

# External Control against Corruption

## Strengthening External Financial Control for the Effective Prevention and Fight Against Corruption

Governmental external control strengthens transparency and accountability, and through citizen participation, digitalization, and gender equity mainstreaming, it can increase the effectiveness of efforts to prevent and fight corruption, particularly enhanced by the COVID-19 pandemic.

### CHALLENGE

Corruption is a major challenge that threatens sustainability. It weakens institutions, democracy, and justice, hinders economic growth and social development, and endangers the environment. It leads to a loss of confidence in State institutions and hinders the provision of public goods and services. It even affects dignity and human rights, aggravating the conditions of people in vulnerable situations, especially women.

Corruption is a transnational phenomenon that affects all countries in the world. In the Latin American and Caribbean region, the COVID-19 pandemic has dramatically increased the risk of corruption. Governments were not prepared to react to the effects of the pandemic with the speed and safety of processes that would be needed. Measures such as simplification of procurement processes and emergency actions have increased risk and corruption in public governance.

Supreme Audit Institutions (SAIs) can contribute to increase transparency in public administration, make risks visible and promote the strengthening of robust and effective internal controls for the prevention of corruption. Sais work to prevent and combat corruption, includes concentrating audit actions and activities in areas of high corruption risk.

In addition, strengthening the involvement of civil society in auditing processes, paying special

<b>Project name</b>	Regional Project Strengthening External Control for the Effective Prevention and Fight against Corruption
<b>On behalf of</b>	German Federal Ministry of Economic Cooperation and Development (BMZ)
<b>Country</b>	Latin America and the Caribbean
<b>Partners</b>	Member SAIs of the Latin American and Caribbean Organization of Supreme Audit Institutions (OLACEFS)
<b>Volume</b>	€ 3.000.000
<b>Duration</b>	May 2021 to April 2024

attention to the gender issue, and promoting digitalization in governmental external control processes are points of great importance to prevent and combat corruption.

### PURPOSE

Within this context, the Latin American and Caribbean Organization of Supreme Audit Institutions (OLACEFS) and the German Cooperation, implemented by the *Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH*,

carry out the **regional Project for Strengthening External Financial Control for the Effective Prevention and Fight Against Corruption**.

The overall objective of the Project is **to achieve a more active participation of SAIs in national anti-corruption systems, including in the context of the COVID-19 pandemic at the regional level**.

It is a strategic alliance designed to mitigate the challenges generated and promote the exchange of good practices and lessons learned in the context of governmental external control in the face of the global situation.



## OUR APPROACH

The Project considers three fields of action:

**Field of Action 1: Improving the offer of OLACEFS services for the active participation of SAIs in national anti-corruption systems.** By using such services, the SAIs of the region will be able to strengthen their capacities in preventing and combating corruption. Advances in access to capacity development tools for SAIs contributes, at regional level, to strengthening of integrity systems, promotion of transparency, accountability, public trust and strengthening the Rule of Law and democracy.

**Field of Action 2: Enhance the participation of non-state actors to broaden the scope of SAI audits, especially performance audits.** Civil society can help identify areas exposed to corruption and provide important guidance for audits. It can also help improve the audit planning, and especially contribute to the follow-up of the implementation of recommendations, in addition to collaborating with the exercise of citizen control in subsequent decisions of parliamentary committees. The identification and exchange of these learnings by OLACEFS, will bring improvements in the services offer regarding the exchange of regional experiences and good practices in the participation of non-state actors.

**Field of Action 3: Strengthening the exchange of information and technical cooperation between SAIs and other governmental actors.** It is based on the premise that improved information management and inter-institutional cooperation will allow a greater collaborative impact on preventing and combating corruption. In addition, the exchange of information and technical cooperation through OLACEFS will be encouraged, for example, by establishing alliances with other regional and/or national organizations of a diverse nature linked to the anti-corruption issues.

**Editor** Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH  
GIZ headquarters: Bonn and Eschborn  
  
GIZ Brasilia Agency  
SCN Block 01 – C – Room 903  
ed. Brasilia Trade Center  
70711-902 Brasilia/DF – Brazil  
T +55 61 2101-2170  
giz-brasilien@giz.de  
[www.giz.de/brasil](http://www.giz.de/brasil)

**Responsible** Erwin Ramirez  
erwin.ramirez@giz.de  
anticorruptionOLACEFS@giz.de

**Date** January 2023

GIZ is responsible for the content of this publication.

**Partners** Federal Court of Accounts of Brazil – TCU  
International Relations Department (Serint)  
South Federal Administration Sector – SAFS Block 4  
Annex III – Lot 1 – CEP70042-900 Brasilia/DF – Brazil  
Telephone: +55 61 3316-5483  
serint@tcu.gov.br  
[www.tcu.gov.br](http://www.tcu.gov.br)

**Latin American and Caribbean Organization of Supreme Audit Institutions (OLACEFS)**  
Secretariat and Headquarters: Mexico  
<https://olacefs.com/>

**On behalf of the** German Federal Ministry for Economic Cooperation and Development (BMZ)  
  
BMZ Bonn  
Dahlmannstraße 4  
53113 Bonn, Germany  
T +49 (0)228 99 535-0  
F +49 (0)228 99 535-3500  
[poststelle@bmz.bund.de](mailto:poststelle@bmz.bund.de)  
  
BMZ Berlin  
Stresemannstraße 94  
10963 Berlin, Germany  
T +49 (0)30 18 535-0  
F +49 (0)30 18 535-2501  
[www.bmz.de](http://www.bmz.de)