argentina, the Province is the electoral unit for electing both legislators at the provincial and at the national level. In addition, the provincial election can be hold simultaneously to the national election. As electoral regulations as well as rules on political finance are attribution of provinces, the decision whether to have such simultaneous elections is taken at the provincial level. However, together with the existence, or non-existence, of different political finance regulations across provinces, this possibility of simultaneous elections is causing severe integrity risks in Argentina.

70. First, when national and provincial elections are simultaneous, different electoral systems are operating at the same time and with them different political finance regulations. Therefore, citizens as well as parties can be 'confused' regarding to rules that are applied and authorities that enforce them. This confusion opens room for playing the system and avoiding accountability. Especially when there are no political finance regulations at provincial level at all, this situation allows parties to sidestep national regulations. For instance, candidates and parties competing at the national level can bypass national regulations by justifying that expenses or contributions concern the provincial level election. As such, if subnational regulations do not contemplate financing reports or audits, candidates can de facto spend and receive contributions without any limit in the Province and declare only the legally allowed amount to national authorities.

71. Such a legal vacuum concerning regulations of financing political parties at the provincial level is wide-spread:

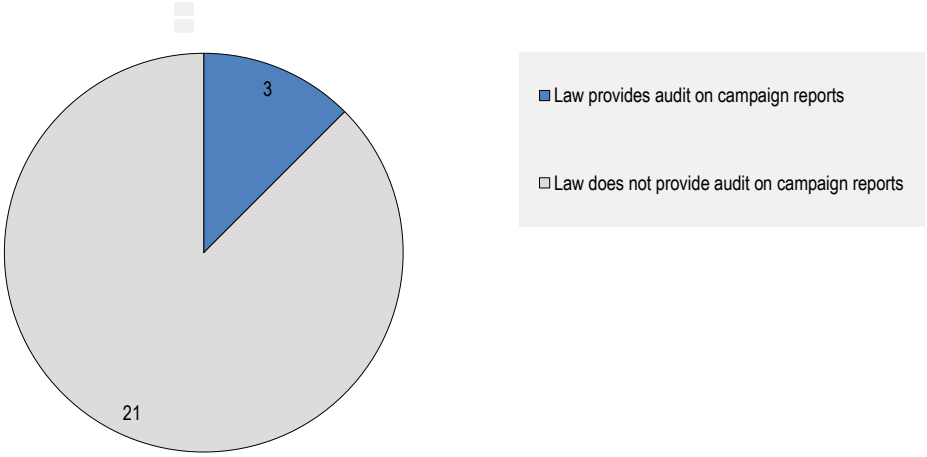
- Only five out of 24 subnational units have limits to campaign financing (Ciudad de Buenos Aires, Mendoza, Río Negro, Cordoba and Santiago del Estero).
- Only in three provinces the law establishes the audit of campaign finance reports (San Luis, Santiago del Estero and Ciudad de Buenos Aires) and parties are not obliged to publish campaign reports (Figure 7.10 and Figure 7.11).

Figure 7.10. Limits on campaign spending in Argentina, by Provinces



Note: CABA, Córdoba, Mendoza, Río Negro and Santiago del Estero have limits on campaign spending
Source: CIPPEC, Argentinian electoral observatory.

Figure 7.11. Audits on campaign reports in Argentina, by Province



Note: In CABA, Córdoba and Santiago del Estero law provides audit on campaign reports
Source: CIPPEC, Argentinian electoral observatory

72. Second, this constellation favours policy capture. Since provinces are the main units of distribution of national public funds, and the lists of candidates for national and subnational elections are decided upon at provincial level, elected representatives respond to governors, even those elected for the national level. Indeed, Governors, out of reach of national finance regulations, design policies at the subnational level but also negotiate the support of the provincial representatives of their parties at the National Chamber in order to influence national legislation. As a consequence, Governors are the true 'political bosses' (Jones and Hwan, 2005[25]) and therefore the ones that different interest groups seek to

influence and support in campaigns in order to gain advantages later on when laws and policies are drafted. This support, in turn, is facilitated by the weak or inexistent regulation for political finance and provincial level.

73. To address these challenges, a comprehensive and coherent legal framework is required to promote a transparent and accountable political financing system. Due to the federal structure of the country, the only way to advance is to make agreements between the national level and the provinces and to encourage reforms at the provincial level. Such a coherent system could better guarantee accountability regardless of the level of the electoral competition.

74. For instance, according to electoral regulations, provinces that have adhered to the regime of simultaneous elections under Law 15.262 would have to adopt the national political finance regulations. In addition, provinces which have not adhered to simultaneous elections could be allowed to adhere to national campaign financing rules when having subnational elections, as was the case when establishing adherence to open, simultaneous and compulsory primaries. In this latter case, provinces were able to establish open, simultaneous and compulsory primaries in concurrence with the national ones. In order to do this, they needed to agree on national legislation, which was achieved in the provinces of Buenos Aires, Entre Ríos, San Juan and San Luis. The adoption of simultaneous elections in a similar way by other provinces would homogenise the regulations on political finance across the country and reflect the fact that it is a single election process, albeit for positions at different levels of government. Such homogeneity would also clarify the rules for all actors involved, including political parties, the judiciary and citizens, and mitigate risks of abusing the gaps present in the current system.

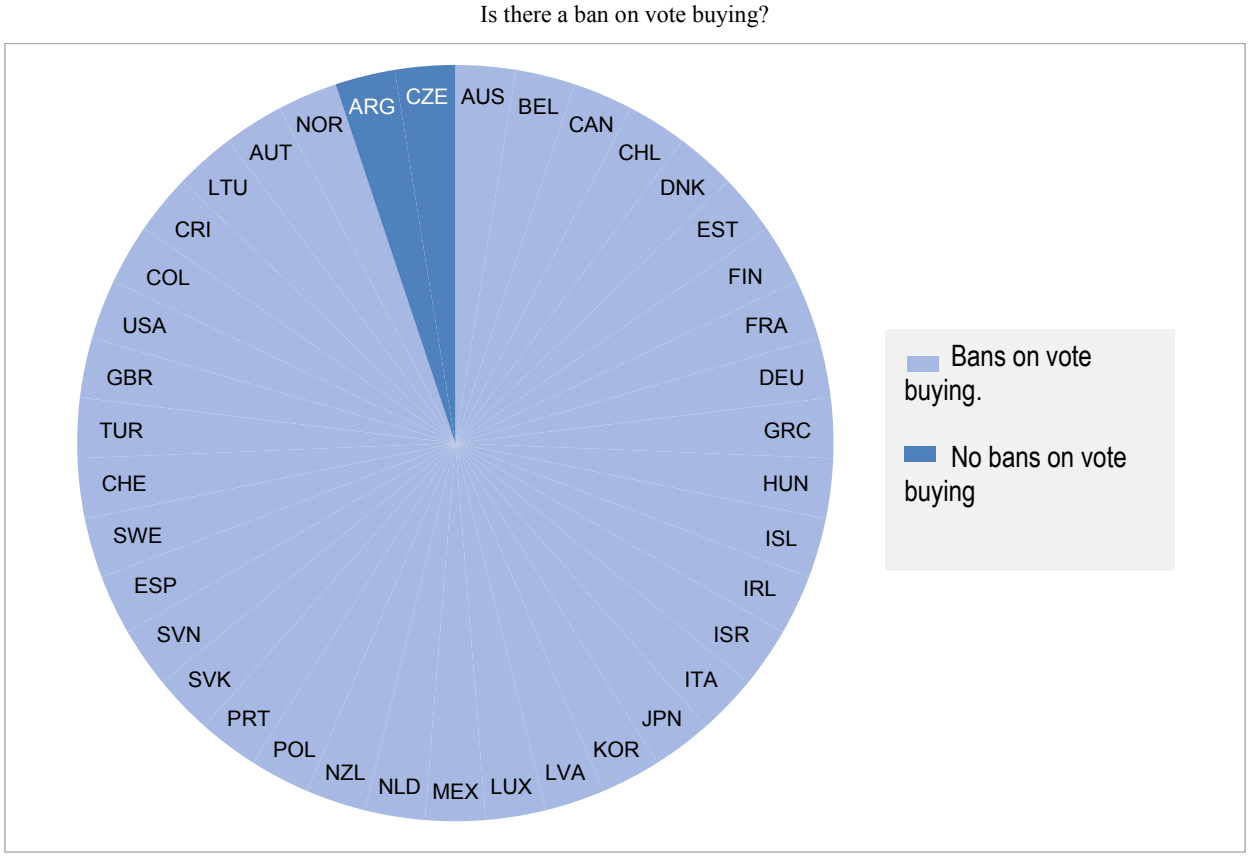
7.4.6. Legislators in Argentina should take a clear stance against patronage and vote-buying by implementing the Australian ballot system, prohibiting vote buying and introducing sanctions

75. Clientelism can be defined as the "proffering of material goods in return for electoral support, where the criterion of distribution that the patron uses is simply: did you (will you) support me? It is worth noting that 'proffering of material goods' in reality sometimes takes the form of threats rather than inducements" (Stokes, 2009[26]). In turn, patronage and vote buying can be understood as subclasses of clientelism. On the one hand, vote buying is strictly defined as the proffering to voters of cash or (more commonly) minor consumption goods by political parties, in office or in opposition, in exchange for the recipient's vote (Brusco, Nazareno and Stokes, 2004[27]). Vote buying, in its literal sense, is a simple economic exchange, but usually illegal. Patronage, on the other hand, is the "proffering of public resources (most typically, public employment) by office holders in return for electoral support, where the criterion of distribution is again the clientelist one: did you—will you—vote for me?" (Stokes, 2009[26]). Both patronage and vote buying hinder consolidation of democracy, weaken secrecy of voting and may de facto exclude some citizens from access to public service and employment.

76. In Argentina, clientelistic practices are widespread (Szwarcberg, 2013[28]; Stokes and Stokes, 2016[29]), in fact they are linked to the creation and survival of the main political parties. The practice most widely recognized and denounced by the media (though not formally presented by parties or citizens) is vote buying in electoral periods. According to a panel election study, during the 2015 elections, for example, more than 30% of voters perceived that their neighbours were targeted with such offers (Lupu et al, 2015).

77. Therefore, Argentina could take a first step and clearly stipulate vote buying as an illicit practice prohibited by law. Indeed, among OECD and Latin American countries, Argentina is one of the few that still has not prohibited vote-buying (Figure 7.12). While prohibiting a practice is of course not enough, it is nevertheless a fundamental step towards fighting against such practices.

