



# HONDURAS REPORT

## FOLLOW-UP ON THE LIMA AGREEMENT

### CITIZEN CORRUPTION OBSERVATORY



## CREDITS

Edwin Medina (Head Researcher)  
Juan Carlos Aguilar (Research Assistant)  
Lester Ramírez (Technical Coordination)

### Working Group

Alejandra Vargas, Mittchel Benítez & Dineyla Erazo (Organization & Logistics with Civil Society and Public Funerals)  
Maribel Muñoz (Program Coordination)

### Civil Society Representatives

José Ramón Ávila (ASONOG)  
Yimene Calderón (ODECO)  
Lilian Mejía (Aldeas SOS Honduras)  
Sandra Zambrano (APUVIMEH)  
Carlos Sierra (CIPRODEH)  
Deysi Ibarra (COHDESSE)  
Carlos Villatoro (CVAL)  
Carlos Chinchilla (EROC)  
Santos Rodríguez (FONAC)  
Jorge Galeano (FOPRIDEH)  
Josselyn López (GO Joven)

### Photography

Juan Ortiz

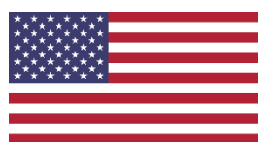
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## DOCUMENT ACRONYMS

ASJ: Asociación para una Sociedad Más Justa
ASONOG: Asociación de Organizaciones No Gubernamentales de Honduras
AISOS: Aldeas Infantiles SOS
APUVIMEH: Asociación para una Vida Mejor
CIPRODEH: Centro de Investigación y Promoción de los Derechos Humanos
NAC: National Anticorruption Council
COHDESSE: Consejo Hondureño del Sector Social
CVAL: Cristianos Valientes
EROC: Espacio Regional de Occidente
CFA: Citizen Forum of the Americas
FONAC: Foro Nacional de Convergencia
FOPRIDEH: Federación de Organizaciones No Gubernamentales para el Desarrollo de Honduras
IAIP: Instituto de Acceso a la Información Pública
LTAIP: Law on Transparency and Access to Public Information
CCO: Citizen Corruption Observatory
ODECO: Organización de Desarrollo Comunitario
OAS: Organization of American States
NGO: Non-Governmental Organization
CSO: Civil Society Organization
OMM: Oficinas Municipales de la Mujer
PASCA: Project: “Civil Society Participation in the Summit of the Americas”
REDLAD: Latin American and Caribbean Network for Democracy



## INTRODUCTION

The Citizen Forum of the Americas (CFA) emerged from the process promoted by the Project “Citizen Participation in the Summit of the Americas” (PASCA, by its Spanish initials), which was aimed at designing and establishing an effective and sustainable mechanism for the participation of Civil Society Organizations (CSOs) in the Summits of the Americas.

This forum is made up of CSOs from the hemisphere and seeks to establish dialogues, articulation and advocacy among the different Civil Society Organizations, social actors and strategic actors in decision making in the Americas.

The main purposes of the CFA are:

Promote the participation of Civil Society Organizations of the Americas in the spaces for dialogue, debate and decision-making on issues of interest to them in the OAS and the Summits of the Americas.

Support the institutionalization of a significant role for civil society in these and other relevant scenarios.

The main purpose of the project titled “Follow-up on the Lima Agreement - Citizen Corruption Observatory (CCO)” is to strengthen the Citizen Forum of the Americas (CFA) by co-creating, together with the Latin American and Caribbean Network for Democracy (REDLAD, by its Spanish initials) and the Citizen Forum of the Americas (CFA), an observatory that provides technical support to the implementation of the Project titled: “Civil Society Participation in the Summit of the Americas (PASCA, by its Spanish initials).

Within the framework of the activities developed by the CCO, the progress of the Lima Agreement was monitored using a methodology that took into account both normative and practical developments, and which was based on the participatory discussion of different civil society organizations in each of the 19 countries participating in this process.

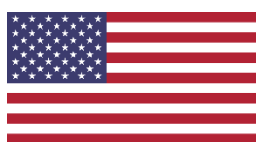
In this context, the CCO is made up of a coalition of civil society organizations and social actors of the continent, created to follow up on compliance with the agreements adopted by the governments of the hemisphere at the VIII Summit of the Americas held in 2018 in Lima, Peru. The Lima Agreement, "Governance against Corruption", a document resulting from the Summit, provided an opportunity to endorse and ratify previous international commitments on anti-corruption issues.

The objective of the country report is to present a summary of the results and findings of on the follow-up of the progress and/or compliance in Honduras with the commitments made at the 2018 Summit, based on the follow-up methodology document for the Lima Agreement<sup>1</sup> and on the information review carried out by twelve Honduran civil society organizations. All of the information collected during the follow-up is available on the CCO website<sup>2</sup>.

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<sup>1</sup> The methodology is available at: <https://occ-america.com/metodologia/>

<sup>2</sup> Available at: <https://occ-america.com/>



The methodology for monitoring the Lima Agreement allows civil society to assess the progress and/or compliance with 19 commitments<sup>3</sup> in five areas prioritized (see Graph 1) by the CCO for monitoring in each of the countries participating in this observatory. The follow-up is based on the review of developments at both the normative and practical levels made by national governments over the last two years in respect to commitments made in the fight against corruption.



*Graph 1. Central Themes for follow-up of the Lima Agreement*  
Prepared by the Author based on the CCO follow-up methodology.

At the policy level, current regulations were reviewed, based on 75 guiding questions regarding constitutional, legislative and jurisprudential developments. The analysis of practice consists of the review of concrete measures taken by the government in response to the commitments made.

For this purpose, 64 questions were constructed, which were answered through requests for information, interviews, reference to media reports, reports and research on the subject, among others. This information is the basis for evaluating each commitment in terms of effectiveness, efficiency and sustainability.

In Honduras, this study was developed by the Asociación para una Sociedad Más Justa (ASJ), national chapter of Transparency International, forming a team responsible for the effort of liaison with Civil Society Organizations (CSOs), collection and analysis of information, as well as for returning results for validation.

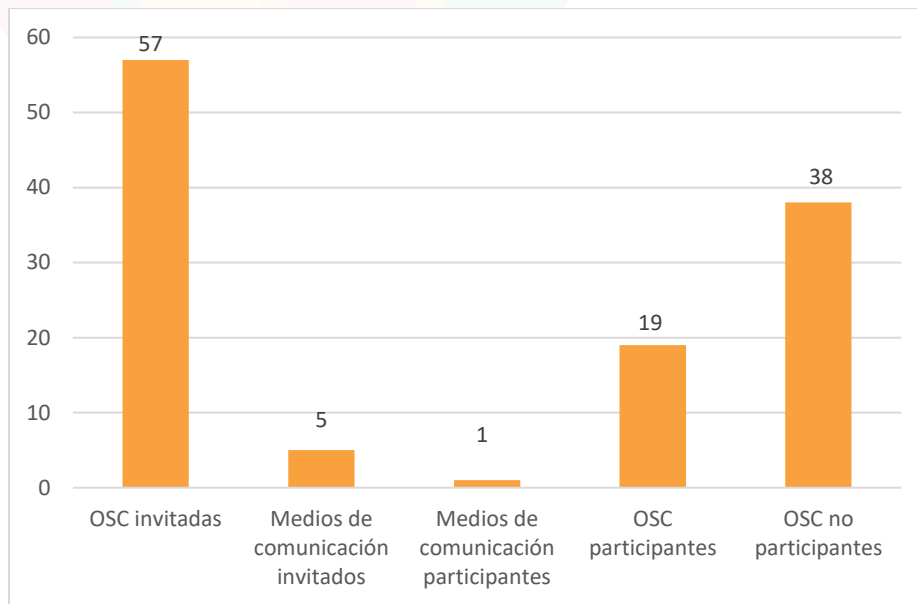
<sup>3</sup> The CCO made up a first balance of the policy indicators at the regional level. The document is available at: <https://occ-america.com/2021/07/29/primer-informe-del-observatorio-ciudadano-de-corrupcion-revela-avances-y-retos-normativos-para-la-lucha-anticorrupcion-en-la-region/>.

## PARTNER ORGANIZATIONS

As part of the participatory methodology implemented for this first report, 57 CSOs and five media outlets were invited to participate. In addition, five in-depth interviews were conducted with experts and public officials, and requests for access to public information were made. In addition, 35 legal instruments were reviewed.

Of all of the organizations invited, 19 CSOs and one media outlet participated, with territorial presence in six departments, including: Copán, Atlántida, Francisco Morazán, Comayagua, El Paraíso, and Cortés (see the graph below).

Graph 2. Civil Society Organizations and media invited to participate in the CCO



Prepared by Author.

Below is a brief description of the organizations that contributed to the follow-up of the Lima commitments by the State of Honduras.



**Asociación por una Sociedad más Justa- capítulo de Transparencia Internacional en Honduras (National Coordinator).** Organization whose mission is to make the state system work, especially for the most vulnerable. With more than 20 years of work in sectors and areas vulnerable to public corruption, such as public procurement and human resource management in education, health, infrastructure, security, and justice. ASJ conducts in-depth research, social audits and presents public policy proposals, working in national and international networks.





**Asociación de Organizaciones No Gubernamentales (ASONOG).** This organization is the focal point in the country of the Citizen Forum of the Americas. It is a network of Honduran Civil Society Organizations that promotes the articulation of actors, structures, and processes of social organization, knowledge management, empowerment and political advocacy in favor of men and women in conditions of social and political exclusion. ASONOG works strategically in the following areas: governance and democracy; integral risk management, and institutional strengthening, influencing with proposals that benefit people in vulnerable conditions.



**Organización de Desarrollo Comunitario (ODECO).** Coordinator of Afro-descendant groups of the Citizen Forum of the Americas. This institution fights for the integral development of Afro-Honduran communities. ODECO facilitates the efforts and actions of Afro-Honduran communities and national and international strategic alliances to promote respect for human rights, self-determination of peoples, promote social inclusion and improve the quality of life of our population.

**Aldeas Infantiles SOS Honduras.** A non-profit social development organization that works for the right of children to live in protective families, develops actions to prevent the loss of family care and provides alternative care for children who were separated from their families. Aldeas SOS is part of civil society networks that advocate for children's rights throughout the country.



