

# ANTI-CORRUPTION HELPDESK

PROVIDING ON-DEMAND RESEARCH TO HELP FIGHT CORRUPTION

## URUGUAY: OVERVIEW OF CORRUPTION AND ANTI-CORRUPTION

### QUERY

Can you provide an overview of corruption and anti-corruption efforts in Uruguay?

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### SUMMARY

Uruguay is referred to as the cleanest country in Latin America and the one with the longest democratic tradition. Control of corruption has been explained by Uruguay's democratic, political and economic development, which practically abolished clientelistic practices in politics and in the management of state resources. The country should now ensure that areas offering opportunities for corruption, such as state-owned enterprises, have strong transparency and accountability mechanisms in place. Measures to strengthen institutions tasked to fight corruption are also important to keep corruption at the lowest levels.

Uruguay is also an important financial centre for other countries in the region and its light financial regulations and rules on banking secrecy and anonymity could be misused by corrupt individuals and other criminals seeking for a place to launder their assets. Rules to prevent money laundering need to be properly implemented and enforced. Greater efforts also need to be made to ensure that foreign authorities can request/access information held by Uruguayan authorities.

## 1 OVERVIEW OF CORRUPTION IN URUGUAY

### Background

Uruguay is the smallest country in Latin America, with only 3.3 million inhabitants. It is also the most socially integrated country in the region and the one with the longest democratic history. Uruguay also does well in social-economic indicators, particularly when compared to its neighbours. It is considered a country with a high human development index (HDI value for 2014 was 0.793) (UNDP 2015).

Unemployment rates remain at low levels (7 per cent in 2014), and GDP growth was 3 per cent in 2014 (Bertelsmann Foundation 2016).

Uruguay is also the only Latin American country ranked among the world's 20 "full democracies," according to The Economist's 2015 democracy index (The Economist Intelligence Unit 2015). Citizens' support for democracy is among the highest in Latin America, according to recent opinion poll surveys. For instance, 73 per cent of respondents to the 2013 Latino Barometro support democracy, and 82 per cent of Uruguayans report being satisfied with democracy, the highest levels across the region (Latino Barometro 2013).

Similarly, Uruguay appears in the first places in LAPOP's index of political system support, indicating that the political system enjoys legitimacy among the population (Bertelsmann Foundation 2016)

After a repressive military dictatorship, between 1973 and 1985, Uruguay returned to a democratic government. In 2004, the left-wing candidate won the election and took power, giving more attention to social welfare programmes aimed at tackling poverty. In 2010, José Mujica took office as president, passing several liberal reforms such as the legalisation of abortion, same-sex marriage and the cultivation, sale and consumption of marijuana. His successor, Tabaré Vasquez, won the 2014 elections, pledging to maintain Mujica's social welfare policies while dedicating special attention to education and security (BBC 2016).

Governance and corruption indicators also paint a positive image of the country. Next to Chile, Uruguay is perceived by citizens and the private sector as being among the cleanest countries in Latin America.

This answer provides an overview of citizens' perceptions and experiences with corruption in Uruguay as well as an overview of the main measures taken by the government to curb corruption and the existing explanations for the country's success.

### Extent of corruption

Uruguay is the best Latin American performer on the Transparency International's 2015 Corruption Perceptions Index, with a score of 74 out of 100 on a 0 (highly corrupt) to 100 (highly clean) scale. The country ranks 21 out of the 168 countries assessed (Transparency International 2016).

The Worldwide Governance Indicators, which include an indicator for the control of corruption that ranges from 0 (lowest control of corruption) to 100 (highest control of corruption), gave Uruguay a value of 90 per cent in 2014, which is well above the regional average. Since 1996, when the assessment was first conducted, Uruguay's score for control of corruption has fluctuated between the 78 and the 90 percentile rank, but without statistically significant changes (World Bank Institute 2014).