Figure 7.12. Amongst OECD member and accession countries, Argentina is one out of two countries that are not explicitly prohibiting vote buying

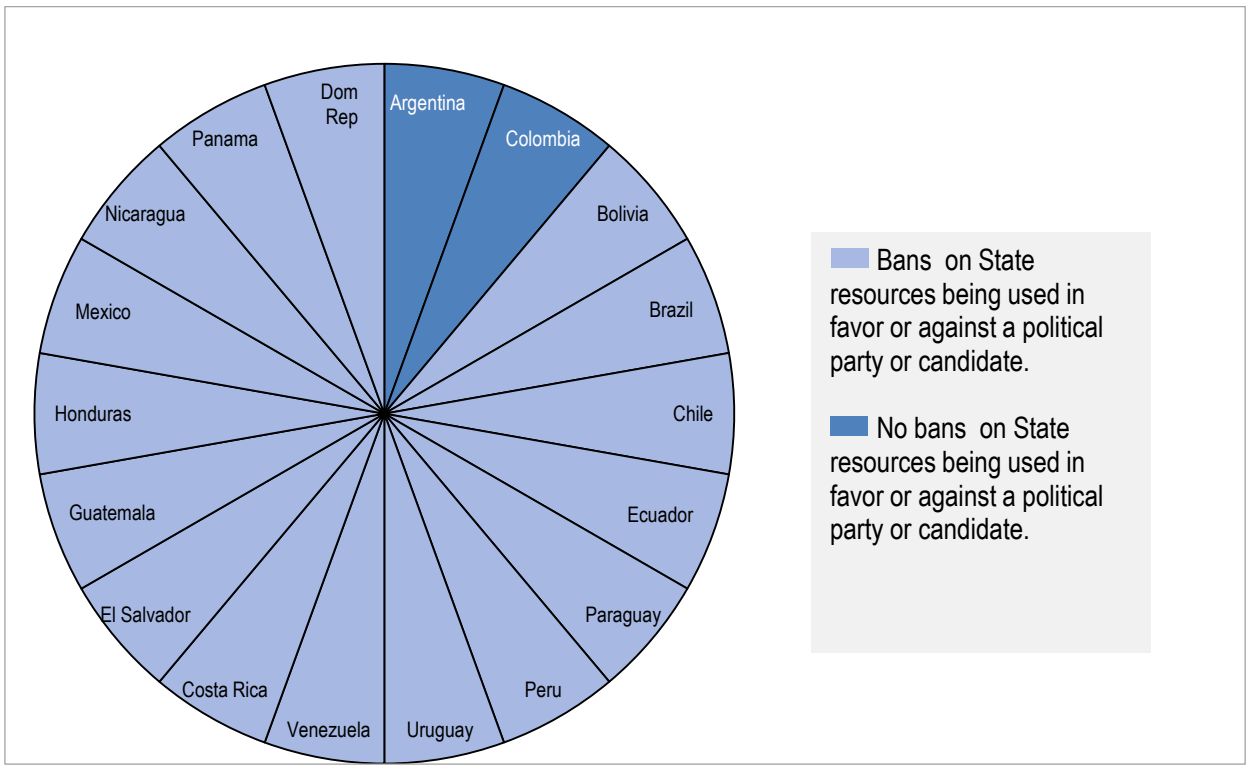


Note: Responses from 35 OECD member countries, Colombia, Costa Rica, Lithuania, and Argentina. There is no data for Austria and Norway.
Source: Adapted from IDEA (n.d.), Political Finance Database, www.idea.int/political-finance/ (accessed on 22 January 2018).

78. Along the same lines, Argentina should clearly define and prohibit other clientelistic practices, specify sanctions for those who provide benefits to citizens with the aim to influence their votes and regulate the provision of material goods during campaigns. There should be sanctions for public officials that are using public resources to promote or undermine the campaign of a given candidate, are forcing other public employees to participate in campaign activities supporting a candidate, or are tying the provision of a public service to the political support of a candidate. Moreover, the provision of material goods should be avoided the week before and after elections, in order to avoid the current massive delivery of social programmes benefits with the purpose of manipulating voters. Another way to avoid the use of public resources with electoral political objectives can be to detail regulations regarding the prohibition of official advertising and acts during

campaigns, as some other countries in the region do (Figure 7.13). Also, sanctions may not be limited to public officials. In Korea, for instance, voters are also subject to sanctions if they accept to sell their votes. The fine is equal to 50 times the value of money or any materials provided by a candidate, his/her family or a third party on behalf of a candidate. Those reporting any electoral crimes are also rewarded up to USD 500 000 by the National Election Commission of Korea (OECD, 2016[20]).

Figure 7.13. Bans on state resources being used in favor or against a political party or candidate in Latin America



Source: International IDEA www.idea.int/data-tools/question-view/559.

79. Finally, the current Argentinian electoral system is conducive to being abused by parties to control voters. Indeed, political parties are printing and distributing their ballots for the elections, thereby providing party officials with a tool to condition any benefits or punishments targeted at voters when they receive the ballot. Moreover, this leaves the lists of candidate options made available to voters at the ballot box dependent on party control. Interviews with public officials and civil society, as well as media reports indicate that the stealing of ballots is a common practice, and political parties are the only actors who can safeguard their party's ballots. If parties do not have delegates, they will not be able to guarantee that their ballots will be everywhere. Parties without big structures and members cannot guarantee their candidates will be presented to all voters as an option.

80. Therefore, Argentina should consider implementing the Australian ballot system, widely used around the world, by introducing uniform ballots printed and distributed by the government. This system would discourage clientelist practices by reinforcing the secrecy of voting and guarantee all citizens the same candidate options. The recent

experiences of Cordoba and Santa Fe, two provinces that experimented with the Australian ballot system, seem quite promising.

7.5. Proposal for action

Promoting transparency and stakeholder engagement

- The Access to information Law could be further strengthened, especially in the dimensions related to appeals, and sanctions.
- All public entities across powers and levels of government need to ensure an effective implementation and enforcement of the Access to Information Law.
- Argentina could improve the effectiveness of tools for stakeholder engagement and participation, as well as their awareness among citizens.

Fostering integrity and transparency in lobbying

- Argentina could strengthen the existing framework on lobbying by extending its subjective scope beyond the executive branch.
- In order to provide a more comprehensive lobbying framework Argentina could ensure the transparency of any kind of lobbying activity that may take place in practice and not restrict the definition to certain channels.
- Argentina could address the risk of fragmented implementation across branches of the state by through the same co-ordination mechanism which is currently being developed for the uniform implementation of the transparency framework.
- The co-ordination mechanism for lobbying could ensure the uniform implementation of the lobbying obligations and provide technical assistance to those institutions lagging behind. Furthermore, it could create and manage a single on-line portal, which would facilitate the consultation of information across branches of government, help communication of all the existing information, and eventually incentivise public scrutiny of citizens and interested stakeholders.
- Argentina could further work with stakeholders and citizens by communicating and involving them throughout the on-going reform process of the lobbying regulation, but also in the following implementation phase. This could include education and awareness raising campaigns addressing the negative perception of lobbying through information material and social media, as well as the creation of a permanent advisory group to the co-ordination mechanism composed of public and private actors but also civil society representatives.
- Argentina could increase the accountability and responsibility of the private sector and lobbyists by including a few explicit obligations for lobbyists in regulations clarifying their essential role in providing information which public entities will be then obliged to register and eventually publish on-line.
- Argentina could continue promoting specific dialogue with private stakeholders and underline their responsibility and role in making lobbying a transparent and professional activity. At the same, it could consider providing guidance for lobbyists on the regulations in relation to issues such as conflict of interest, preferential access, political activities and gifts.
- Argentina could give the future co-ordination mechanism for lobbying regulations the responsibility to collect enforcement statistics from application authorities and publish them on the single platform to be created pursuant to the previous recommendation.

- Argentina could consider clarifying the potential sanctions provided for by the legal framework and introducing different typologies such as fines or "name and shame" mechanism affecting the reputation of those breaching the rules.

Enhancing integrity in politics

- Review the requisites for political party recognition, stating individual requisites that cannot be replaced by the formation of electoral alliances, as a way to revalue public financing and guarantee a representative political arena.
- Explore establishing a 'votes or representativeness criteria' when assigning campaign financing, as most OECD member countries have.
- Argentina could consider the establishment of formal procedures and the definition of strict criteria to assign extraordinary contributions and how these should be spent and declared, in order to allow a stricter control on parties' expenses.
- It would be desirable for Argentina to ban government propaganda during all campaign periods and strictly regulate official advertising, detailing accountability mechanisms.
- To keep financing transparent the Congress should regularly establish the value of the electoral unit. This is the only way to guarantee that parties respect clear limits, and avoid discretionary decisions by the CNE.
- Argentina could consider prohibiting contributions in cash altogether and establishing a system based only on the use of bank accounts, that is using credit and debit cards as well as electronic transfers.
- Argentina should consider allowing contributions by legal persons for campaign financing. In turn, donations should not only be allowed to private companies but also to other legal persons, especially labour unions. This could assure a balance between different interests and promote a level playing field.
- The CNE could consider creating a register for campaign contributors and parties' accounts accessible online, where all contributions and expenses are uploaded in real time, as is the case for the USA, Estonia and Canada, among other OECD member countries
- Argentina could consider increasing the electoral audit staff to avoid capacity constraints and improve the operative activity of the financing control system.
- Argentina should strengthen the co-ordination and the sharing of information between Electoral Chamber and other relevant public agencies through Memoranda of Understanding (MOUs). More specifically, the CNE should be able to exchange information and data with the Anticorruption Office, among any other entity that the CNE considers relevant.
- Argentina should consider making sanctions applicable to candidates in addition to parties and campaign authorities, developing a co-responsibility system of sanctions. Affecting political careers and personal accounts would lead to candidates being held to account by citizens and the electoral justice system.
- Argentina should consider establishing stricter regulations for electoral alliances, while prohibiting their dissolution before all campaign financing reports have been approved. These stricter sanctions could consist of freezing accounts of parties or alliances that do not present the 'previous report' during campaigns, or not allowing parties to receive the 'extraordinary funds' if they have been sanctioned.