ALDEAS  
INFANTILES SOS  
HONDURAS

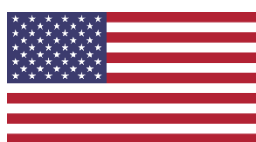


**Asociación para una Vida Mejor (APUVIMEH).** Non-profit organization that protects the rights of people who are part of the LGBTI community and people with HIV-AIDS in Honduras. APUVIMEH advocates before health, security and justice operators for the freedom and personal safety of LGBTI people so that they do not live conditioned to clandestinity and are not subjected to harassment and discrimination from society.

**Centro de Investigación y Promoción de los Derechos Humanos (CIPRODEH).** Organization that generates changes oriented to the construction of a State of law, democratic, fair and respectful of human rights and civil liberties, in a way that is consistent with the inclusive participation and needs of the population of Honduras.



**Consejo Hondureño del Sector Social de la Economía (COHDESSE).** Highest body of representation, defense, promotion, and integration of organizations and enterprises of the Social Sector of the Economy (SSE) throughout the national territory. The COHDESSE is a generator of opinion and has the capacity to influence in social, political, economic and legal matters for the benefit of social economy enterprises that are actively and committedly integrated towards national transformation.







**Cristianos Valientes (CVAL).** Progressive religious network that prays and advocates for peace and justice in Honduras; the network is composed of churches, ministries and Christian media at the national level and collaborate as social monitors through social audits/audits, and generate proposals in the areas of education, health, security, justice, transparency, and fighting corruption.



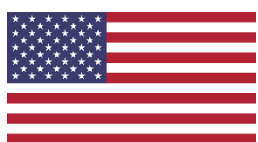
**Espacio Regional de Occidente (EROC).** This space offers a structure that facilitates joint work, with a broad representation of local government and civil society. It is an organization that advocates for the fight against corruption, transparency in public works and proposals to the security and justice system in western Honduras.

**Foro Nacional de Convergencia (FONAC).** Civil society Instance for verification, follow-up and incidence, independent of the fulfillment of the Country Vision and the National Plan. One of its functions is to constitute the monitoring and reporting system of the progress of the execution of the nation's plans through a model of quantitative relations that associate the fulfillment of the progress indicators of the Nation's Plan in each Region to the identified gaps, as well as the contribution of each executed project to the achievement of the progress indicators and the priority goals of the country.



**Federación de Organizaciones No Gubernamentales para el Desarrollo de Honduras (FOPRIDEH).** Network of more than 70 civil society organizations at the national level that work with diverse populations. The purpose of FOPRIDEH purpose is to promote and contribute to the process of fair, equitable, and sustainable development of Honduras through the institutional strengthening of its affiliates with advocacy work, in order to bring about a progressive change in the quality of life of citizens and sustainable with the environment.

**Go Joven Honduras.** Organization that promotes integral development to improve the quality of life of teenagers and the youth through capacity building and advocacy processes, in alliance with other actors and organizations, with emphasis on ensuring compliance with sexual and reproductive rights (SRHR) of the various populations in Honduras. Its activities focus on: comprehensive youth development, institutional strengthening, advocacy, and resource management.



## CONTEXT OF HONDURAS

Corruption in Honduras is a phenomenon that, over the past 20 years, has mutated and become more sophisticated. In this sense, political and economic power networks have colluded with organized crime and have managed to capture public institutions, to manipulate democratic rules, and to control public opinion through both traditional and non-traditional media. In addition to this, the scourge of impunity has been very present, with the only difference that the level of indignation among the population has increased, which has become visible through new social anti-corruption movements, mainly led by young people.

Despite complaints from the population and major corruption cases that have been investigated, the State has not been able to guarantee justice for an impoverished and corruption-stricken population. In fact, the only legal and institutional reforms that prosper are those that favor the shielding and protection of those who commit acts of corruption such as the approval of the new Penal Code *that "reduces the penalties with which crimes related to corruption are punished, thus favoring anyone who before its entry into force had incurred in any of these crimes"* (CNA, 2020, p. 14).

In 2016, the Misión de Apoyo Contra la Corrupción y la Impunidad de Honduras (MACCIH) was set up, with the objective of supporting jurisdictional bodies in the investigation and punishment of major corruption cases, as well as to promote legal and institutional reforms to strengthen the country's anti-corruption scaffolding<sup>4</sup>. During the four years of its operation in the country, the MACCIH has made evident the role of politicians and businessmen in the extraction of public budgets for campaign financing, the awarding of succulent public contracts, the laundering of funds through NGOs, and the links with organized crime and drug trafficking.

Despite progress in investigating and prosecuting high-profile corruption cases, the agreement establishing the MACCIH signed between the Organization of American States (OAS) and the State of Honduras was not renewed in January 2020. After its termination, there has been a strong setback in the fight against corruption, evidenced by the closure of emblematic cases that the Mission accompanied, which included high-level politicians and businessmen. This action has been the spearhead of the setback that the country has experienced, through the so-called *"impunity pacts"*.

In 2020, the emergency context of the COVID-19 pandemic also brought great opportunities for corruption, given the reduction of state controls and transparency mechanisms. Among some emblematic cases of corruption is the overpriced purchase of seven mobile hospitals at \$48 million dollars from a disreputable supplier. Had it not been for the investigative work of Civil Society Organizations such as ASJ, which managed to carry out a social audit with the involvement of international experts, even requesting quotations from other hospital suppliers, the magnitude of the larceny would have remained hidden. CSOs and their strengthening are fundamental for the proper functioning of the CCO. An empowered civil society, aware of its rights, can contribute to ensure that the information generated by the CCO is used for decision-making and to guarantee the transparent management of state resources.

<sup>4</sup> The MACCIH, as part of the social pressure and of the international community on the government of Juan Orlando Hernández (2014-2022) because of the scandal of the Instituto Hondureño de Seguridad Social (IHSS)



It can be said that, due to social auditing and investigative journalism, many of the abuses and corruption that occurred during the COVID-19 emergency would not have come to public light. It is for this reason that one of the greatest threats to the community of anti-corruption organizations in Honduras is precisely the closing of civic spaces, their co-optation or the introduction of legal impediments by groups that intend to continue extracting resources from the State for private ends.

Despite the international conventions ratified and the laws and institutions created to fight corruption, Honduras remains the same as it was 20 years ago. This situation is driving a revisionist movement on the approach that has been taken in the fight against corruption that not only focuses on institutions, but also on the people who exercise power, both formally and informally, i.e., the elites and control over institutions. The *Principal-Agent* approach to keep the behaviors of power actors aligned with the interests of the citizenry has fallen short when there is no institutional punishment. In this new context, it will depend a lot on Civil Society Organizations and the mobilization of the Honduran people to be able to generate social intolerance to corruption.

## RESULTS FOR HONDURAS

As a result of the VIII Summit of the Americas, a process in which the Citizen Forum of the Americas had an active participation, the countries of the region signed the Lima Agreement, entitled "Democratic Governance against Corruption" in which 57 commitments were made, in order for member states to implement concrete actions to build citizen's trust in institutions and reduce the negative impact of corruption on the effective enjoyment of human rights and sustainable development of the peoples of the American hemisphere.

For the follow-up, four criteria were taken into account to select commitments that could be representative for analyzing anti-corruption actions in the countries of the region, sustainable over time and have the potential to be institutionalized, could incorporate new approaches to anti-corruption actions, and include the perspective of vulnerable populations. As a result, 19 commitments were selected, classified into 5 specific topics:

- A. Reinforcement of Democratic Governance,
- B. Transparency, Access to Information, Protection of Whistleblowers and Human Rights, including Freedom of Expression,
- C. Financing of Political Organizations and Election Campaigns,
- D. Prevention of Corruption in Public Works and Public Procurement and Contracting,
- E. International Legal Cooperation; the Fight against Bribery, International Corruption, Organized Crime and Money Laundering, and Asset Recovery.

These commitments were analyzed by identifying regulatory and practical developments which were rated on a scale<sup>5</sup> of 0 to 3, taking into account the following follow-up criteria:

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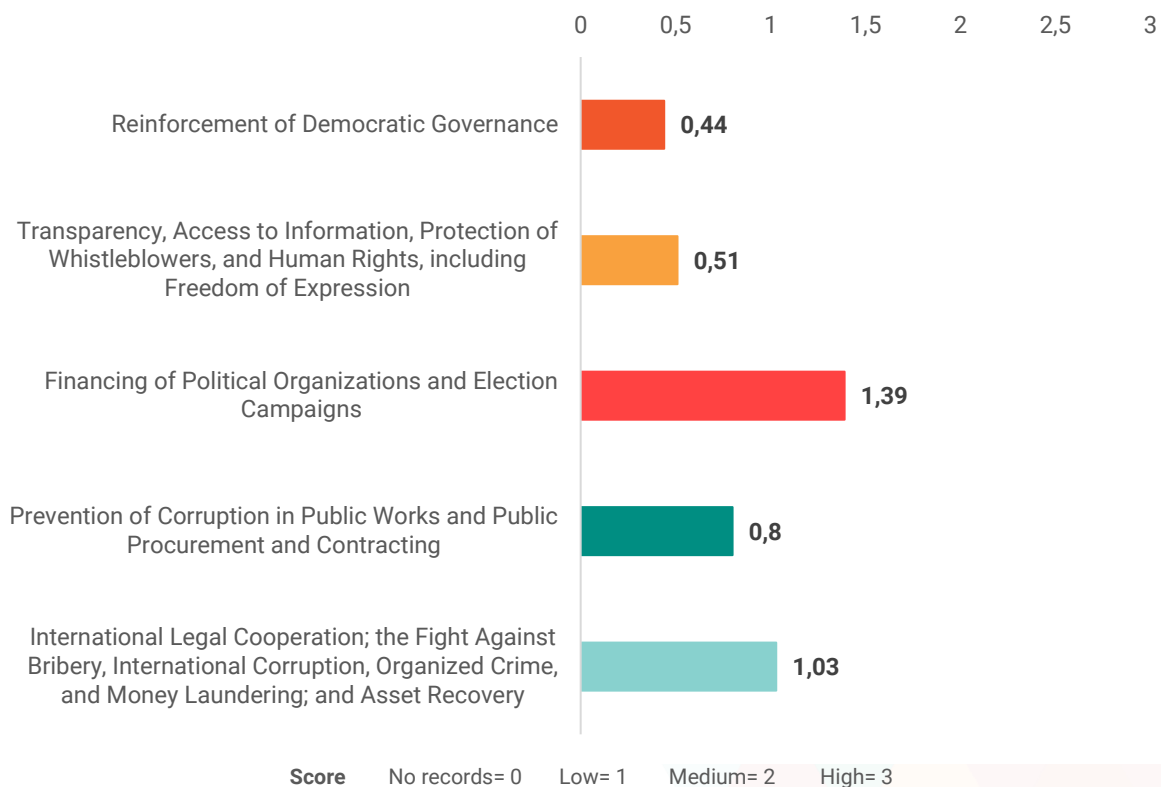
<sup>5</sup> Rated on a scale of 0 to 3: 0= no records, 1=low, 2=medium, and 3=high



- **Effectiveness:** Establishes to what extent the actions developed by the government as a result of the Lima Agreement contribute to the fight against corruption in the country.
- **Relevance:** Establishes to what extent the actions developed by the government are timely, convenient and adequate according to the economic, institutional and/or social context of the country.
- **Sustainability:** Determines to what extent the actions carried out to fulfill the commitment will have continuity over time.