In spite of the positive perception of control of corruption in the country, 45 per cent of Uruguayans surveyed as part of the 2013 Global Corruption Barometer still believe that corruption has increased in the two years preceding the survey, and 39 per cent maintain that the government is rather ineffective in the fight against corruption (Transparency International 2013). Only 11.8 per cent of respondents to the 2015 Latino Barometro consider that there has been substantial progress in the fight against corruption in the country, while 36.2 per cent believe that there has been some progress.

Yet, citizens' experience with corruption when accessing public services seem to be very low, as captured by both the 2013 Global Corruption

Barometer and the 2015 Latino Barometro surveys. In the latter, 83 per cent of Uruguayans surveyed have not experienced corruption or heard of corruption from relatives in the two months preceding the survey (Latino Barometro 2015). This may explain why corruption does not rank among the most problematic issues in the country according to those surveyed.

The private sector also does not rank corruption as being among the most problematic factors for doing business in Uruguay. Only 0.4 per cent of businesses surveyed as part of the Global Competitiveness Report (World Economic Forum 2014) assessed corruption as being a significant problem. The report also highlighted that that, according to the majority of business people surveyed, the diversion of public funds to companies, individuals or groups due to corruption does not occur frequently in the country (Uruguay ranks 21 out of 144 countries assessed) (World Economic Forum 2014).

## 2 UNDERSTANDING THE NATURE OF CORRUPTION CHALLENGES

### Overview

There is still limited understanding of why and how Uruguay performs much better than its Latin American neighbours in corruption indicators. Experts analysing the political economy of Uruguay, its democratic development process and economy suggest a number of factors that may have contributed to lower levels of corruption and favouritism in decision making.

For instance, according to Buquet et al. (2012), the political party system developed in a way that favours a programmatic approach rather than a clientelistic one, as is frequently seen in other Latin American countries. Kitschelt et al. (2010) and Bornischier (2012) also suggest that the Uruguayan party system is the most programmatic party system in Latin America.

The authors highlight that the Uruguayan party system has undergone significant transformation, “from a two-party system hegemonised by two

traditional parties – the Partido Colorado (PC) and the Partido Nacional (PN) – until the 1960s when it was replaced by a new party – the Frente Amplio (FA).” (Buquet & Piñeiro 2014). The arrival of a new non-traditional party imposed a new competitive strategy that relied on ideas and programmes, leaving the clientelistic approach aside.

Reforms undertaken after the end of the dictatorship and throughout the 1990s were also in line with this new programmatic approach and aimed to generate social modernisation and economic openness. As such, transactions and public services were designed and delivered following existing rules and norms and not based on clientelism (Buquet et al. 2012).

Moreover, the fact that the government never had access to an excessive amount of resources, also limited the potential for rent extraction. A large part of government expenditure (approximately 85 per cent) is typically fixed, which limits discretionary allocation of resources and therefore the opportunities for corruption (Vaz Mondo 2011). In areas where rent-seeking behaviour or opportunities were available, effective control mechanisms seemed to be in place, reducing the chances of capture by private interests (Vaz Mondo 2011).

Reports on corruption are, therefore, relatively scarce in the country. There are a few areas, given the potential rents they offer, that could be considered as offering opportunities for corruption or abuses and that could benefit from the implementation of further transparency and accountability measures. These include, for example, the management of the country’s state-owned enterprises and the allocation of public jobs.

In addition, Uruguay is also an important financial centre, and while there seem to be sufficient rules to curb money laundering and tax evasion by Uruguayans, the country can be considered as playing an important role in facilitating money laundering by corrupt individuals from other parts of the world.

The next section analyses in more detail the corruption opportunities in the areas mentioned above.

## Areas offering opportunities for corruption

### *State-owned enterprises*

Uruguay maintains state monopolies in a number of areas, including water and sanitation, telecommunications, and the importing and refining of oil. Other state-owned enterprises (SOEs) operate in the competitive market, such as the infrastructure sector. As such, SOEs are considered to have a major economic and strategic significance for the country (Solares 2011).