- Electoral regulations could also state stronger penalties for parties that do not send their previous financial reports of campaigns in the established deadline (i.e. freezing their accounts).
- To promote a transparent and accountable political financing system Argentina could consider to make agreements with provinces and to encourage reforms at the provincial level.
- Argentina could promote when provincial elections are simultaneous with the national ones, it would have to be under national electoral rules and justice. Provinces that have adhered to the regime of simultaneous elections would have to adopt the national political finance regulations.
- Provinces which have not adhered to simultaneous elections could be allowed to adhere to national campaign financing rules when having subnational elections.
- Argentina could take a first step and clearly stipulate vote buying as an illicit practice prohibited by law.
- Argentina should clearly specify sanctions for those who provide benefits to citizens with the aim to influence their votes and regulate the provision of material goods during campaigns. There should be sanctions for public officials that are using public resources to promote or undermine the campaign of a given candidate, are forcing other public employees to participate in campaign activities supporting a candidate, or are tying the provision of a public service to the political support of a candidate
- Argentina should also detail regulations regarding the prohibition of official advertising and acts during campaigns.
- Argentina should consider implementing the Australian ballot system, widely used around the world, by introducing uniform ballots printed and distributed by the government. This system would discourage clientelist practices by reinforcing the secrecy of voting and guarantee all citizens the same candidate options.

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8. Cultivating a culture of integrity across society in Argentina

This chapter covers Argentina's efforts to cultivate a whole-of-society culture of integrity. It assesses the current integrity issues facing Argentine society, drawing from perception surveys describing the impact of corruption on society. This chapter also highlights the need for the Anti-Corruption Office to raise awareness in society on integrity in order to promote greater ownership amongst citizens about their shared responsibility for nurturing society's integrity values. In addition, this chapter highlights the necessity of providing guidance to the private sector on cultivating cultures of integrity within companies. As well, it identifies the need to implement education programmes for children and young people into the existing civics curriculum.

8.1. Introduction

1. When corruption is an entrenched social norm, integrity policies must identify solutions to cultivate new social norms and behaviours. This means confronting norms that advocate circumventing the rules, such as paying bribes, accepting fraudulent benefits, or nepotism. Challenging entrenched norms also requires breaking the coordination problem, where corrupt behaviour is justified because "everyone else is doing it". The solution to the coordination problem involves generating new common knowledge, where citizens understand that not only does a corrupt act undermine a common good, but also that everyone knows that everyone knows about it (Collier, 2017[1]). To be effective, the generation of new forms of common knowledge must take place both within the public sector and more broadly across society.

2. To that end, public integrity is not only an issue for the public sector; citizens, civil society organisations and firms are also active members of society and their actions can affect integrity in their community. Citizens have three core roles: first, as watchdogs of government officials and politicians, citizens can hold officials accountable for the promises they make and the actions they take to prevent corruption and cultivate public integrity. Second, citizens and firms are also active members of the community and have a responsibility to promote public integrity more broadly in society. When citizens and/or firms pay bribes, evade taxes, receive fraudulent social benefits or exploit public services without paying, they unfairly take government resources and undermine the fabric of society. Third, citizens are also employees of the private or public sectors, where they are expected to comply with public integrity obligations.

3. Taking a whole-of-society approach to fighting corruption therefore should be at the heart of a strategic approach to any government's anti-corruption policy. To this end, governments can promote a culture of public integrity by partnering with the private sector, civil society and individuals, in particular through:

- Explicitly acknowledging in the public integrity system the role of the private sector, civil society and individuals in respecting integrity values in their interactions with the public sector and with each other.
- Encouraging the private sector, civil society and individuals to uphold those values as their shared responsibility by:

  - Raising awareness in society of the benefits of integrity and reducing tolerance of violations of public integrity.
  - Carrying out, where appropriate, campaigns to promote civic education on public integrity among individuals and particularly in schools.
- Engaging the private sector and civil society on the complementary benefits to public integrity that arise from upholding integrity in business and in non-profit activities, sharing and building on, lessons learned from good practices (OECD, 2017[2]).

8.2. Raising awareness in society of the benefits of integrity and reducing tolerance of violations of public integrity

8.2.1. The Anti-Corruption Office could take an active role in communicating to citizens their roles and responsibilities for respecting public integrity.

4. Citizens are well aware of corruption and its prevalence in society. As such, raising awareness is not a question of educating about the existence of corruption, but rather about how to break the cycle. To break the cycle however, the responsible anti-corruption communications body must first have a clear understanding of what to communicate, using evidence rather than impressions. This entails understanding what the main corruption and integrity challenges are, and devising a clear, measurable and impactful strategy for communications.

5. In terms of the context, in Argentina the number of people reporting to have paid a bribe in the past 12 months is less than 10 per cent of the population over all sectors (except for police services) (Table 8.1). With the exception of police services, in Argentina the range is lower or equal to the LAC range.

Table 8.1. Petty bribery in Argentina is low

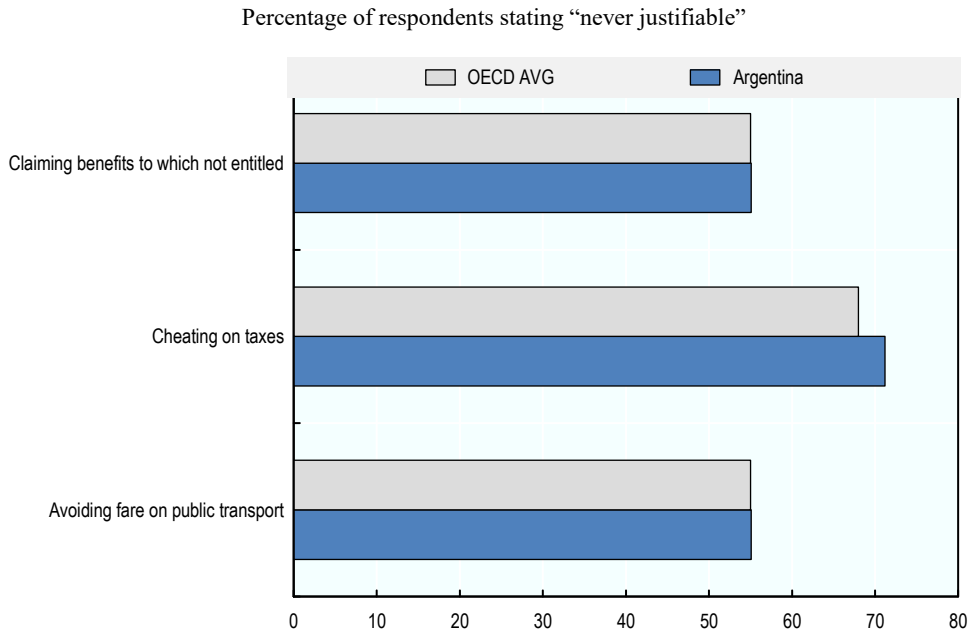
Range of population reporting to have paid a bribe per sector in previous 12 months (2017)

	ARGENTINA	MAJORITY OF LATIN AMERICAN COUNTRIES	LEGEND	
School	♦	□	♦	1-10%
Hospital	♦	●	□	11-20%
ID Document	♦	□	●	21-30%
Utilities	♦	□	❖	31-40%
Police	□	□	■	41-50%
Courts	♦	♦	❍	51%+

Source: (Transparency International, 2017[3])

6. In turn, surveys suggest that citizens reject integrity breaches, such as cheating on ones' taxes, avoiding the fare on public transport and accepting social benefits that one is not entitled to (Figure 8.1).

Figure 8.1. Strong rejection of rule-breaking norms



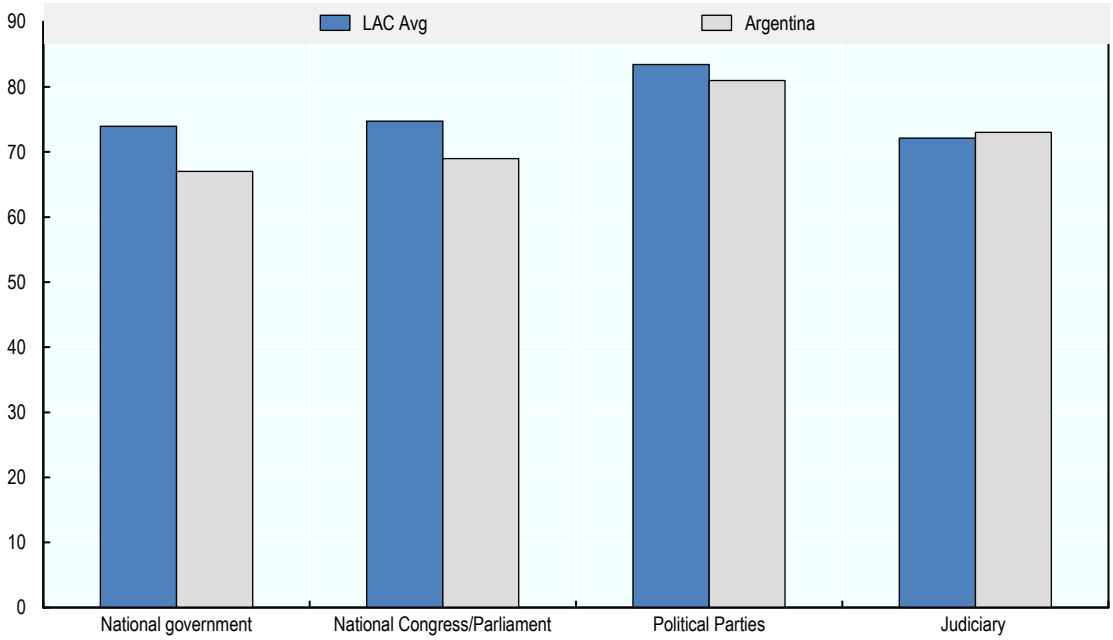
Note: OECD Average includes Australia, Chile, Estonia, Germany, Japan, Mexico, Netherlands, New Zealand, Poland, Slovenia, Korea, Spain, Sweden, Turkey and the United States.
Source: World Values Survey, Wave Six (2010-2014)

7. A gap exists however between the rejection and the justification of integrity breaches for various reasons. For example, the public opinion survey by the *Centro de Opinión Pública* of *la Universidad de Belgrano* (2013[4]) found that 2 out of 3 respondents believe that most people would prefer to turn a blind eye to corruption and not report it if they could receive a benefit from it. Moreover, 50% of respondents admitted that they would commit or consider committing a corrupt act in exchange for a large economic benefit.

8. Justifying the corrupt acts of politicians was another finding by the *Centro de Opinión Pública* of *la Universidad de Belgrano*, with 55% of respondents stating that a corrupt politician was acceptable or tolerable if they solved important problems in the country or improved the economy (Centro de Opinión Pública de la Universidad de Belgrano, 2013[4]). A recent finding by the same group found that 54% of respondents felt that Argentina was more tolerant of political corruption as compared to other countries (Centro de Opinión Pública de la Universidad de Belgrano, 2016[5]).