Graph 3 below shows the general results obtained for Honduras in the five areas in which the commitments are classified.

Graph 3<sup>6</sup>. Honduras: Results per Lima Agreement Area



Source: Citizen Corruption Observatory

- In the case of Honduras, the global average of compliance is **0.89**; that is, **29.6% compliance with the commitments acquired** was achieved, a **low** evaluation considering that in each area, a maximum score of three can be reached and Honduras did not even reach 1. In comparative terms, at the regional level, Honduras is among the countries with the lowest compliance rates.

<sup>6</sup> The colors implemented in the graphs herein reflect the color coding given to each of the CCO central themes and do not correspond to a numerical scale.



- As can be seen in Graph 3, the area with the highest score is "*Political financing*" with 1.39 points, although this result will be further clarified below for greater clarity on this score. "*International legal cooperation*" ranked second with a score of 1.03. The next highest scoring area is "*Prevention of corruption in public works*", which obtained 0.8 points. The two lowest scores are occupied by "*Reinforcement of democratic governance*"<sup>7</sup> with 0.44 and "*Transparency in public works*" with 0.03 points. with 0.44 and "*Transparency, access to information, whistleblower protection*", with 0.51 points.
- As can be seen in the following sections, in all of the areas there are policy advances. However, the evaluations of the CSO members and experts consulted, show challenges to their adequate implementation, a symptom of a weak Rule of Law and an institutional framework compromised by cooptation and capture.

### 1. Reinforcing Democratic Governance

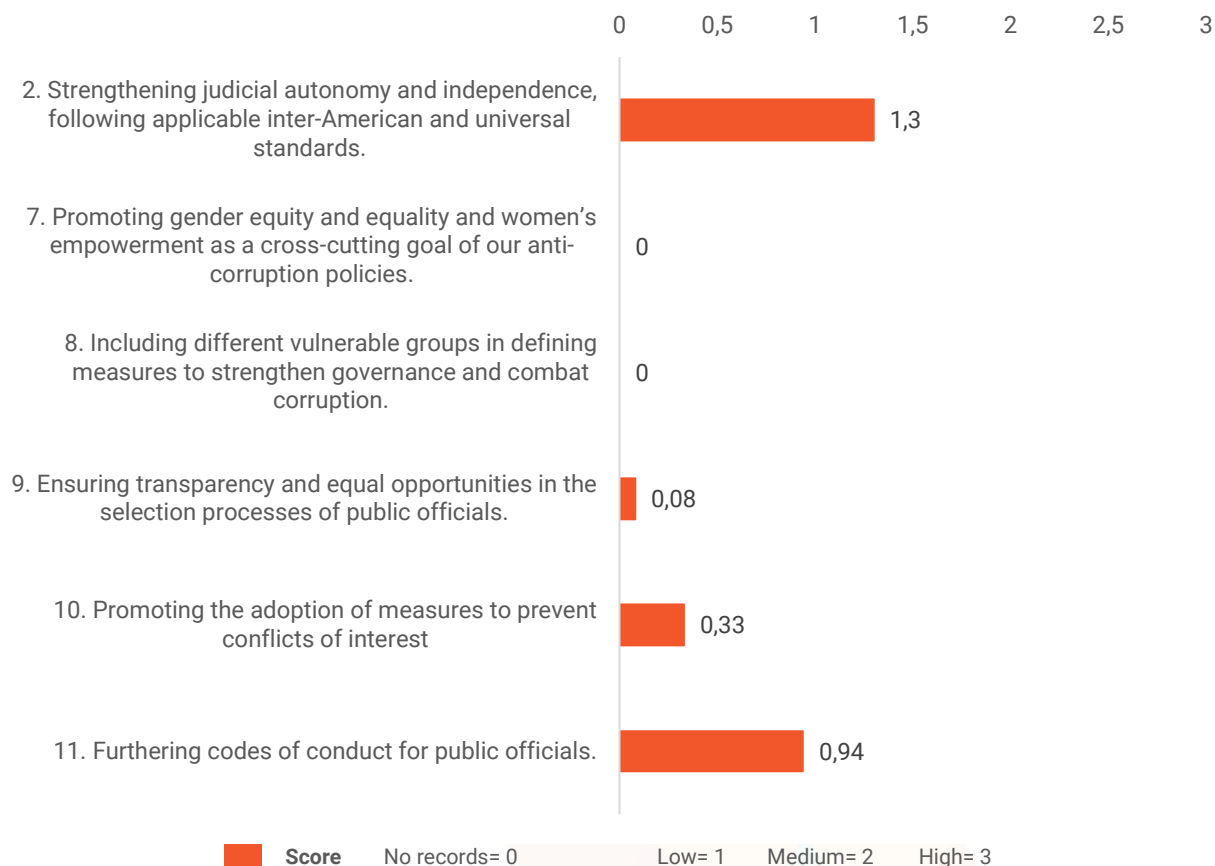
In the thematic area of Strengthening democratic governance, six commitments were evaluated. On average, the score obtained is 0.44, which is the lowest of all, with barely 15% compliance in this thematic area.

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<sup>7</sup> In the area of Reinforcement of Democratic Governance, no records were found for policies or practices in two of the commitments (7 & 8), while in the area of Transparency, Access to Information, Protection of Whistleblowers and Human Rights, including Freedom of Expression, commitment 18 did not present any records either.



Graph 4. Results for Commitments related to Reinforcing Democratic Governance



Source: Citizen Corruption Observatory

- Commitments 7 and 8 do not have any regulations or practices, so their rating is zero (Table 1, Annex 1). These data are an indicator that, although there are some advances in regulations that could contribute to strengthening democratic governance, in practice they do not achieve their purpose. With regard to the commitments on gender and vulnerable groups for example, neither regulations nor informal practices were found that indicate that progress is being made towards the fulfillment of this commitment. On the other hand, the autonomy of the Judiciary has been questioned in the face of political and business interference in the selection of magistrates, in enabling presidential reelection, and in the approval of laws to the detriment of the fight against corruption.
- CSOs working for women's rights express their concern regarding the representation of women in relation to anti-corruption and transparency issues, because, although there is a Gender Equality and Equity Plan that includes an axis of political and social participation, it leaves aside the involvement of women in the elaboration of anti-corruption policies and their implementation.

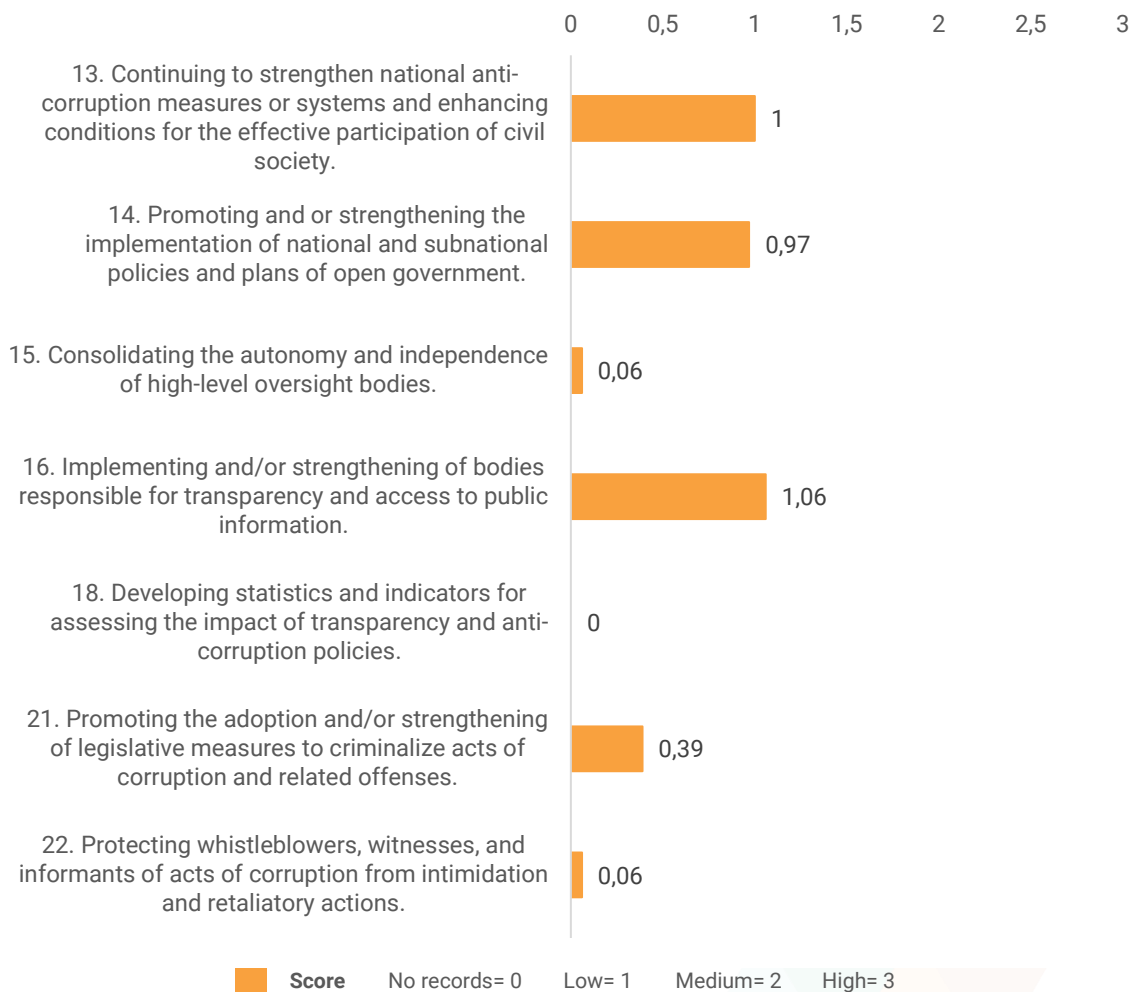


According to Carlos Chinchilla of EROC, democratic governance is a fundamental pillar to guarantee the ideal functioning of the rule of law. Unfortunately, in Honduras, in recent years, the rule of law, the independence of powers and the legitimacy of institutions have been substantially reduced, which generates a weak institutional framework and a deficient application of public policies.