According to the constitution (article 185), SOEs have to be managed by boards. Board members are appointed by the president upon approval by the senate. Similarly, all SOE directors are chosen by the president upon approval of the senate (Solares 2011).

A World Bank report analysing the governance of SOEs in Uruguay finds that the appointment of board members has “usually been shaped by political concerns, hindering the implementation of effective accountability arrangements in these organisations”. (World Bank 2014).

The report also highlights that the majority party in parliament traditionally appoints 60 per cent of the board members. The other 40 per cent are appointed by the opposition. Directors and top managers are usually substituted after each election or change in government (World Bank 2014).

SOEs are required by law to publish an annual report and have their accounts audited by an independent firm (US Department of State 2013). Nevertheless, board oversight seems to be hindered by external influence, particularly from the respective sector ministries and government agencies (World Bank 2014). The low level of professionalism of SOE board members also poses challenges to the effective management and oversight of SOEs (World Bank 2014).

In addition, and probably given the problems underscored above, very little attention is paid to the audit results of and recommendations put forward in audit reports. The country should establish an

effective mechanism to ensure that recommendations made by auditors are addressed in an effective and timely manner (World Bank 2014).

Since 2008, SOEs have been obliged to comply with the country's access to information law. In practice, however, very little transparency exists in the sector (Solares 2011). Several reforms have been proposed to improve transparency and accountability, including the implementation of a programme oriented budgeting and performance pay and the appointment of board members with a higher degree of technical knowledge. It remains to be seen whether such reforms will yield positive results.

Last year a scandal involving ANCAP (Administración Nacional de Combustibles, Alcoholes y Portland), the state-owned oil firm, shone light on potential bad practices in the management of SOEs. Between 2010 and 2013 ANCAP suffered losses leading to an investigation by the senate that started in 2015. The initial findings of the investigation showed very high expenditures on communications and advertising, raising doubts about whether funds of the state-owned company had been misused. For instance, during the last election year, ANCAP's expenditures under “corporate communication” increased five-fold – from US\$190,000 to approximately US\$1 million between 2013 and 2014 (Fischel 2015). The senate investigations also analysed whether contracts signed between ANCAP and a Brazilian subsidiary of Eletrobras had been tainted by corruption (Luzzi 2015).

In February 2016, three political parties presented their final reports containing their conclusions after the investigation. A lengthy discussion took place and the majority of senators voted in favour of the motion posed by the ruling party (Frente Amplio). The motion, which was based on documents and reports analysed during the investigation, concluded that there had been no irregularities or wrongdoings in ANCAP. The other two political parties were not satisfied with the results of the investigation and suggested that the findings be sent to the judiciary for analysis. The majority of senators, however, were against this (En Perspectiva.net 2016).



## Public administration

The public administration in Uruguay is still assessed as rather ineffective due to the large number of individuals employed (Bertelsmann Foundation 2016).

While several reforms have been conducted since the 1990s to improve hiring processes in the public sector, the government has been unable to establish a more efficient civil service (Bertelsmann Foundation 2016). Open competition with transparent requirements have been established for the majority of public sector positions, but the government has faced strong resistance from officials, and political influence in the appointments have not been fully removed (Bertelsmann Foundation 2016).

## *Financial sector and corporate secrecy*

Uruguay has a long-established tradition of bank secrecy, offering an offshore financial centre to the Latin America elite and other clients across the world (Financial Secrecy Index 2015).

Offshore financial centres are popularly known as centres that provide financial services (with low or zero taxation) to non-residents, moderate or light financial regulation, banking secrecy and anonymity (IMF 2000). Financial centres can be used for legitimate purposes, including asset management and protection and fiscal planning, among others. But it can also be used for non-legitimate purposes, such as tax evasion and money laundering, attracting corrupt individuals and other criminals.