9. Moreover, a trust gap exists between Argentine citizens and public institutions. As shown in Figure 8.2, the majority of citizens express low levels of trust for major institutions (National Congress, political parties, the judiciary and the national government). With exception of trust in the judiciary, the values are slightly better than the regional average, but still reflect a high level of distrust. Coupled with poor service delivery, the low trust levels could have contributed to clientelism's entrenchment across the country, with the political parties seen as more effective in meeting the needs of the population than the state (see Box 8.1 and chapter 7).

Figure 8.2. Percentage of respondents expressing little / no confidence



Note: LAC average includes: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay and Venezuela.
Source: Latinobarometer 2017, http://www.latinobarometro.org/latOnline.jsp

Box 8.1. Clientelism in Argentina is widespread

Clientelism can be defined as the "proffering of material goods in return for electoral support, where the criterion of distribution that the patron uses is simply: did you (will you) support me? It is worth noting that "proffering of material goods" in reality sometimes takes the form of threats rather than inducements" (Stokes, 2009[6]). In turn, patronage and vote buying are subclasses of clientelism. On the one hand, vote buying is strictly defined as the proffering to voters of cash or (more commonly) minor consumption goods by political parties, in office or in opposition, in exchange for the recipient's vote (Brusco, Nazareno and Stokes, 2004[7]). Vote buying, in its literal sense, is a simple economic exchange, but usually illegal. Patronage, on the other hand, is the "proffering of public resources (most typically, public employment) by office holders in return for electoral support, where the criterion of distribution is again the clientelist one: did you—will you—vote for me?" (Stokes, 2009[6]). Other forms of clientelism stem from economic power and not from a political position. Here, party funds or individual assets are used to hand out favours (Stokes, 2009[8]).

Clientelism is largely entrenched through social norms of reciprocity and the patron's ability to monitor voting behaviour. Behavioural experiments suggests that people repay gifts and take revenge in interactions with complete strangers, regardless of whether such interactions yield present or future material rewards (Fehr and Gächter, 2000[9]). In addition, monitoring voting behaviour, through observations at the polls or attendance at political party rallies, also enables gift-givers to determine whether citizens voted for them.

Clientelism can discourage governments from equally and widely delivering public services and may slow economic development. In terms of economic favours, the reward is higher for public officials to selectively provide goods for their supporters, rather than investing in the provision of public goods (for example, choosing to distribute medicine upon request, rather than ensuring adequate funding for the local hospital) (Robinson and Verdier, 2013[10]). This selective allocation of public goods to 'supporters' can make receivers think that they receive them because a particular party/leader is in government and not because is their right as citizens. Similarly, patronage appointments lead to an inefficient public sector that devalues achievement and innovation, resulting in decreased quantity and quality of public services (Blunt, Turner and Lindroth,(n.d.)[11]).

Clientelism in Argentina is widespread, in fact the emergence of the two most important parties is related to their capacity of developing clientelist and patronage machines: for example through the distribution of the famous "pan radical" by the Unión Cívica Radical, or the allocation of public goods through the Fundación Eva Perón by the Partido Justicialista. A study by Szwarcberg (2013[12]) found that 45% of the municipal candidates interviewed preferred to employ clientelism to mobilise voters. Moreover, a study showed how the main political parties distributed public employment, the public they targeted and their political benefits. It states among other findings that for example a "1% increase in provincial public employment leads to a .066%in the Peronist vote (…) doubling the number of provincial public employees , from 5% of the economically active population to 11% of the economically active population should lead to approximately 6% more votes for Peronism" (Calvo and Murillo, 2004[13]). `

Likewise, another study found that 44% of respondents know a civil servant who does not go to work, a finding which illustrates the provision of public employment as a patronage-favour (Centro de Opinión Pública de la Universidad de Belgrano, 2013[4]). At the same time, often the citizens themselves request particularistic benefits. Evidence from Argentina shows that a citizen who requested help is considerably more likely to receive a party hand-out than a citizen who did not turn to the local party broker or politician (Nichter and Peress, 2017[14]).

Not surprisingly, the monitoring of voting behaviour helps enforce these networks, largely helped by the party-issued ballot. Amongst other effects, by handing out the party-ballot alongside food, medicine or other gifts the party-ballot, candidates are able to create a feeling of obligation for the recipient (Brusco, Nazareno and Stokes, 2004[15]). Candidates also use lists with the names of beneficiaries of welfare programs in order to observe their target constituents (Szwarcberg, 2013[12]).

Sources: (Stokes, 2009[8]; Brusco, Nazareno and Stokes, 2004[15]; Robinson and Verdier, 2013[10]; Blunt, Turner and Lindroth,(n.d.)[11]; Szwarcberg, 2013[12]; Nichter and Peress, 2017[14]; Centro de Opinión Pública de la Universidad de Belgrano, 2013[4]; Calvo and Murillo, 2004[13])

10. In addition to justification of corruption, public opinion about the effectiveness of anti-corruption reforms remains low: the 2015 Latinobarometer found that 77 per cent of Argentineans indicated that little to nothing had improved in the corruption situation over the previous two years (while in the LAC region 65 per cent had a similar concern) (Latinobarometer, 2015). Moreover, the recent Transparency International Global Corruption Barometer found that 41 per cent of citizens felt that corruption had increased over the previous 12 months (prior to when the survey was conducted) (Transparency International, 2017[3]).

11. Challenging the social norms that justify integrity breaches, the reliance on clientelistic systems, and the low perceptions of government effectiveness in the fight against corruption is necessary for implementing the Argentine government's wider integrity agenda. Indeed, when the prevailing social norms justify corruption, legal and institutional reforms for integrity will not be successful. Moreover, when surrounded by social norms that justify corruption, evidence has found that individuals are more tolerant to corruption breaches themselves (Fisman and Miguel, 2008[16]; Barr and Serra, 2010[17]; Gachter and Schulz, 2016[18]). A coordination problem emerges, with citizens feeling discouraged in attempting to overcome corruption.

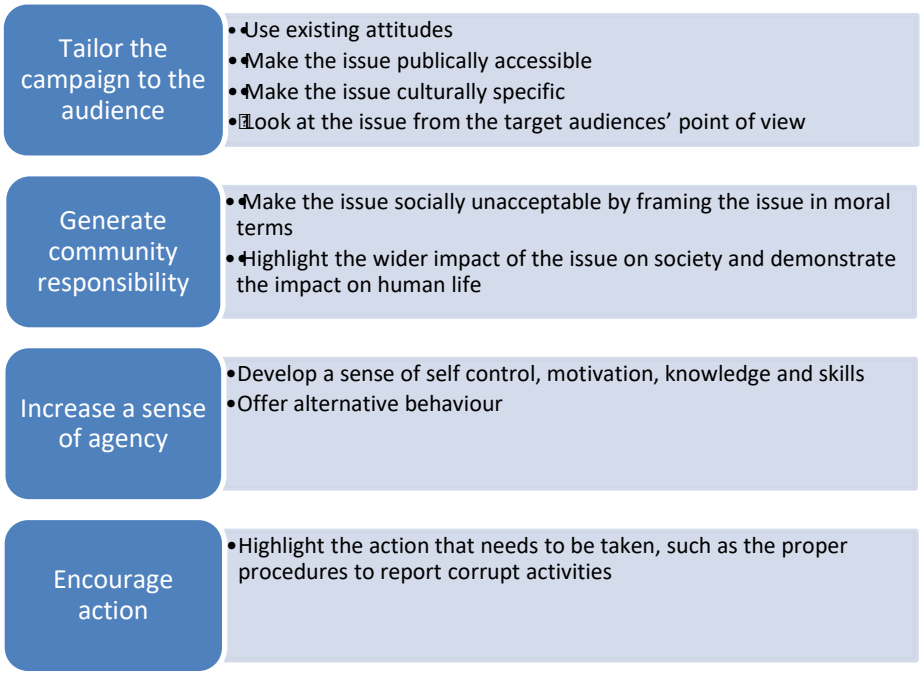
12. Challenging these social norms requires dedicated and targeted awareness campaigns, which should not only challenge existing norms, but also communicate and demonstrate the expected social norms. As noted in Chapter 2, one of the OA core mandates is to strengthen the ethics and integrity of the national public administration. The OA's communication activities therefore focus on raising awareness of corruption and prevention tools within the public sector, and communicating these efforts to the wider society. These communication activities have two benefits: first, by communicating to public officials about their anti-corruption responsibilities, the OA helps initiate behaviour changes in the public sector. Second, by communicating the responsibilities of public officials to society, the OA raises society's awareness of the higher standard of behaviour to which public officials must adhere.

13. The OA however could also use campaigns as a way to challenge corruption and generate integrity norms in society. As awareness campaigns and integrity training

programmes aspire to create behavioural changes across society over a longer period, the appropriate institutional structure should be implemented to ensure continuity. To that end, a whole-of-society communications unit could be institutionalised within the OA under the Subsecretariat of Integrity and Transparency, and assigned responsibilities for conducting awareness raising programmes amongst Argentine citizens. Once established, the whole-of-society communications unit could develop a communications strategy that identifies a series of awareness raising campaigns and the appropriate timeline for each. For each of the campaigns, the strategy should identify the expected outcomes (e.g. attitudes or behaviours to change, skills to develop), the target audiences, the key messages and the communication channels (e.g. television, web, social media, print media) as well as the evaluation mechanisms (e.g. opinion surveys, web analytics, participation in events, number of complaints submitted, etc.).

As there is widespread justification for integrity breaches in society, the strategy of awareness-raising should be twofold. The first aim should be to generate community responsibility, building on the widespread rejection of corruption and focusing on corruption's costs for the economy and society (see Figure 8.3). The awareness raising campaigns should not sensationalise the issue and instead employ credible and authentic evidence, to enable recipients to identify with the core messages (Mann, 2011[19]).Moreover, the awareness raising campaigns should challenge the justification of unethical behaviour and create a link between one's own integrity and the wider public benefit. While the vast majority of people do not like to harm others (Camerer, 2011[20]), in the case of corrupt behaviour the damage done often remains abstract and not directly linked to another individual, thereby facilitating justification (Barkan, Ayal and Ariely, 2015[21]) (OECD, 2017). Challenging these behavioural caveats therefore requires linking awareness-raising to actual dilemmas where citizens understand how their actions can have a negative impact on the wider goals of the community.

Figure 8.3. Behaviour changing campaigns success factors



Source: (Mann, 2011[19]).

14. The second aim should be to increase citizens' agency by developing individual motivation and encouraging action (see Figure 8.3). This should go beyond communicating about the prevalence of corruption and the government's efforts to prevent it and offer tangible solutions for citizens to uphold public integrity. Indeed, evidence has found that small norm prompts can positively influence the actions of an individual who is faced with a corrupt scenario (Köbis et al., 2015[22]). This could be accomplished for example by offering different solutions (such as how to report corruption or how to partner with public officials to uphold integrity) and identifying alternative behaviours to corruption. Box 8.2 provides an example of the awareness raising campaign in Peru, which identified small changes Peruvians could make to support a culture of integrity.