## 2. Transparency, Access to Information, Protection of Whistleblowers and Human Rights, including Freedom of Expression.

This issue obtained the second lowest score, with 0.56; that is, 19% average compliance with the commitments assessed (See Table 2, Annex 1).

*Graph 5. Results for Commitments related to Transparency, Access to Information, Protection of Whistleblowers and Human Rights, including Freedom of Expression.*



Source: Citizen Corruption Observatory



- Commitment 18 does not register any regulations or practices, so its valuation is zero. These results show the great challenges regarding the implementation of national policies and plans on open government, digital government, fiscal transparency, autonomy and independence of superior bodies, and the strengthening of transparency bodies, among others. Although regulations were found in this regard, in practice there is no evidence of their implementation.
- The Public Prosecutor's Office (MP) does not have the capacity to implement a differentiated process for the protection of witnesses in corruption cases, which is a barrier to reporting and effective collaboration, as well as the participation of whistleblowers from the public or business sector. There are great risks for the physical integrity of protected witnesses and their families, with notorious cases of threats, even deaths, as has occurred in the purchase of medicines for the Ministry of Health.
- Despite technical and budgetary limitations, the Institute for Access to Public Information (IAIP) has shown some interest in complying with its legal mandate to guarantee the right to access public information by training public employees and administrative resolutions. However, the institute still needs to work on the quality of the information published and its social usefulness, and not limit itself to verifying that the obligated institutions comply with the minimum requirements of the transparency portals that contain information that is complex to analyze for the ordinary citizen.
- From the CSOs, one of the main barriers to access to public information and corruption control has to do with the scope of the Law for the Classification of Public Documents, related to National Security and Defense of 2014 (Secrecy Law), as it limits the powers of the IAIP in determining on the classification of information in two sectors highly vulnerable to corruption that manage large budgets, and are frequently denounced for committing abuses and human rights violations. In recent years, they have been infiltrated by drug trafficking and organized crime.

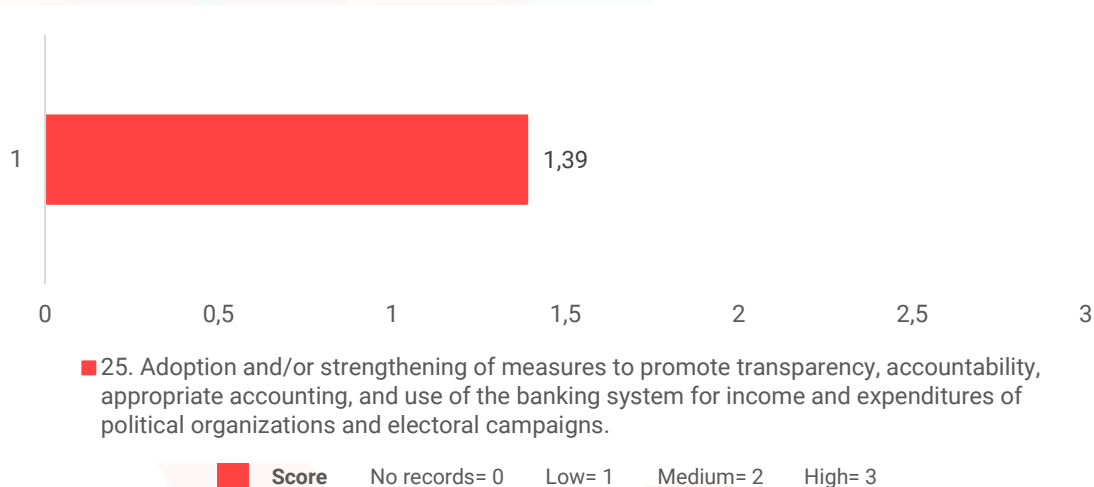
In conclusion, it can be stated that *"in spite of having a regulatory framework at the level of access to public information, there are parallel laws, such as the so-called Law for the Classification of Public Documents related to National Security and Defense, better known as the Law of Secrets, which represent a setback in the guarantee of access to information"* José Ramon Ávila - executive director of ASONOG





### 3. Financing of Political Organizations and Electoral Campaigns

Graph 6. Result for the Commitment related to the Financing of Political Organizations and Electoral Campaigns



Source: Citizen Corruption Observatory

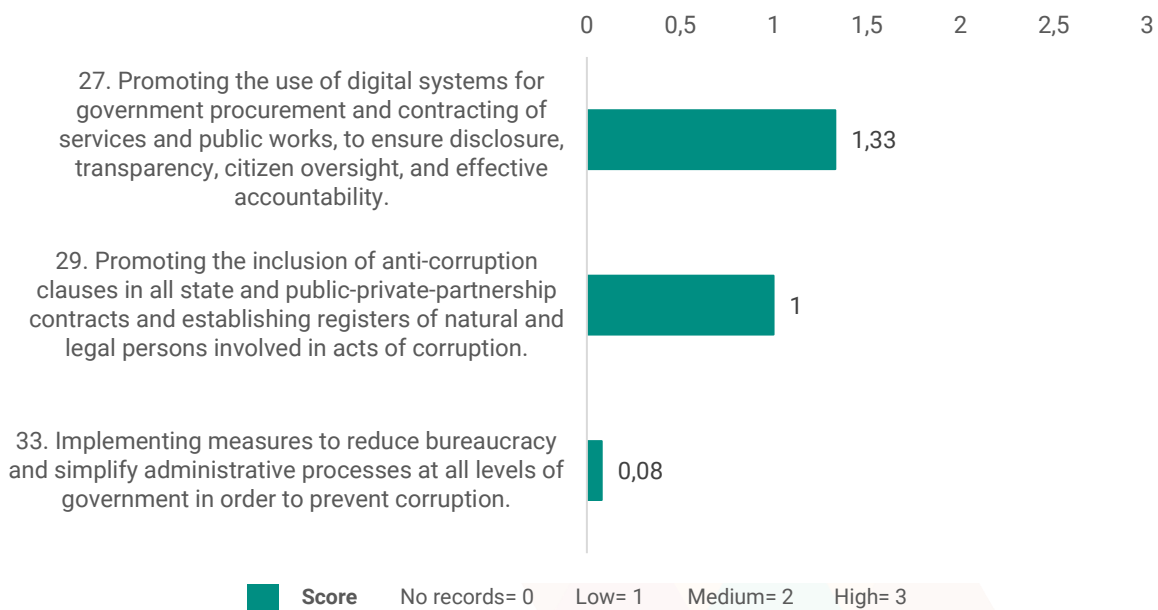
- In this area, only Commitment 25 was evaluated, which proposes to stimulate the adoption and/or strengthening of measures that promote transparency, accountability, proper accounting, and banking of the income and expenses of political organizations and parties, mainly of their electoral campaigns, guaranteeing the lawful origin of contributions, as well as the sanctioning of the receipt of illicit contributions (see Table 3, Annex 1).
- Although this is the commitment that obtained the highest score, some of the arguments that qualify this result, need to be put into context. First of all, it refers to the adoption, not the implementation of measures, as it leaves out aspects that may be even more significant for compliance with the regulations, such as the installed capacity (human resources, technology, budget) to adequately oversee, the level of real-time accounting information provided by the obligated entities, the possibility of investigating or sanctioning that the Financing, Transparency and Oversight Unit, better known as the Clean Policy Unit, may have.
- It is important to mention that Honduras has the most recent laws on political financing dating from 2017. However, the population does not have the possibility to access information on the origin of funds or private contributors to campaigns.
- As 2021 was an election year, civil society consulted, views with concern the fact that there is no guarantee from the electoral bodies or political parties to purge candidates involved in acts of corruption or drug trafficking, despite the fact that politicians who opt for public office currently

appear on the *Engel* List. Likewise, there have been no signs on the part of the political leadership to strengthen the Clean Politics Unit.

Although regulatory advances have been made in terms of political campaign financing, there are still gaps in terms of monitoring and follow-up by the citizenry on contributors to political parties and their candidates and on prohibited sources of financing (Juan Carlos Aguilar, ASJ).