Box 8.2. Peru's High Level Commission Against Corruption #Peruanosdeverdad Campaign

In Peru, the High Level Commission against Corruption (CAN) launched the campaign #PeruviansForReal (#Peruanosdeverdad) in 2016 as part of their integrity strategy. The campaign, which includes a YouTube video, aims to counteract the norms that undermine the integrity of Peruvian society by providing positive, new norms to promote change. The video begins with a series of integrity breaches, ranging from paying bribes, to breaking traffic rules, to other forms of civil disruption such as assault and petty theft. The statement: *The change that Peru needs begins with oneself* follows the images. This statement was then followed by a series of shots of citizens, each holding up a placard with messages for integrity. Such messages included *#PeruviansForReal comply with the law* and *#PeruviansForReal: we don't pay bribes*. Citizens of all ages are included in the video, and the final message is delivered by a Peruvian footballer who asks citizens "how can we expect the authorities to act with integrity and make the country better when we do not do those things ourselves?"

A longer version of the same video also includes messages from the Coordinator General of the CAN, who appealed to the integrity of Peruvians, noting that even though Peruvians are perceived as non-compliant citizens, they are honest and able to be part of a change for integrity in Peru. The President of the CAN also appeared in the video, asking citizens to be part of the change for integrity. Moreover, instead of noting that the change in Peru needs to begin with Peruvians, the video asks *"Do you know what it means to be "Peruanos de Verdad"?* Like the shorter version, shots of citizens holding up placards with messages of integrity are they shown.

Source: https://www.youtube.com/watch?v=Iqmhp4hYvos; https://www.youtube.com/watch?v=qRFpzI_aJiQ&t=285s. *Date retrieved 19.12.2017*

15. The OA could therefore consider developing an awareness campaign that communicates success stories from effective behaviour changes throughout the government. The campaign could highlight "everyday ethical public officials" who have helped change the way their team works for integrity in the Argentine government. The campaign could focus on a core set of values that these officials' exhibit and what it means for them to fulfil their public role with integrity. The officials pledge to honour these values as a matter of respect towards the public they are serving and ask the citizens to return this respect by trusting them to serve in the public interest (Box 8.3).

Box 8.3. Phrasing and framing: it matters how we talk about integrity

Problem-centred communication can be discouraging. Public debate, articles in the media and awareness raising campaigns often feature corruption as a problem, running the risk of making corruption a self-fulfilling prophecy (Gingerich et al., 2015[23]). The perception that corruption is common in society makes integrity breaches seem more justifiable, with citizens thinking, "this is just how things work in this country". This can lower the moral burden of an integrity breach, with citizens less inclined to change their behaviour to serve a greater good and feeling as though their individual action makes no difference.

Engaging with the public is an opportunity for integrity policy makers to make their efforts seen and shape a positive debate. Communication efforts should therefore feature integrity instead of focusing on corruption. Awareness raising campaigns could highlight integrity as a reciprocal norm that is worth investing in. Such campaigns should be personal, actionable and social. Integrity communication should convey messages of personal relevance, but with respect to the context and social norms and limited scope of action that the recipients find themselves in.

Citizens' perception might also be impacted by more indirect communication. Integrity policy makers could, for example, publish their efforts and advancements in a regular Monitoring and Evaluation report and engage in a pro-active dialogue with media. Furthermore, they could publicly emphasise positive role models, e.g. by tendering an integrity award or publish stories of success, e.g. a portrait of an everyday ethical public official.

Where this strategy succeeds, it serves two functions:

- The re-connection of ethical dilemmas with the moral self and the re-evaluation of an established behaviour with respect to the moral reference point.
- The dissolution of the collective action problem through reinstatement of a sense of control and personal responsibility. Both objectives might be easier achieved for a specific integrity problem in a targeted group than for corruption in a whole society.

Source: adapted from (OECD, 2018[24])

16. Government entities responsible for delivering services in areas susceptible to fraud and corruption, such as tax collection and distribution of social assistance, could also leverage awareness raising programmes to build capacity for integrity amongst citizens. Through Memorandum of Understanding, the OA could partner with entities that deal with areas susceptible to corruption and fraud, including, but not limited to: the Ministry of Labour, Employment and Security (*Ministerio de Trabajo, Empleo y Seguridad*), the Ministry of Health (*Ministerio de Salud*) and the Ministry of Social Development (*Ministerio de Desarrollo Social*), to develop and implement integrity and anti-corruption awareness raising programmes for citizens in their respective areas. Such programmes should be tailored to the specific high risk areas (unemployment insurance fraud, health insurance fraud and other types of social benefit fraud, etc.), identifying the roles and responsibilities for citizens in respect of that area.

17. The awareness raising and identity forming measures suggested above (and Chapter 3) could be supported by behavioural interventions creating salience for moral norms and identities. Small cues, such as a pin public officials wear to indicate their adherence to integrity values, can refer back to the content of a campaign and create awareness for integrity values in the incident of interaction between citizen and public official. Playful referrals in the direct interaction between citizens and public officials can help to create a personal connection to the content of a reform of campaign. The success of such measures, however, depends crucially on the credibility of the content they are referring to.

8.3. Engaging with the private sector to uphold integrity in business activities

8.3.1. The Anti-Corruption Office could provide guidance to companies on mainstreaming an integrity culture perspective into their business integrity programmes.

18. The private sector is a key partner in the public integrity system. On the one hand, firms that evade taxes, collude with each other, offer bribes or illegal political contributions, engage in procurement fraud, or seek to influence public policies exclusively in their favour at the expense of the public good reduce competiveness and create negative economic externalities, as well as undermine the legitimacy of government and trust in markets. On the other hand, the private sector can also be a force for good. Across sectors, it has been a driver for change, advancing corporate integrity reforms and reshaping the global integrity landscape (UNODC, 2013[25]). The public sector is advancing efforts to support integrity practices in companies, applying a range of tools from incentive regimes to mandating business integrity programmes.

19. Recognising the positive role that the private sector plays, the recent Law on Corporate Criminal Liability for Corruption Offences includes a provision for business integrity programmes. The law takes a risk-based approach, with Article 22 requiring companies to implement a business integrity programme based on the specific risks of their size and commercial and economic activity. Article 23 of the law requires the business integrity programme to contain three core elements – a code of conduct or ethics; rules to prevent unlawful acts during bidding, contract implementation or other interactions with the public sector; and regular training sessions on the business integrity programme for members of the company. As well, it proposes ten additional elements that could be included, depending on the company profile. The law also provides some incentives for company compliance. While not mandatory for all companies, a business integrity programme is a prerequisite for access to procurements over a certain threshold, including public works, public-private partnerships, and the contracting of goods and large-scale services (article 24). The existence of a business integrity programme may also help mitigate penalties for legal entities that breach the Law on Corporate Criminal Liability (article 9).

20. Decree No. 277/18 assigns responsibility to the OA for establishing principles and guidelines that translate articles 22 and 23 into practice for companies. The OA is preparing a set of integrity guidelines for the private sector (*"Lineamientos de integridad para personas jurídicas"*). Guidance for state-owned enterprises is already provided in the general directives that outline good governance guidelines for state owned companies (*"Lineamientos de Buen Gobienro para Empresas de Partcipación Estatal Mayoritaria de Argentina")*.

21. While the law is clear on the elements of the integrity programme, an 'integrity culture' perspective could inform the Guidance prepared by the OA. Often, compliance systems are cosmetic additions, implemented to respond to government requirements and get sanction 'credit' but failing to effectively prevent unethical behaviour (Langevoort, 2016[26]; Krawiec, 2003[27]). Coupled with this are findings from behavioural sciences that show that compliance systems focusing on control and sanction can crowd out intrinsic motivation for integrity, leading to diminished capacity for ethical behaviour (Lambsdorff, 2015[28]). These findings, supported by continued corporate malfeasance, have led to calls from the public sector to focus on ethical cultures. As Langevoort (2016[26]) states,

> *What regulators are saying in emphasising culture is that the credit a company gets depends not only on the structural elements of compliance best practices, but how willingly and well "it" commits to a greater level of precaution and law abidingness than is crudely rational from a cost-benefit perspective.*

22. Building on recent research on effective organisational integrity cultures (see for example (Taylor, 2017[29])), the OA could include a chapter in the guidance it prepares that discusses how to build an integrity culture across the organisation. This could involve guiding companies to think about how the various levels of their organisation interact, and where aspects of the organisational culture could support or hinder ethical behaviour. Guidance could focus on issues like leadership example and commitment, rewards and bonus structures, organisational voice and silence factors, internal team dynamics, and external relationships with stakeholders (Taylor, 2017[30]). Table 8.x factors that could be leveraged to cultivate integrity.

Table 8.2. The five levels of an ethical culture

Level	Description
Individual	How individual employees are measured and rewarded is a key factor that sustains or undermines ethical culture. In the face of pressure to meet growth targets by any means necessary—a belief that the ends justify the means—unethical behaviour is to be expected. Therefore, the rewards system is an excellent place to start. Diversity and inclusion initiatives enable individual employees to bring their whole selves to work: Employees who feel it unnecessary to hide aspects of their social identity to fit into the dominant culture will experience less conflict between personal and organizational values and will express themselves more confidently—making them more inclined to raise concerns about ethics.
Interpersonal	Organisations can also focus on how employees interact across the hierarchy. Abuse of power and authority is a key factor that degrades organizational culture. When decisions around promotions and rewards seem unfair and political, employees disregard organisational statements about values and begin pursuing their own agendas. Building an ethical culture from an interpersonal perspective requires meaningful protections that empower all employees and stakeholders, even the least powerful, to raise concerns and express grievances. Leaders must recognise the outsized role they play in setting culture and driving adherence to ethics, and they must learn to exercise influence carefully.
Group	Socialisation into group memberships and relationships is a core aspect of human culture. At work, the key determinant tends to be an employee's group or team. As organisations become more geographically diffuse and loosely aligned, it becomes harder to set and define consistent organisational culture. Focusing on team conditions can empower middle managers to feel responsible for changing culture and group dynamics to foster more effective ways of working. Similarly, while clarity in roles and tasks is key to a successful team, so is psychological safety. If employees feel secure in taking risks and expressing themselves, teams will be more creative, successful, and ethical.
Intergroup	The quality of relationships among groups is critical to consider in any attempt to build an ethical culture. Celebrating a team whose high performance may stem from questionable conduct gives it power and a mystique that is difficult to challenge, and this can undermine values across the organisation. Teams working in sustainability or compliance often need to scrape for power and resources; when members are attached to matrixed working groups, accountability can get watered down.
Inter-organisational	Most discussions of organisational culture focus on internal relationships. Still, employees are keenly conscious of how a company treats suppliers, customers, competitors, and civil society stakeholders, so building and maintaining stakeholder trust will improve organisational culture. Moreover, companies need to ensure that their values and mission statements amount to more than words on a website. Business success and core values are not contradictory concepts. That said, building an ethical culture sometimes means walking away from lucrative opportunities. Companies can be sure their employees will notice.