#### 4. Prevention of Corruption in Public Works and Public Procurement and Contracting

Graph 7. Results of commitments related to Prevention of Corruption in Public Works and Public Procurement and Contracting



Source: Citizen Corruption Observatory

- This issue is located at an average of 0.86, which is 0.10 points above the regional average. This is a low score considering the maximum possible of 3 points (see Table 4, Annex 1).
- Of the three commitments rated, commitment 27, *Promote the use of electronic systems for government procurement, service contracting and public works to ensure transparency, publicity, citizen oversight and effective accountability*, is the best rated with a score of 1.33. *Implement measures for the reduction of bureaucracy and the simplification of procedures at all levels of government for the prevention of corruption* achieved only 0.08.
- These data suggest that, although progress has been made in regulations and practices related to the implementation of electronic systems for public procurement and contracting, the issue of simplifying processes remains a pending issue that produces corruption risks, as it maintains

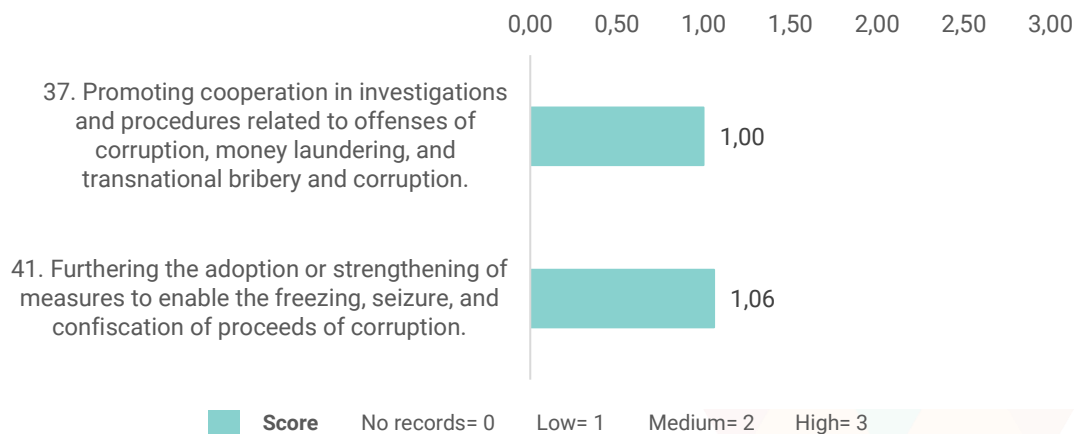
paper-based processes that limit traceability. On the positive side, through pressure from civil society during the COVID-19 emergency, it has been possible to influence the government to publish budgets and contracts in Open Data formats.

- Although progress has been made in the regulations and practices related to the implementation of electronic systems for procurement and contracts from the State, the issue of simplifying processes is still pending despite the fact that many of these processes have been "updated" to digital formats as a result of the COVID 19 pandemic, they are still cumbersome and slow in most cases. Although there is a manual for the simplification of procedures, a more determined impulse and a monitoring and follow-up plan are required to achieve its implementation in Government institutions.
- For the CSOs it is clear that public procurement and contracting are more prone to opacity and corruption in the country. There are networks that manipulate the bidding processes in the different state institutions such as energy, health, education, infrastructure, defining not only the priorities in terms of procurement and contracting, but also establishing the rules of the game and even the purchase prices that are overpriced.

The issue of contracting with the State represents one of the biggest corruption problems in Honduras, due to the sophistication of the corruption networks in the bidding processes that include the splitting of contracts to avoid going through the bidding process, overvaluation of goods and services, bribes, etc. All of this generates economic damage to the State of Honduras and its citizens (Sandra Cerrato-IDESMULH).

## 5. International Legal Cooperation; the Fight Against Bribery, International Corruption, Organized Crime and Money Laundering; and Asset Recovery

Graph 8. Results of Commitments related to International Legal Cooperation; the Fight Against Bribery, International Corruption, Organized Crime, and Money Laundering; and Asset Recovery



Source: Citizen Corruption Observatory

- Both assessments are an indication that work is needed, both at the regulatory and implementation levels, to allow for a more effective fight against tangible and intangible benefits



obtained through corruption. Likewise, there is a need for better coordination and specialization of investigation and prosecution bodies in the area of financial crimes such as money laundering or illicit enrichment

- It is important to mention that, for several years, the deputies in the National Congress (NC) have been trying to reform the law of deprivation of property to make it more difficult to seize or confiscate goods or assets obtained through corruption, despite the fact that this legislation has been effective in counteracting money laundering and drug trafficking. These intentions of legalized impunity arise from notorious cases such as the more than 10 million lempiras that the former first lady Rosa de Lobo stole from donations granted to assist low-income children in the purchase of shoes.
- The deprivation of property and the proper administration of seized assets is of great concern to members of civil society, since in many cases there are cases of corruption, but there is no retribution or compensation for the damage caused to the victims, nor is there any follow-up to the fines applied to those convicted of corruption. In some cases, it has been discovered that institutions even grant payment plans to make it easier for perpetrators to return the money obtained through corruption, without considering the social damage caused.

## CONCLUSIONS & CALLS TO ACTION

### Conclusions

In Honduras, generally speaking, the advances and setbacks in the fight against corruption since the follow-up of the Lima Agreement are not so much due to the lack of regulations or their inadequacy, but rather to the interpretation and lack of implementation of these norms.

On average, when evaluating the regulations and practice of the areas analyzed, it was found that the lowest rating was reached in the area of *"Reinforcing Democratic Governance"* with 0.44 (14% compliance); *"Transparency, Access to Information, Protection of Whistleblowers and Human Rights, including Freedom of Expression"* achieved a rating of 0.56 (19% compliance); the area of *"Prevention of Corruption in Public Works, Public Procurement and Contracting"* achieved a rating of 0.86 (29% compliance); as for the area of *"International Legal Cooperation; the Fight against Bribery, International Corruption, Organized Crime and Money Laundering, and Asset Recovery"* the score obtained is 1.08 (36% compliance) and the area that achieves the highest score in this assessment is *"Financing of Political Organizations and Electoral Campaigns"* with 1.5 (50% compliance). Overall, the percentage of compliance with the Lima Commitments in Honduras is 29.6%, i.e., on average a little less than a third of the commitments made are fulfilled.

It needs to be mentioned that there are challenges for CSOs in the implementation and development of collective actions. This is related to limitations and challenges that make it possible to take advantage of the different capacities and levels of CSO advocacy on specific issues. It is necessary to work not only on strengthening technical capacities, but also on recovering hope in the capacity for advocacy and achieving synergies beyond institutional protagonism.



### Reinforcement of Democratic Governance (0.44/3)

Honduras is located in one of the three lowest positions, with a score of 0.44, 0.19 points above Nicaragua, which has a score of 0.25, and 0.16 points above Venezuela (0.28). At the Central American level, El Salvador (0.66) outperforms Honduras by 0.22 points and Costa Rica by 1.28 points; it is worth mentioning that, in this area, Costa Rica has the highest compliance score of all of the countries evaluated.

Areas	Conclusions
Judicial Autonomy & Independence (1.25/3)	Honduras is a signatory to the American Convention on Human Rights, which establishes that people must have access to judicial guarantees and that the judge must be independent and impartial. It aims to implement the guidelines of the Inter-American Commission on Human Rights (IACHR) on guarantees for the independence of justice operators, but in practice this regulation is only partially complied with.
Gender Equity & Equality (0/3)	There is no mechanism or strategy in public policies for the protection and promotion of gender equality and equity in the inclusion of anti-corruption policies and the fight against corruption.
Vulnerable Groups (0/3)	Groups in vulnerable situations do not participate in the planning, follow-up and/or execution of anti-corruption policies, nor have mechanisms or strategies been generated to promote their inclusion in the definition of measures to fight corruption.
Public Servant Selection (0.25)	The Civil Service Directorate, the institution responsible for guaranteeing transparency and equal opportunities in the selection processes of public servants, based on objective criteria such as merit, equity and aptitude, has not provided the expected results and does not have a transparency portal.
Conflict of Interest (0.33/3)	The adoption of measures to prevent conflicts of interest is not promoted, and non-compliance with regulations regarding the submission of asset declarations by public servants has not been punished, and the declaration of conflict of interest is discretionary and not mandatory.
Code of Conduct (0.83/3)	There is a Code of Ethical Conduct for Public Servants, however, the application and follow-up of sanctions is not efficient. In addition, this code does not follow the "Guidelines for Integrity Policy Management in the Public Administrations of the Americas."

### Transparency, Access to Information, Protection of Whistleblowers and Human Rights, including Freedom of Expression (0.51/3)

In terms of Transparency, Access to Information, Protection of Whistleblowers and Human Rights, including Freedom of Expression, there are four countries with scores below 0.6, Venezuela and Nicaragua with 0.33 points, Guatemala with 0.42, and Honduras with 0.51. In this area, the highest ranked countries are Peru (1.97), Dominican Republic (1.7), Mexico (1.69), and Argentina (1.68). At the Central American level, Costa Rica (1.54) is in first place and Honduras is in third place after El Salvador (0.81). The difference between Costa Rica and Honduras is 1.03 points, which shows that, for Honduras, in comparison with the latter, achieving compliance with the mandates on this issue seems a very distant possibility.

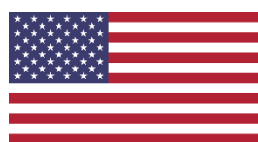


Areas	Conclusions
National Policies & Plans on Open Government (0.92/3)	Not all the commitments established in the Action Plan for Open Government (2018-2020) have been achieved. There has been some progress in the number of portals and participation of the obligated institutions, but the information published does not meet the quality requirements that allow access to disaggregated data (Open Data), its reuse, citizen understanding and social utility.
(1.17/3) Transparency & Access to Public Information Bodies (1.17/3)	The Secretariat of State in the Office of Transparency, which was created in November 2020, establishes that a National Transparency Observatory should be implemented together with the academia, but at the date of writing this report, this has not been carried out. Regarding citizen control mechanisms, there are no guidelines for the creation of citizen observatories to follow up on government management in the fight against corruption. Despite the fact that there is no state policy, the National Anticorruption Council (CNA, by its Spanish initials) on its own initiative created in 2020 the Observatory of Anticorruption Criminal Policy (OPCA, by its Spanish initials).
(0/3) Impact Assessment of Transparency Policies (0/3)	The Institute for Access to Public Information (IAIP) performs compliance verification functions that information has been uploaded to transparency portals. However, it does not perform assessments of the impact and quality of the information published. In addition, there are no statistics or indicators to evaluate the impact of transparency and anti-corruption policies.
Protection of Whistleblowers (0.17/3)	The regulations of the Code of Criminal Procedure and the Law for the Protection of Witnesses in Criminal Proceedings are used, which provides protection to witnesses but is not specifically aimed at witnesses or whistleblowers of corruption, and considers their protection against intimidating and retaliatory actions in a generic and non-specific manner, i.e. a common treatment is given according to the regulations without differentiating it as a specific crime.

### Financing of Political Organizations and Electoral Campaigns (1.5/3)

Regarding the financing of political organizations, Honduras (1.5) ranks 10th out of the 18 countries that present evaluations on this area (Paraguay is not included). The progress, although still limited in this area, seems to indicate that there is an interest in promoting transparency in electoral processes. This may be related to the negative assessment that has been made both nationally and internationally of the last electoral processes vitiated by fraud and corruption and that lead through the creation of regulations to try to legitimize the processes, however, the approval of a new Electoral Law in the country that allows transparency and guarantees democratic processes in which the popular will is respected, is still pending.

Areas	Conclusions
Accountability (1.5/3)	Although legislation on this area exists, it does not allow for publication of the names of the contributors to political organizations and electoral campaigns. Therefore, there is no possibility to know the origin and amounts of private contributions, both



in cash and in kind. Neither are contributions from drug trafficking, crimes against humanity, unions and associations mentioned among the prohibited sources of financing.

### Prevention of Corruption in Public Works and Public Procurement and Contracting (0.8/3)

Despite the apparent progress in this area, the Central American countries score around 1 point: El Salvador (1.02) Guatemala (1), Panama (0.89), Honduras (0.8) and Nicaragua (0.76). Only Costa Rica scored 1.33 points in this area. Paraguay (2), Brazil (1.84) and Peru (1.78) are the countries with the highest scores.

Areas	Conclusions
Electronic Mechanisms for the Registration, Execution, Control and Monitoring of Public Procurement (1.33/3)	Electronic registration of both suppliers and purchases exists, but some institutional buyers do not comply with the provisions on contracting registered suppliers. In other cases, the Regulatory Office of State Contracting and Procurement (ONCAE, by its Spanish initials) does not investigate the background of the companies or the individuals that make up the companies. The current Honducompras 2.0 system was launched in 2019, but some of its modules are still "under construction" and no results are available yet.
Inclusion of anti-Corruption Clauses (1/3)	The Law on Transparency and Access to Public Information (LTAIP, by its Spanish initials) establishes that the IAIP, ONCAE and CNA are the guarantors that the contracts signed with government institutions have integrity (anti-corruption) clauses, but in practice this is not the case, and they are applied at the discretion of the institutions. In addition, there are no records of natural and legal persons linked to acts of corruption and money laundering to prevent them from being hired, and no regulations were found related to the inclusion of these clauses in public-private partnership contracts.
Simplification of Administrative Processes (0.25/3)	A methodology manual explaining the procedure and measures to be implemented to simplify processes is available. However, there is no institution in charge of simplifying procedures. This manual is generic and does not specify an institution as such, but rather provides the requirements and standards for each institution to adapt according to its needs and priorities, which leaves a wide margin for its implementation or non-implementation. As long as the processes are not simplified, "human contact" and the use of printed documentation that promotes intermediation that solicits bribes will continue.

### International Legal Cooperation; the Fight Against Bribery, International Corruption, Organized Crime and Money Laundering; and Asset Recovery (1.03/3)

Comparatively speaking, in this area most countries achieve scores above 1, only Nicaragua (0.67), Chile (0.45), and Venezuela (0.21) are below this value. The highest scores were achieved by Brazil (2.25) and



Peru (2.01). Honduras is at 1.03 points (low), with a difference of 0.47 with respect to Costa Rica (1.5), which has the highest score in Central America.

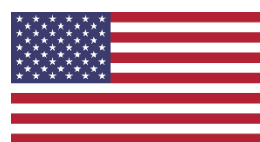
Areas	Conclusions
Inter-institutional cooperation (1/3)	The inter-institutional cooperation agreement for the fight against corruption between the Supreme Court of Justice, the Public Prosecutor's Office, the National Banking and Insurance Commission, the Attorney General's Office, the Revenue Administration System and the Superior Court of Accounts is outdated and does not include new prosecution offices such as the Specialized Prosecutor Unit Against Corruption Networks (although this is part of the MP) and the Secretary of State in the Office of Transparency, especially given that the latter intends to unify and centralize the anti-corruption policy in the country.
Deprivation of Property (1.17)	The bill that seeks to reform the Money Laundering Law is a clear threat in the area of deprivation of property, as it seeks to reduce the scope of deprivation in corruption crimes. On the other hand, corruption networks have established "impunity pacts" that limit this scope of action.

### Calls to Action

The following is a series of calls to action that are oriented in two ways; on the one hand, to encourage the participation and involvement of civil society and, on the other hand, to promote the commitment of the State through specific actions in the fight against corruption and for transparency.

### Reinforcing Democratic Governance (0.44/3)

Areas	Calls to Action
Judicial Autonomy & Independence (1.25/3)	With regard to judicial autonomy and independence, the creation of a law that promotes the separation of the administrative function from the jurisdictional function of the judiciary is proposed, and to ensure its compliance through agreements (between the Judiciary and the CSOs) for the implementation of social oversight processes.
Gender Equity & Equality (0/3)	In terms of gender equity and equality, there is a need to mainstream gender in all initiatives and to empower and expand women's participation by training women as overseers and social comptrollers from the CSOs.  Reinforce the work from the municipalities through the Municipal Women's Offices (OMM) with the support of social organizations, women's organizations, feminist organizations and women's networks that propose the members of the OMM and that guarantee the independence and transparent administration of its budget and the incorporation of the area of the fight against corruption in the Gender Equity and Equality Plan.
Vulnerable Groups (0/3)	Strengthen the Inter-institutional Transparency and Anticorruption Roundtable by including groups in vulnerable situations in the planning, follow-up and execution of anticorruption policies in the country.

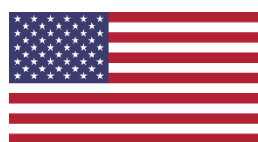




<p>Selection of Public Servants (0.25)</p>	<p>CSOs should be involved in the selection processes of public servants of State bodies and institutions (MP, Prosecutor's Office, TSC, CSJ, among others) from the review of calls for applications to the assignment of positions, identifying due process, main obstacles, generating conclusions and recommendations to ensure the transparency of the process.</p> <p>At the local level, it is recommended that the Citizen Transparency Commissions (CCT) participate in the election processes of public servants at the local level, leaving written evidence (municipal minutes) of their role in the election of these servants.</p>
<p>Conflict of Interest (0.33/3)</p>	<p>Create a Civil Service Transparency Portal and ensure accountability. Publish from the Civil Service Directorate and under the criteria of open data (quality of information) the type of hiring of public servants with all supporting documentation at different stages of the selection process to ensure the legitimacy and integrity of the actions taken and ensure that there is no conflict of interest.</p>
<p>Code of Conduct (0.83/3)</p>	<p>Create a new Civil Service Law that responds to the social, political, government administration, and economic context of the country to ensure the establishment of meritocratic selection and evaluation processes and compliance with the Code of Conduct. In addition, the inclusion of civil society in the selection processes of public servants as a mechanism of social control. Likewise, introduce systematic and homogeneous evaluations for public servants, the results of which are published in a transparency portal.</p>

**Transparency, Access to Information, Protection of Whistleblowers and Human Rights, including Freedom of Expression (0.51/3)**

Areas	Calls to Action
<p>National Policies and Plans on Open Government (0.92/3)</p>	<p>From the IAIP, verification and assessment of compliance with the quality requirements in the data published on the portals of the obligated institutions should be performed, while the CSOs should follow up and update the commitments established in the Open State Action Plan (2018-2020).</p>
<p>Transparency and Access to Public Information Bodies (1.17/3)</p>	<p>Civil society should advocate for the creation and strengthening of the National Transparency Observatory proposed by the Secretariat of State in the Office of Transparency to follow up on state budgets.</p> <p>In addition, CSOs can make a needs assessment to develop a joint training plan and create spaces for socialization, awareness and training on the issue of transparency and accountability with citizens so that they can understand and comprehend their right to information and freedom of expression.</p>



Evaluation of the Impact of Transparency Policies (0/3)	A unit should be created in the IAIP to verify and evaluate compliance with quality requirements in the data published in the portals of the obligated institutions and to be in charge of carrying out impact evaluations of transparency policies and the information published and enforce the corresponding sanctions.
Protection of Whistleblowers (0.17/3)	A unified civil society whistleblower protocol should be created to optimize processes that include the protection, management and follow-up of whistleblowers in corruption cases until the end of the process.

### Financing of Political Organizations and Electoral Campaigns (1.5/3)

Areas	Calls to Action
Accountability (1.5/3)	<p>The development and publication of individuals who have been convicted for acts of corruption and illicit financing to prevent their participation in elected office and contracting with the State.</p> <p>The revision of the Clean Politics Law to introduce in its regulations that candidates for popular election present proof of criminal and judicial records and that they are subject to investigation to determine if they are suitable to run for office as stated in the accountability processes.</p> <p>The development and standardization of formats for the accreditation of bank accounts and identification of financial responsible parties.</p> <p>Conduct a certification process for technical audit teams.</p>

### Prevention of Corruption in Public Works, Contracting and Public Procurement (0.8/3)

Areas	Calls to Action
Electronic Mechanisms for the Registration, Execution, Control and Follow-up of Public Procurement (1.33/3)	It is recommended that a unit be created within ONCAE to investigate the background of companies or individuals and ensure that the provisions on contracting registered suppliers are complied with and that the corresponding sanctions are applied.
Inclusion of anti-Corruption Clauses (1/3)	Regarding the inclusion of anti-corruption clauses, it is proposed that CSOs advocate for the inclusion, respect and application of these clauses in all state contracts.
Simplification of Administrative Processes (0.25/3)	In the area of simplification of administrative processes (0.25/3), the creation of a unit within the Presidential System for Results-Based Management is proposed as a strategic action, to be in charge of simplifying procedures, ensuring the implementation of the manual for the reduction of procedures and their optimal use by State institutions.