Source: (Taylor, 2017[30])

8.3.2. The Anti-Corruption Office could consider developing guidance for independent verification of the quality of companies' business integrity programmes

23. Verification can be a useful tool for governments to gain assurance on the existence and quality of a business integrity programme. Based on a set of pre-defined criteria, a verification process reviews the extent to which business integrity programmes meet the required standards. Such processes can either look at the suitability of the programme – that is, the extent to which it is designed to meet the desired outcomes, or the operating effectiveness of the programme over a specified period (Transparency International, 2012[31]). Benefits of a verification process include strengthening the programme by

identifying areas for improvement, meeting future pre-qualification requirements, and enhancing the reputation of the company as one which is committed to high integrity standards (Transparency International, 2012[31]).

24. Under the Law, certification by the government is not required. This is in line with other regimes that require business integrity programmes, such as Brazil and Mexico, where the government is only required to check that a programme is in place that has the required elements. In preparing the guidance for the private sector, the OA could suggest as a good practice that companies provide verification of the business integrity programme by a reputable, independent third-party reviewer. The government of Argentina should avoid conducting any verification themselves, but may wish to set guidelines on the components of an effective verification. Good international practice shows that policy guidance can direct companies to obtain independent third-party assurance. For example, in the UK Adequate Procedures Guidance, the Ministry of Justice suggests that organisations consider obtaining external verification or assurance of their anti-bribery system (UK Ministry of Justice, 2010[32]). Similarly, under the Government of Canada's Integrity Regime, in order to be reconsidered eligible for bidding following debarment, companies are required to provide certification by an independent, third party that integrity measures are implemented in their company (Government of Canada, 2017[33]).

25. Good international practice, such as the guidance provided by the UK, also includes a clarifying measure to remind companies that accreditation is not a magic bullet for preventing unethical behaviour (see box 8.4). In requiring external verification, the OA could also consider including language that clarifies to companies that certification does not eliminate the risk of integrity breaches. This clarification, accompanied with guidance on cultivating a culture of integrity in the private sector, should aim to move companies beyond a 'tick the box' approach to compliance.

Box 8.4. Policy Guidance on Accreditation in the UK

Section 9 of the UK Bribery Act requires the Secretary of State to publish guidance about procedures that commercial organisations can put in place to prevent persons associated with them from bribing. As such, the Ministry of Justice prepared a Guidance document, which includes 6 principles organisations could consider. Principle 6.4 pertains to independent verification and is as follows:

> *In addition, organisations might wish to consider seeking some form of external verification or assurance of the effectiveness of anti-bribery procedures. Some organisations may be able to apply for certified compliance with one of the independently-verified anti-bribery standards maintained by industrial sector associations or multilateral bodies. However, such certification may not necessarily mean that a commercial organisation's bribery prevention procedures are 'adequate' for all purposes where an offence under section 7 of the Bribery Act could be charged.*

Sources: (UK Ministry of Justice, 2010[32])

8.4. Carrying out civic education on public integrity in schools

8.4.1. The Ministry of Education and the Anti-Corruption Office could incorporate integrity and anti-corruption concepts into the curricula

26. As Argentina's future, young people are a core audience for shaping the attitudes and behaviours towards integrity for the whole-of-society. Evidence has found that civic education programmes can increase the likelihood of young people rejecting corruption in government, as well as diminish their likelihood of accepting or participating in law-breaking activities (Ainley, Schulz and Friedman, 2011[34]; Fraillon, Schulz and Ainley, 2009[35]). To this end, incorporating integrity education into school curriculum is a key tool, as it equips young people with the knowledge and skills needed to face the challenges of society, including corruption.

27. Education about public integrity and anti-corruption can help challenge entrenched social norms that enable corruption to flourish. Such education can be found in the schools (e.g. in the existing curriculum or through extra-curricular activities), or through tools offered independently (such as initiatives by civil society organisations). Education about public integrity and anti-corruption generates new common knowledge about the expected norms and behaviours to prevent corruption. It also cultivates lifelong skills and values for integrity, encouraging young citizens to accept their roles and responsibilities for rejecting corruption.

28. Using education about public integrity and anti-corruption must however be understood as a long-term policy tool. Like many educational programmes, education about public integrity and anti-corruption builds on the knowledge and skills developed previously. It requires not only a robust curriculum, but also effective teachers who are capable of delivering the material, as well as modelling integrity. Moreover, success will

also depend on youth seeing the integrity values upheld in their classrooms, their schools and their communities.

29. In Argentina, education about civic and ethical values is part of the National Education Law (*Ley de Educación Nacional Nº 26.206)*. Although the provincial governments are primarily responsible for implementing education, the national Ministry of Education (MoE) in cooperation with the Federal Council of Education (*Consejo Federal de Educación* or CFE) defines common curricular standards and contents for all levels of compulsory education. Following the curricular framework established at the federal level, the provincial governments establish common curricular structures and contents. These structures and contents mirror the priorities of the federal level while also reflecting the social and cultural contexts of each province (Government of Argentina,(n.d.)[36]).

30. The *Núcleos de Aprendizajes Prioritarios (NAP)* or Priority Learning Centres are the common curricular structure elaborated by the MoE and the CFE. The NAP establishes the common curriculum standards for the core subjects for all initial, primary and secondary schools across Argentina. The NAP for civics and ethics education (Formación Ética y Ciudadana) is particularly useful for education about public integrity, as it offers space in the curriculum to reflect on integrity issues. At the primary level, the NAP for civics and ethics education identifies three learning areas: (1) ethical reflection; (2) historical construction of reality; and (3) citizenship, rights and participation. Together, these learning areas aim to build students' knowledge and skills for assessing their personal values and the values of wider society. These learning areas also underscore the role of legal, moral and social norms, and the relationship between norms, forms of authority and respect for the rule of law. Moreover, the learning areas build skills to communicate respectively, and listen and understand different points of view.

31. Similarly, the NAP at the secondary level (***Ciclo Básico de la Educación Secundaria)*** provides opportunities to incorporate education about public integrity. According to the MoE, this NAP contains integrity-related elements, emphasising that the government is not alone in fighting corruption or ensuring integrity, but that unethical practices can exist across several sectors, thereby becoming a shared issue. As such, the NAP requires teachers to promote amongst students critical reflection skills about their political, economic and ethical roles and responsibilities as citizens. For example, one of the learning areas requires students to construct, validate and respect the norms that govern fair coexistence in the school community and society. The NAP also recommends that teachers draw from a variety of teaching disciplines, including education for peace, tax education, cooperative education, in order to strengthen students' understanding of the ethical, legal, political, economic and cultural dimensions of social life.

32. In addition to the NAP for civics and ethics curriculum, the Anti-Corruption Office in cooperation with the educational community also developed specific anti-corruption educational materials in the late 2000s. The materials, which included a video and accompanying guide for teachers of the series *¿Y vos qué?,* were developed to guide teachers in initiating debates in the classroom and encourage students to reflect on the issue of values. The programme focused on students in secondary school, as well as their families and teachers and contained the following four objectives:

- To create and promote social awareness of respect for the rule of law;
- To strengthen education in values, with the aim of preventing acts of corruption at all levels of social life;

- To disseminate among young people subjects related to public ethics and promote their debate (in the classroom as well as within the family)
- To train teachers to achieve continuity in meeting objectives

The materials were tested in a pilot phase over two years in secondary schools in select schools across Argentina through a series of workshops.

33. Nevertheless, this programme was not integrated into the core civics and ethics curriculum. Additionally, when offered, it was only to students in upper secondary school who participated. To that end, following a diagnostic evaluation of the programme, a key finding was the need to incorporate the anti-corruption programme into the official curriculum. This was identified as a pending objective. The findings also noted that there are no formal mechanisms to evaluate the knowledge obtained by students in this particular field.

34. The existing NAP civics and ethics curriculum provides a strong platform for educating on integrity values and norms. To strengthen the link between integrity and corruption prevention, the Ministry of Education could consider building on the structure of the OA's anti-corruption education programme and mainstream it into the primary and secondary Civics and Ethics NAPs. To initiate this work, the MoE and OA could sign an agreement, which clearly lay out the roles and responsibilities for each entity to cooperate on developing and mainstreaming education for public integrity into the main curriculum. As the provincial Ministries of Education are responsible for adapting and implementing the national framework at the provincial level, the agreement should ensure that it assigns concrete responsibilities to the Federal Council for Education.

35. A key activity of the MoE could be to develop an Action Plan for the creation and implementation of the education for public integrity programme. The Action Plan should clearly identify the concrete tasks, responsible institutions, expected outcomes and timeframe, as well as indicators to evaluate impact.. As the anti-corruption and integrity subject matter experts, the OA could play an advisory role to inform on the proposed content. The Action Plan could cover the following core activities: design of the curricular guidelines (e.g. a learning outcomes framework and teaching and learning materials), the teacher training process and the piloting and revision process. The Action Plan could also clearly lay out the process for mainstreaming the learning outcomes framework and the teaching and learning materials into the core curriculum, following the piloting and revision process. The Action Plan could also contain a provision to develop a monitoring and evaluation framework to assess the impact on students' knowledge and skills (see Chapter 2).

36. As noted above, the curricular guidelines could contain a learning outcomes framework that identifies the core knowledge, skills and attitudes desired for Argentine students about public integrity and anti-corruption (see for example those presented in Table 8.3). The teaching and learning materials should be based on the learning outcomes framework, appropriately tailored to specific age groups and should include activities for students to apply their integrity knowledge in a tangible way. This could include in-classroom activities, like games, role-play scenarios and debates (see for example Box 8.5 on Austria). For the older students, it could also include real-life encounters with public officials, such as the "everyday ethical individuals" mentioned in the previous section. This could provide an opportunity for students to meet public officials working for integrity to apply their knowledge in practice (see, for example, a similar hands-on activity in Lithuania in Box 8.6). The Federal Council for Education could consider validating the learning outcomes framework and corresponding materials. Moreover, to support the Federal

Council for Education in developing and disseminating these materials, the MoE could consider designating funds to education for public integrity within the existing budget for the Civics and Ethics NAP.