**Legal Cooperation; the Fight Against Bribery, International Corruption, Organized Crime and Money Laundering; and Asset Recovery (1.03/3)**

Areas	Calls to Action
Inter-institutional Cooperation (1/3)	The inter-institutional cooperation agreement for the fight against corruption should be expanded and reinforced, in order to include all relevant agencies and with the support of civil society.
Deprivation of Property (1.17)	<p>The presentation of a citizen's initiative before the National Congress should be promoted in order to proceed with the revision and reform of the Penal Code regarding crimes against public administration, organized crime and recovery of assets of illicit origin.</p> <p>It is also recommended to take advantage of the support provided by the United Nations through the consolidation of a CSO block to request the installation of a national or regional support mechanism against acts of corruption and the implementation of social control by CSOs to ensure transparency in the management of assets seized by the Office for the Administration of Seized Assets (OABI, by its Spanish initials).</p>

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## ANNEXES

### Annex 1: Rating of the Lima Agreement in Honduras

Table 1. Follow-up criteria for commitments related to Reinforcement of Democratic Governance Table 1. Follow-up criteria for commitments related to Reinforcement of Democratic Governance

Commitment	Relevance	Efficiency	Sustainability	Country Average
2. Strengthening judicial autonomy and independence following applicable inter-American and universal standards on this matter to promote respect for the Rule of Law and access to justice, as well as to promote and encourage policies of integrity and transparency in the judicial system.	1.92	1.00	1.00	1.31
7. Promoting gender equity and equality and women's empowerment as a cross-cutting goal of our anti-corruption policies, through a task force on women's leadership and empowerment that will actively promote cooperation among inter-American institutions and synergies with other international agencies.	0	0	0	0
8. Including different vulnerable groups in defining measures to strengthen governance and combat corruption, recognizing their serious impact on these populations.	0	0	0	0
9. Ensuring transparency and equal opportunities in the selection processes of public officials, based on objective criteria, such as merit, equity, and aptitude.	0.08	0.08	0.08	0.08
10. Promoting the adoption of measures to prevent conflicts of interest, as well as the submission of declarations of assets and financial information by public officials, as appropriate.	0.92	0.08	0.00	0.33
11. Furthering codes of conduct for public officials that contain high standards of ethics, probity, integrity and transparency, using as a point of reference the "Guidelines for the Management of Policies for Probity in the Public Administrations of the Americas" and urging the private sector to develop similar codes of conduct.	0.92	1.00	0.92	0.94

Table 2. Follow-up criteria for commitments related to Transparency, Access to Information, Protection of Whistleblowers, and Human Rights, including Freedom of Expression

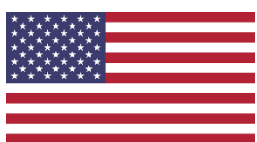
Commitment	Relevance	Efficiency	Sustainability	Country Average
13. Continuing to strengthen national anti-corruption measures or systems and enhancing conditions for the effective participation of civil society, social organizations, academia, the private sector, citizens, and other social actors in monitoring government performance, including the development of prevention mechanisms, channels for reporting possible acts of corruption and facilitating the work of watchdogs, including other citizen oversight mechanisms, and incentivizing the adoption of digital means of participation. Continuing to strengthen national anti-corruption measures or systems and enhancing conditions for the effective participation of civil society, social organizations, academia, the private sector, citizens, and other social actors in monitoring government performance, including the development of prevention mechanisms, channels for reporting possible acts of corruption and facilitating the work of watchdogs, including other citizen oversight mechanisms, and incentivizing the adoption of digital means of participation.	1.00	1.00	1.00	1.00
14. Promoting and/or strengthening the implementation of national and subnational policies and plans of open government, digital government, open data, fiscal transparency, open budgeting, digital procurement systems, public contracting and a public registry of state suppliers, considering towards that end the participation of civil society and other social actors. Promoting and/or strengthening the implementation of national and subnational policies and plans	1.00	1.00	0.92	0.97



of open government, digital government, open data, fiscal transparency, open budgeting, digital procurement systems, public contracting and a public registry of state suppliers, considering towards that end the participation of civil society and other social actors.				
15. Consolidating the autonomy and independence of high-level oversight bodies.	0.08	0.08	0.00	0.06
16. Implementing and/or strengthening of bodies responsible for transparency and access to public information, based on applicable international best practices.	1.08	1.08	1.00	1.06
18. Developing statistics and indicators in our countries for assessing the impact of transparency and anti-corruption policies and advancing government capacity in this field. Developing statistics and indicators in our countries for assessing the impact of transparency and anti-corruption policies and advancing government capacity in this field.	0.00	0.00	0.00	0.00
21. Promoting the adoption and/or strengthening of legislative measures to criminalize acts of corruption and related offenses consistent with the United Nations Convention against Corruption (UNCAC), the United Nations Convention against Transnational Organized Crime, and the Inter-American Convention against Corruption (IACAC).	0.08	1.00	0.08	0.39
22. Protecting whistleblowers, witnesses, and informants of acts of corruption from intimidation and retaliatory actions.	0.08	0.08	0.00	0.06

Table 3. Follow-up Criteria for commitments related to Financing of Political Organizations and Election Campaigns

Commitment	Relevance	Efficiency	Sustainability	Country Average
25. Encouraging adoption and/or strengthening of measures to promote transparency, accountability, appropriate	1.08	1.08	2.00	1.39



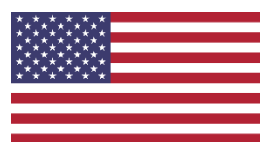
accounting, and use of the banking system for income and expenditures of political organizations and parties, especially those related to their election campaigns, in order to guarantee the licit origin of the contributions and penalizing anyone involved in accepting illicit contributions.				
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Table 4. Follow-up criteria for commitments related to Prevention of Corruption in Public Works and Public Procurement and Contracting

Commitment	Relevance	Efficiency	Sustainability	Country Average
27. Promoting the use of digital systems for government procurement and contracting of services and public works, to ensure disclosure, transparency, citizen oversight, and effective accountability.	1.00	2.00	1.00	1.33
29. Promoting the inclusion of anti-corruption clauses in all state and public-private-partnership contracts and establishing registers of natural and legal persons involved in acts of corruption and money laundering with a view to ensuring that they are not contracted.	1.00	1.00	1.00	1.00
33. Implementing measures to reduce bureaucracy and simplify administrative processes at all levels of government in order to prevent corruption.	0.08	0.08	0.08	0.08

Table 5. Follow-up criteria for commitments related to International Legal Cooperation; the Fight Against Bribery, International Corruption, Organized Crime, and Money Laundering; and Asset Recovery

Commitment	Relevance	Efficiency	Sustainability	Country Average
37. Promoting the broadest possible cooperation among judicial, police, and prosecutorial authorities, financial intelligence units, and administrative authorities in investigations and procedures related to offenses of corruption, money laundering, and transnational bribery and corruption.	1.00	1.00	1.00	1.00





41. Furthering the adoption or strengthening of measures through relevant institutions to enable the freezing, seizure, and confiscation of proceeds of corruption.	1.08	1.08	1.00	1.06
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## Annex 2: Recommendations in the Fight against Corruption in Honduras

### A. Reinforcing Democratic Governance (0.44/3)

Areas	Conclusions	Recommendations
Judicial Autonomy and Independence (1.25/3)	Honduras is a signatory to the American Convention on Human Rights, which establishes that people must have access to judicial guarantees and that the judge must be independent and impartial. In practice, this norm is only partially complied with.	In relation to judicial autonomy and independence, the creation of a law that promotes the separation of the administrative function from the jurisdictional function of the judiciary is proposed, and to ensure compliance through agreements (between the judiciary and CSOs) to carry out processes to accompany the selection of judges, magistrates and auxiliary personnel.
Gender Equity & Equality (0/3)	There is no mechanism or strategy in public policies to protect and promote gender equality and equity in the inclusion to shape anti-corruption policies and the fight against corruption.	There is a need to mainstream gender in all anti-corruption initiatives. Empower and expand the representation of women as observers and social comptrollers from CSOs, as well as heads of organizations. At the state level, work should be strengthened from the municipalities through the Municipal Women's Offices (OMM), with the support of social organizations, women's organizations, feminist organizations and women's networks that propose OMM members and guarantee independence, as well as the transparent administration of its budget and the incorporation of the anti-corruption issue in the Gender Equity and Equality Plan.
Vulnerable Groups (0/3)	Vulnerable groups do not participate in the planning, follow-up and/or execution of anti-corruption policies, nor have mechanisms or strategies been generated to promote their inclusion in the definition of measures to fight corruption.	Strengthen the Inter-institutional Transparency and Anticorruption Roundtable of the Ministry of the Interior and Justice by including vulnerable groups in the planning, follow-up and execution of anticorruption policies in the country.

<p>Public Servant Selection (0.25)</p>	<p>The Civil Service Directorate, the institution responsible for guaranteeing meritocracy, transparency and equal opportunities in the selection processes of public servants, based on objective criteria, has not provided the expected results in avoiding the politicization of public employment.</p>	<p>CSOs should be involved in the selection processes of public servants of State bodies and institutions directly linked to the fight against corruption (MP, Prosecutor's Office, TSC, CSJ, among others) from the review of calls for applications to the assignment of positions, identifying due process, main obstacles, generating conclusions and recommendations to ensure the transparency of the process.</p> <p>At the local level, it is recommended that the Citizen Transparency Commissions (CCT) participate in the election processes of public servants at the local level, leaving written evidence (municipal minutes) of their role in the election of these servants.</p>
<p>Conflict of Interest (0.33/3)</p>	<p>The adoption of measures to prevent conflicts of interest is not promoted, and non-compliance with regulations regarding the submission of asset declarations by public servants has not been punished, and the declaration of conflict of interest is discretionary and not mandatory.</p>	<p>The CSOs are aware that they should promote the revision of the regulations on public probity and conflict of interest management in order to ensure that public officials are obliged to publish public information on their assets, safeguarding their security and that of their families.</p>
<p>Code of Conduct (0.83/3)</p>	<p>There is a Code of Ethical Conduct for Public Servants; however, the application and follow-up of the sanctions established therein is not efficient. In addition, this Code does not follow the <i>"Guidelines for Integrity Policy Management in the Public Administrations of the Americas"</i>.</p>	<p>Review and update the current Code of Ethics to ensure effective coercive provisions through sanctions implemented in an objective and impartial manner, with the support of CSOs. Likewise, strengthen the systems for reporting public servants so that the population has the guarantees, incentives and security to file complaints about abuses of power or irregularities committed by public employees.</p>

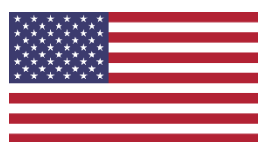
**B. Transparency, Access to Information, Protection of Whistleblowers and Human Rights, including Freedom of Expression (0.51/3)**

In terms of Transparency, Access to Information, Protection of Whistleblowers and Human Rights, including Freedom of Expression, Honduras scores 0.51, so achieving compliance with the commitments in this area seems a very distant possibility, as it is more than two and a half points away from doing so.