Table 8.3. Suggested learning outcomes for education about public integrity

Core Learning Outcome 1: Students can form and defend public integrity value positions and act consistently upon these, regardless of the messaging and attractions of other options.		
Sub-learning outcomes and indicators for achievement	Students can explain their own public integrity values, those of others, and of society, and what they look like when they are applied	Identify and use vocabulary that describes values and the situations in which they apply Explain the mechanisms that may lead to a lack of trust in the values of others or their application Explain the benefits that arise from having a consistent application of proper processes Describe and define the behaviours that are in opposition to public integrity
	Students can identify the public integrity values that promote public good over private gain Students can describe the institutions and processes that are designed to protect public good	Cite examples of public good and contrast it with private gain and the values that drive processes that keep these interests separate Describe and compare the role of integrity institutions and the need for – and characteristics of – those processes that protect and build integrity Clearly separate individuals and their actions and the role and importance of integrity institutions and understand that while individuals may fail in their duties, the underlying rationale for the institutions themselves remains sound
	Students can construct and implement processes that comply with their own public integrity value positions and those of society	Create and follow rules /processes Encourage others to follow "rule of law" principles
	Students can apply intellectual skills in regards to the defence of public integrity values	Devise questions that demand high order thinking, and respond to questions of others Critically examine their own behaviour as citizens and explain why others take part in actions that damage public integrity Explain the causes of behaviours that are in opposition to public integrity
Core Learning Outcome 2: Students can apply their value positions to evaluate for possible corruption and take appropriate action to fight it		
Sub-learning outcomes and indicators for achievement	Students can define corruption and compare it with immoral or illegal behaviour	Form value positions about corruption and express opinions about corrupt acts Readily counter the argument that "it is ok to take part in corruption because everyone else does" Explain why corruption is worse than simple theft Give examples that show why theft of public funds or goods is as bad as theft of private funds or goods Identify public values/norms and/or religious views that are against the actions of corrupt leaders
	Students can compare and determine the major different mechanisms in corruption	Explain the meaning of bribery and gives examples; compare the role and morality of the bribe giver with the bribe taker Define and give examples of nepotism: explain why is it bad for the development of a country or organisation; explain the consequences of nepotism; and explain how selection on merit works and why it is better than nepotism Explain the meaning and give examples of conflicts of interest: explain how they can be avoided; design a process that deals with conflicts of interest; and explain the consequences Define and give examples of theft or misuse of public goods: explain the consequences of theft of public goods; and compare and contrast grand from petty corruption
	Students can describe and evaluate consequences of corruption on a whole country	Explain and give examples of how corrupt acts affect everyone; how inequality of income and opportunity get worse with corruption; and why legal businesses do not like corruption
	Students can identify the likely signs of corruption	Identify likely signs of corruption and give examples such as nepotism instead of selection on merit; and lack of accountability and transparency
	Students can describe ways to, and suggest strategies for, fighting corruption	Explain why it is that if we don't fight corruption we are part of the problem Define and give examples of transparent processes: explain how transparent procedures stop corruption; evaluate a procedure as transparent; and explain, using examples, why overregulation can cause more corruption Define accountability, explain why and give examples of how accountability stops corruption Define and give examples of honesty Demonstrate transparency, accountability and honesty in their actions
	Students can identify who and/or to which organisations corruption should be reported	Describe a variety of ways of reporting corruption Identify organisations fight corruption (integrity institutions) Explain the role of the media and civil society organisations in fighting corruption
	Students can explain the purpose and function of integrity policies	Understand the role of a Freedom of Information law Design a Code of Ethics / Conduct, explain how it works compared to laws, and abide by and determine if their actions are compliant Understand the concept of whistleblower protection, and explain why whistleblowers need protection

Source: (OECD, 2018[37])

Box 8.5. Engaging Austrian students in interactive exercises for integrity and anti-corruption

The Federal Bureau of Anti-Corruption (BAK) of Austria provides anti-corruption training for students aged 14-18 years in two forms: an Anti-Corruption Event and an Anti-Corruption Workshop.

Developed to reach more students and ensure sustainability of course content, the Anti-Corruption Event uses a series of stations to engage students in different topics of corruption prevention and promotion of integrity. The Event mixes students by class and grade, to enable the development of new group structures and promote students' abilities to work in a team.

Over eight 45 minute units, the Anti-Corruption Workshop, utilises a variety of teaching and learning methods (questionnaires, discussions, role plays, talks with a Corruption Investigator, etc.). The Workshop aims to help students recognise and prevent corrupt situations and feel secure in their future daily professional lives. The programme also aims to develop students' ability to assess the relationship between economic activity and moral values. The content of the course includes the following elements: (i) the definition of the term "corruption" and forms of corruption; (ii) reasons and consequences of corruption and models to explain the corruption phenomena; (iii) corruption prevention and institutions and instruments in the fight against corruption

One of the interactive activities is the "Corruption Barometer", where two sheets of paper are placed on the floor, one reading "Corruption" and the other reading "No Corruption". The trainer reads out possible corruption cases, and students move between the two sheets of paper according to what level of corruption they believe each case to be. They are then asked to justify their decision, and after the exercise, each case is reflected on and discussed in more detail.

Another activity is the "Role Play" session, where cases of corruption are presented and students are given a "role card" to explain their role. One of the cases, "Acceptance of Gifts", is as follows:

Claudia is a bad student and might fail in mathematics. Her mother arranges to meet Claudia's teacher at school. During the conversation, the mother gives the school teacher a precious pen. The director and a teacher of philosophy are present.

Students then discuss a series of questions in groups, including:

1. How would you evaluate the behaviour of each person?
2. In your opinion, can this already be considered as corruption?
3. How should these people behave properly?

At the end of the course, students receive a hand-out entitled "Information on Corruption", which includes a test and overview of the material covered, and also complete a feedback form, which is used to improve the training.

Sources: (Federal Bureau of Anti-Corruption, 2013[38]; Federal Bureau of Anti-Corruption,(n.d.)[39])

Box 8.6. Changing attitudes towards corruption through education in Lithuania

In Lithuania, the anti-corruption body (the Special Investigation Service or STT), the Modern Didactics Centre (MDC), [a non-governmental centre of excellence for curriculum and teaching methods], and a select group of teachers, worked together to integrate anti-corruption concepts into core subjects like history, civics and ethics. Beginning in 2002, the group designed a training course for teachers on anti-corruption to familiarise them with the anti-corruption laws and legislation, definitions and concepts. Following this, the group mapped the national curriculum to identify areas where concepts about values (fairness, honesty, and impact on community) and anti-corruption could be integrated naturally. Once the initial curriculum was developed, the teachers tested the curriculum in their classrooms over a 6 month pilot period and refined the lessons based on the responses of the students. The end result was curriculum that allowed students to learn why corrupt activities were wrong and how ethical behaviour could be applied in their personal lives to address these dilemmas.

Following the pilot period, the MDC and consultants from the Education Development Centre, an agency within the Ministry of Education, compiled a series of sample lessons from the pilot period into a handbook for other teachers to use in the classroom. The lessons could be adapted by teachers to fit the context in their classroom, but were also complete enough to be used in their entirety. The lessons were also cognisant of the various learning abilities of different age groups, with lessons for the younger students focusing on values such as fairness and honesty, and lessons for the older students focusing on more complex issues, such as an historical analysis of the long-term impacts of corruption.

Over the years, the programme has expanded from classroom-based learning to engaging students with local anti-corruption NGOs and municipal governments to apply their knowledge in a tangible way. For example, in one city, students were introduced by the local civil servant responsible for anti-corruption to areas at risk for corruption within the local administration and the municipality's' plans to address the risks. The students were then involved in inspecting employee logs, just as a government official would, to check for irregularities and potential areas of abuse of public resources, such as government vehicles and fuel cards.

Source: (Gainer, 2015[40])

8.4.2. The National Teacher Trainer Institute could incorporate training on public integrity into the Jurisdictional Curriculum Designs

37. The successful implementation of education about public integrity is dependent upon teachers who can effectively deliver the curriculum in the classroom. Teacher training on anti-corruption and integrity concepts, as well as on how to address difficult social topics in the classroom, is therefore a crucial component to the curriculum efforts. Teacher training can equip trainee and experienced professionals with the skills, knowledge and confidence to counter contemporary social problems, such as corruption (Starkey, 2013[41]). Training on integrity and anti-corruption can also introduce normative standards to teachers, such as the norm that they have moral obligations to challenge corruption and

help their students navigate the difficult ethical dilemmas they encounter. Teacher training can take many forms, ranging from courses taken during teacher trainee programmes and professional raining, to seminars and resource kits prepared by government institutions and/or civil society actors.

38. In Argentina, initial and continuing teacher training is enshrined in the National Law on Education and coordinated through the National Institute of Teacher Education (*Instituto Nacional de Formación Docente* or *INFD*). Within each province, the Jurisdictional Curriculum Designs (*los Diseños Curriculares)* for teacher training include a subject aimed at ethics and citizenship training, which address concepts such as conflict in society, norms and the role of the state. Currently, concepts related to public integrity and corruption prevention are not included. The INFD could develop guidelines for the provinces on including content related integrity and anti-corruption in the ethics and citizenship component of the respective Jurisdictional Curriculum Designs. The guidelines could suggest developing modules on concepts of corruption and integrity, as well as strategies for cultivating an open classroom environment and managing difficult conversations (see Box 8.7 and Box 8.8).

Box 8.7. Preparing teachers to teach anti-corruption in Lithuania

As part of anti-corruption curriculum development in Lithuania, two project objectives were identified to support teachers in integrating anti-corruption content into their lesson plans: 1) to prepare an in-service training programme of anti-corruption education; and 2) to prepare a team of trainers able to consult and train other teachers.

In February 2004, the project team prepared a training course for teachers, as well as an in service training programme. From March to August 2004, a series of workshops and training seminars were held for teachers, with the following themes addressed:

- Critical thinking methodology for anti-corruption education
- Foundations of adult education
- Principles of strategic planning
- Development of in-service training programme for anti-corruption education

Between September and December 2004, the in-service training programme was prepared and piloted in the regions, with the results of the pilot informing various updates to the programme. The resulting programme, Anti-corruption Education Opportunities for Secondary School, is part of the permanent training offered by the Modern Didactics Centre, a centre of excellence for curriculum and teaching methods. The programme aims to provide teachers with information about corruption and anti-corruption education, and to encourage them to apply elements of anti-corruption education into their lesson planning and extra-curricular activities.