Areas	Conclusions	Calls to Action
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<p>National Policies and Plans on Open Government (0.92/3)</p>	<p>Not all of the commitments established in the Action Plan for Open Government (2018-2020) have been achieved. There has been progress in the number of portals and participation of obligated institutions, but transparency is not only about quantity of information; it should also include quality. According to CSO user queries, the information published does not meet the quality requirements that allow access to data. The new forms of active transparency with disaggregated and Open Data have yet to become widespread.</p> <p>In a country with great social inequalities, information has to be provided without obstacles, in an understandable and socially useful way.</p>	<p>The IAIP should verify and evaluate compliance with the quality requirements of the data published on the portals of the obligated institutions and the CSOs should follow up and update the commitments established in the Action Plan for Open Government (2018-2020). Likewise, the IAIP should deepen in monitoring and evaluating Obligated Institutions that deny information by not processing it in time. The State must guarantee free legal advice to information requesters, support to people who seek to file review appeals, in order to reduce barriers and costs.</p>
<p>Transparency and Access to Public Information Bodies (1.17/3)</p>	<p>The Secretariat of State in the Transparency Office, which was created in November 2020, establishes that a National Transparency Observatory should be implemented together with the academia, but at the date of writing this report, this has not been carried out. Regarding citizen control mechanisms, there are no guidelines for the creation of citizen observatories to follow up on government management in the fight against corruption. Despite the fact that there is no state policy, the CNA, on its own initiative, created in 2020 the Observatory of Anti-Corruption Criminal Policy (OPCA).</p>	<p>CSOs should combine forces to form a "transparency ombudsman" as a collective support instance that can give advice to the population on access to information and accompany in administrative actions. In addition, CSOs should resume training directed to citizens, given the limitations of the IAIP. A diagnosis of the information needs of vulnerable groups should be carried out and a training plan should be designed in conjunction with the IAIP and other state agencies in order to comply with transparency, accountability and anti-corruption provisions.</p>
<p>Impact Assessment of Transparency Policies (0/3)</p>	<p>The IAIP performs compliance verification functions that information has been uploaded to transparency portals. However, it does not perform assessments of the impact and quality of the information published. In addition, there are no statistics or indicators to evaluate the impact of transparency and anti-corruption policies.</p>	<p>The Verification Management of the IAIP's should incorporate the functions of evaluating compliance with quality requirements in the data published on the portals of the obligated institutions.</p>
<p>Protection of Whistleblowers (0.17/3)</p>	<p>The regulations of the Code of Criminal Procedure and the Law for the Protection</p>	<p>A Unified Protocol for reporting acts of corruption should be created between</p>

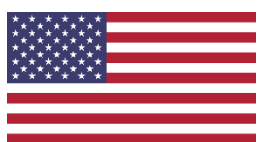


	<p>of Witnesses in Criminal Proceedings are used, which provides protection to witnesses, but it is not specifically addressed to witnesses or corruption whistleblowers, and considers their protection against intimidating and retaliatory actions in a generic and non-specific manner. In other words, a common treatment is given according to the regulations without differentiating it as a specific crime.</p>	<p>the Public Prosecutor's Office and CSOs to ensure the integrity of whistleblowers, security measures, economic support and other protective measures to encourage people with knowledge of acts of corruption. Likewise, CSOs should resume their advocacy work to achieve the approval of the Effective Collaboration Bill that the MACCIH worked on at the time.</p>
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### C. Financing of Political Organizations and Electoral Campaigns (1.5/3)

Regarding the financing of political organizations, Honduras (1.5) ranks 10th out of the 18 countries that present evaluations on this issue (Paraguay is not included). The progress, although still limited in terms of this issue, responds to a conjuncture of social demands and the international community to combat corruption in politics and impunity in justice that arose from the embezzlement of the Honduran Institute of Social Security (IHSS) in 2015. CSO assessments are of the opinion that the Clean Politics Law is legislation that has not had an impact on reducing incentives for illicit money in politics. The UPL lacks sufficient installed capacity to carry out effective oversight. It does not yet have access to the banking system and needs to rely on other public institutions to carry out its investigations.

Areas	Conclusions	Calls to Action
Accountability (1.5/3)	<p>Despite the existence of accountability legislation for political campaigns, it does not allow for publication of the names of private contributors to candidates and political parties. This is a barrier to societal accountability. CSOs conducting social audits cannot link the origin of contributions to decisions to benefit companies that contract with the State through bids. This information is necessary if a culture of societal accountability in politics is to be developed.</p>	<p>CSOs should promote information campaigns to prevent candidates mentioned in official lists of corrupt candidates from being allowed to register until they demonstrate through a special audit by the UPL that their campaign funds are of licit origin and do not come from the embezzlement of public funds, money laundering, or illicit enrichment.</p> <p>The UPL is called upon to develop and implement an automated financial registration system in which candidates and political parties can register contributions received and campaign expenditures in a timely manner. The UPL authorities must lobby the National Congress to reform legislation to lift bank secrecy in the Unit's investigations. Likewise, a mechanism for the financial sustainability of the UPL should be implemented so that a</p>



		percentage of the fines applied to obligated parties finance the Unit's operations. Along with the technological platform, the professionalization of the UPL auditors should be promoted. Through these improvements, it will be possible to begin to make progress in reducing corruption risks in political financing.
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**D. Prevention of corruption in public works, contracting and public procurement (0.8/3)**

Despite the apparent progress in this area, Honduras achieves only 0.8 of the three possible points, which places it 2.2 points away from achieving compliance with this indicator.

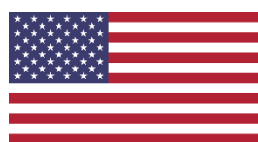
Areas	Conclusions	Calls to Action
Electronic Mechanisms for the Registration, Execution, Control and Monitoring of Public Procurement (1.33/3)	The current Honducompras 2.0 system was launched in 2019 but some of its modules are still " <i>under construction</i> " and there are no results yet. Honducompras 2.0, is the updated version of the state procurement platform. Despite its update, the platform is still not interconnected with the financial administration system SIAFI, which still leaves the door open to corruption in public procurement. With respect to this limitation, it should be noted that the Regulatory Office for State Contracting and Procurement (ONCAE) does not have the capacity to investigate the background of the companies or the individuals that make up the companies.	It is recommended that a unit be created within ONCAE to investigate the background of the companies or individuals that make up those companies and ensure that the provisions on contracting registered suppliers are complied with and the corresponding sanctions are applied.  Also, the new government that takes office in January 2021 should put the full implementation of the Honducompras 2.0 platform in its anti-corruption priorities.
Inclusion of anti-Corruption Clauses (1/3)	The LTAIP establishes that the IAIP, ONCAE and CNA are the guarantors that all contracts signed with the State have integrity (anti-corruption) clauses. In practice this is not complied with. In addition, there are no records of natural and legal persons linked to acts of corruption and money laundering to prevent them from being hired, and no regulations were found related to the inclusion of these clauses in public-private partnership contracts. Inclusion of anti-corruption clauses (1/3) The	Regarding the inclusion of anti-corruption clauses, it is proposed that CSOs should advocate for the inclusion, respect and application of these clauses in all state contracts.

	<p>LTAIP establishes that the IAIP, ONCAE and CNA are the guarantors that the contracts signed with the State have integrity (anti-corruption) clauses. In practice this is not complied with. In addition, there are no records of natural and legal persons linked to acts of corruption and money laundering to prevent them from being hired, and no regulations were found related to the inclusion of these clauses in public-private partnership contracts.</p>	
<p>Simplification of Administrative Processes (0.25/3)</p>	<p>A methodology manual is available which explains the procedures and measures to be implemented to simplify processes. However, there is no institution in charge of providing guidelines to simplify administrative processes and procedures. As long as processes are not simplified, the role of the bureaucratic intermediary will continue, allowing discretionality, preferential treatment and bribes to speed up procedures.</p>	<p>As far as simplification, the creation of a government agency responsible for promoting simplification policies, producing guidelines and guides, and training public employees in the adoption of simplification processes through automation is proposed as a strategic action.</p>

**E. International Legal Cooperation; the Fight Against Bribery, International Corruption, Organized Crime and Money Laundering; and Asset Recovery (1.03/3).**

Comparatively speaking, in this area most countries achieve scores above 1. Only Nicaragua (0.67), Chile (0.45) and Venezuela (0.21) are below this value. The highest scores were achieved by Brazil (2.25) and Peru (2.01). Honduras is at 1.03 points (low), with a difference of 0.47 with respect to Costa Rica (1.5), which has the highest score in Central America.

Areas	Conclusions	Calls to Action
<p>Inter-Institutional Cooperation (1/3)</p>	<p>The inter-institutional cooperation agreement for the fight against corruption between the Supreme Court of Justice, the Public Prosecutor's Office, the National Banking and Insurance Commission, the Attorney General's Office, the Revenue Administration System, and the Superior Court of Accounts, is outdated and does not include new prosecution offices, such as</p>	<p>The proposal is to expand and strengthen the inter-institutional cooperation agreement for the fight against corruption to include all relevant agencies and with the accompaniment of civil society.</p>



	<p>the Specialized Prosecutor Unit Against Corruption Networks (although this is part of the Public Ministry) and the Secretary of State in the Transparency Office, especially given that the latter intends to unify and centralize the anti-corruption policy in the country. There are no records of results of the inter-institutional cooperation work, only press releases about its installation in 2019 were found.</p>	
<p>Deprivation of Property (1.17)</p>	<p>The bill that seeks to reform the Money Laundering Law is a clear threat, as it seeks to reduce the scope of the deprivation in corruption crimes. On the other hand, corruption networks have established "impunity pacts" that limit this scope of action.</p>	<p>Promote monitoring projects to verify levels of transparency, accountability and proper administration of seized assets, especially those related to persons investigated or punished for corruption. CSOs are aware that they must influence the new congress to be installed in 2021 to stop attempts to weaken the law of deprivation of property.</p>