Source: (Modern Didactics Centre, 2004[42])

Box 8.8. Creating an open classroom and school environment

An open classroom and school environment are core components of an effective education about public integrity and anti-corruption programme. An open environment has been found to encourage learning, with students sharing their personal experiences and learning from one another. Additionally, an open environment can model the expected behaviours and norms of a democratic society, which can have a positive influence on assimilating these values and future civic behaviour (Ainley, Schulz and Friedman, 2009[43]).

Experience from successful educational interventions highlights the role of an open school and classroom environment and identifies four core interrelated components for the planning and delivery of effective learning:

1. Facilitating an open classroom discourse and a dialogic pedagogy to enable students to open up about their values and insights.
2. Valuing and respecting students and their experiences, allowing them to leverage their contextual knowledge and experiences to inspire their citizenship action and engagement.
3. Ensuring a whole-of-school approach, where the school environment accords genuine rights and responsibilities to all its members, modelling democratic and respectful behaviours in all its actions. This component also advocates for a student voice that is not just listened to, but trusted and honoured.
4. Creating and sustaining a structure that supports teachers and other staff to engage in these processes and support the whole-of-school transformation, is also a critical element of an open school and classroom environment. (Deakin Crick, Taylor and Ritchie, 2004[44])

Evidence has also found that students who learn in an open classroom environment develop qualities of empathy, critical thinking, the ability to understand the beliefs, interests and vies of others, as well as the ability to reason about controversial issues and choose different alternatives (Van Driel, Darmody and Kerzil, 2016[45]).

Sources: (Van Driel, Darmody and Kerzil, 2016[45]), (Ainley, Schulz and Friedman, 2009[43]), (Deakin Crick, Taylor and Ritchie, 2004[44])

8.4.3. The Ministry of Education and the Anti-Corruption Office could partner with universities to mainstream integrity and anti-corruption throughout their degree programmes.

39. As future employees, post-secondary students need the knowledge and skills to comply with ethical requirements, as well as be able to confront integrity challenges as they arise. Evidence has found that integrating ethics education into university curricula can increase students exposure to a range of ethical issues and improve their ethical sensitivity, a critical component of the ethical decision-making process (Martinov-Bennie and Mladenovic, 2015[46]). Other evidence has shown that even short ethics programmes, consisting of three discussions, supported the development of ethical sensitivity amongst students (Clarkeburn, Downie and Matthew, 2002[47]). Such interventions can however be

transitory, either due to the curriculum content or environmental influences. To counteract the transitory effect of ethics education, it is suggested that post-secondary course work be supplemented by experiential learning and immersion techniques to give students the opportunity to experience and practice ethical considerations (Bampton and Maclagan, 2005[48]; Christensen et al., 2007[49])

40. Moreover, to be effective, training on integrity should not be limited to certain professions. While certain sectors are at a higher risk of corruption and fraud, integrity breaches can be found across all sectors. Furthermore, as employees are more likely to change careers multiple times, post-secondary students would be better served by integrity education that is mainstreamed across their curriculum.

41. Together with the OA, the MoE could partner with universities to develop modules on integrity and anti-corruption and mainstream into existing courses, such as law, economics, business, engineering and architecture, and public administration. One possible way to achieve this could be through a MoU between the MoE, the OA and interested universities. The Anti-Corruption Academic Initiative (ACAD) contains extensive resource material that universities can draw upon to design their own modules (see Box 8.9). The OA could also encourage universities to sign up to the Poznan Declaration, which provides clear recommendations to universities for mainstreaming integrity and anti-corruption throughout their courses (see Box 8.10).

Box 8.9. UNODC Anti-Corruption Academic Initiative (ACAD)

The ACAD initiative aims to facilitate exchange of curricula and best practices between university educators. ACAD is a collaborative academic project that aims to provide anti-corruption academic support mechanisms such as academic publications, case studies and reference materials that can be used by universities and other academic institutions in their existing academic programmes. In this manner, ACAD hopes to encourage the teaching of anti-corruption issues as part of courses across various disciplines such as law, business, criminology and political science and to mitigate the present lack of inter-disciplinary anti-corruption educational materials suitable for use at both undergraduate and graduate levels. ACAD has developed a full model course on anti-corruption, a thematically organized menu of resources and a variety of teaching tools; all availed freely on the web (UNODC,(n.d.)[50]).

Academics often argue that curricula are already too congested and adding topics adds to the burden; however, the initiative emphasizes that there opportunities for synergies and complementarities where ethics and anti-corruption can be emphasized without unnecessarily expanding the burden for both students and university teachers. The rationale for mainstreaming ethics and integrity in all university courses is that there is an under-supply of professionals and graduates who are capable of solving ethical dilemmas and who are equipped with critical thinking skills.

Sources: (UNODC,(n.d.)[50]), OECD/U4 (forthcoming) *Promoting a culture of integrity through education*.

Box 8.10. The Poznan Declaration

The mainstreaming of ethics and anti-corruption in higher education is being promoted globally by the Compostela Group of Universities, the World University Consortium and the World Academy of Art and Science, a global network of 700+ university professors. The mainstreaming instrument is the Poznan Declaration, which brings together higher education with governments, business and civil society in the fight against corruption.

The declaration, titled the "Whole of University Promotion of Social Capital, Health and Development," was signed in September 2014. The declaration is based on the recognition that the educational system has been producing individuals geared towards narrow self-interests, and therefore higher education needs to adopt a more holistic approach that emphasises ethics and integrity not only for law and public policy students, but for all university courses, in order to start a trust-promoting causal chain that can improve the quality of government and hence the standard of living and wellbeing of citizens (Tannenberg and Rothstein, 2014). The declaration therefore calls for:

- Adoption of a cross-faculty approach to include ethics and anti-corruption education in all university curricula.
- Encouraging lecturers and professors to facilitate the incorporation of ethics issues in their classes.
- Re-emphasising ethics as the cornerstone of professional identities which set the boundaries of future acceptable behaviour.
- Universities should ensure transparency, accountability and impartiality in teaching, student assessment and research; as well as in the recruitment of students, award of degrees, employment, promotions and other areas of university life.

Towards the inclusion of ethics and anti-corruption components on existing curricula, the declaration suggests the following:

- Bringing corruption to the classroom by drawing attention to the growing body of research that shows the correlation between corruption and other aspects of life such as health, development, social trust and quality of government.
- Raising awareness of existing domestic anti-corruption law as well as on regional and international initiatives against corruption
- Organising discussion seminars on values and norms that should govern human social interactions.
- Using case studies from real professional practice to which students can relate as a teaching tool
- Making use of e-learning programmes, video-conferences and apps that can provide ethical dilemma training through simulation that encourages the student to make a decision or take appropriate action.

Sources: (Tannenberg and Rothstein, 2014[51]); OECD/U4 (forthcoming) *Promoting a culture of integrity through education*.

8.5. Summary of proposals for action

Raising awareness in society of the benefits of integrity and reducing tolerance of violations of public integrity

- The Anti-Corruption Office could take an active role in communicating to citizens and firms their roles and responsibilities for respecting public integrity through awareness-raising campaigns.
- A whole-of-society communications unit could be institutionalised under the Subsecretariat of Integrity and Transparency, and assigned responsibilities for conducting awareness raising programmes.
- The Anti-Corruption Office could develop a whole-of-society communications strategy that identifies the target audiences, key messages, communication channels and expected outputs. The awareness raising campaigns should be tailored to the target audiences, generate community responsibility and increase a sense of agency, and encourage action.
- The Anti-Corruption Office could develop an awareness campaign that communicates success stories from effective behaviour changes throughout the government. The campaign could highlight "everyday ethical public officials" who have helped change the way their team works for integrity in the Argentine government. The officials pledge to honour these values as a matter of respect towards the public they are serving and ask the citizens to return this respect by trusting them to serve in the public interest.
- Through Memorandum of Understanding, the Anti-Corruption Office could assign the responsibility to other government entities that deal with high-risk areas, including, but not limited to, the Ministry of Labour, Employment and Security (*Ministerio de Trabajo, Empleo y Seguridad*), the Ministry of Health (*Ministerio de Salud*) and the Ministry of Social Development (*Ministerio de Desarrollo Social*), , to incorporate integrity and anti-corruption awareness raising campaigns for citizens in their respective areas.
- The awareness raising and identity forming measures could be supported by behavioural interventions creating salience for moral norms and identities.

Engaging with the private sector to uphold integrity in business activities

- The Anti-Corruption Office could provide guidance to companies on mainstreaming an integrity culture perspective into their business integrity programmes.
- The Anti-Corruption Office could consider developing guidance for independent verification of the quality of companies' business integrity programmes.

Carrying out civic education on public integrity in schools

- The Ministry of Education and the Anti-Corruption Office could scale up the existing anti-corruption education programme for secondary students and implement it into the existing primary and secondary subject for Citizenship and Ethics Education (Formación Etica y Ciudadana). To achieve this, the Ministry of Education could sign an agreement with the Anti-Corruption Office that clearly lays out the roles and responsibilities of the Ministry of Education and the Anti-Corruption Office to cooperate on developing and mainstreaming education about

public integrity into the main curriculum. The agreement should also ensure that it assigns responsibilities for implementation to Federal Council for Education.

- The Ministry of Education could develop an Action Plan for the creation and implementation of the education for public integrity materials. The Action Plan should clearly identify the concrete tasks, responsible institutions, expected outcomes and timeframe, as well as indicators to evaluate impact.
- The Action Plan could include the design of the learning outcomes framework, the design of the teaching and learning materials, the teacher training process and the piloting, integration and revision process. The Action Plan could also contain a provision to develop a monitoring and evaluation framework to assess the impact on students' knowledge and skills.
- The learning outcomes framework should identify the core knowledge, skills and attitudes desired for Argentine students about public integrity and anti-corruption. The teaching and learning materials should be based on the learning outcomes framework, appropriately tailored to specific age groups and should include activities for students to apply their integrity knowledge in an applicable way.
- The National Institute of Teacher Education (INFD) could develop guidelines on including content related to integrity and anti-corruption in the ethics and citizenship component of the respective Jurisdictional Curriculum Designs. The guidelines could suggest developing modules on concepts of corruption and integrity, as well as strategies for cultivating an open classroom environment and managing difficult conversations.
- The Ministry of Education and the Anti-Corruption Office could partner with universities through a Memorandum of Understanding to mainstream integrity and anti-corruption throughout their degree programmes.
- The Ministry of Education and the Anti-Corruption Office could encourage universities to sign up to the Poznan declaration and utilise the teaching resources made freely available by the UNODC Anti-Corruption Academic Initiative (ACAD) to mainstream education about integrity and anti-corruption in all areas of the university curriculum.

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