In addition to its domestic banking system, which is dominated by two state-owned banks, Uruguay offers a variety of services to non-residents through the so-called SAIFE. These are local Uruguayan entities that are wholly owned by established foreign banks. These entities are prohibited from doing business in the local market. For instance, they are prohibited from doing business with Uruguayan residents or offering local checking accounts. They can however provide a full range of commercial and private banking services to foreign, non-resident individuals and companies.

They are also submitted to the same anti-money laundering rules applied to domestic financial institutions. The last Financial Action Task Force's (FATF) evaluation undertaken in 2009 does not identify Uruguay among the countries with strategic anti-money laundering deficiencies (FATF 2009).

Banks, currency exchange houses, stockbrokers, pension funds, insurance companies, casinos, art dealers, real estate and fiduciary companies, lawyers, accountants, and, other non-banking professionals that carry out financial transactions or manage commercial companies on behalf of third parties are required to comply with anti-money laundering provisions, including customer due diligence and additional checks on politically exposed persons (FATF 2009).

There are however serious deficiencies with regard to access to relevant information by foreign competent authorities (Financial Secrecy Index 2015). Uruguay does not engage in the automatic exchange of information. This means that a foreign authority seeking information on their residents' undeclared bank accounts cannot easily obtain evidence from Uruguayan authorities. Current rules require foreign authorities to first identify a bank account related to a specific taxpayer and ask for "confirmation" from the Uruguayan authorities (Financial Secrecy Index 2015). Within this framework, if foreign authorities have suspicions that an alleged criminal holds a bank account in Uruguay, that cannot be confirmed unless enough details regarding the account, including the number, have been collected, making the collection of evidence in such cases extremely difficult.

Moreover, any individual subject to an information exchange request by a foreign authority will be notified before the request is answered, even if such notification could hinder the investigation (Financial Secrecy Index 2013)

It is also important to note that the last evaluation round undertaken by FATF only analysed the legal

framework. The extent to which the rules in place have been effectively implemented and enforced was not part of the analysis. In fact, recent corruption and tax evasion scandals in other countries involving offshore companies and accounts established in Uruguay show that improvements in the implementation and enforcement of the rules are necessary.

For instance, Uruguay has been implicated in an investigation into Argentine football player Lionel Messi by Spanish authorities for evading €4.2 million in taxes. According to court documents, Belize and Uruguayan companies were used to receive payments under sponsorship deals (Staley & Duff 2013).

In Brazil, investigations of the Car Wash operation related to corruption in the state-owned oil company Petrobras also implicate Uruguay. A former executive of the construction company Odebrecht, which is accused of corruption to gain public contracts, declared that the executive opened an offshore company in Uruguay (Hayley SA) and a subsidiary in Brazil with the sole purpose of hiding alleged illegal funds received by one of Petrobras's former directors (Macedo 2015).

To prevent its financial centre from being used by corrupt individuals and organised criminal groups, Uruguay still needs to improve its legal framework and its enforcement to guarantee that foreign competent authorities and ideally the public at large have access to real beneficial owners of companies and accounts established in the country. This could be done, for instance, by creating a central and public beneficial ownership registry and limiting/prohibiting the issuance of bearer shares.

### 3 LEGAL AND INSTITUTIONAL ANTI-CORRUPTION FRAMEWORK

#### Legal framework

##### *International conventions*

Uruguay has been party to the United Nations Convention against Corruption (UNCAC) since 2007 and the Inter-American Convention against Corruption since 1998.

##### *Domestic legal framework*

##### *Criminalisation of corruption*

Corruption, including domestic and foreign bribery, abuse of power, trafficking of information, trading in influence and embezzlement, is criminalised in the Uruguayan criminal code.

The country also has a relatively strong legal framework against anti-money laundering (Laws 17.835/2004 and 18.494/2009 and Decree 226/10) that includes corruption as a preceding crime. Money laundering is penalised with sentences of up to ten years. Tax evasion, however, is still not considered a predicate offence of money laundering.

Uruguay also does not criminalise illicit enrichment and its legal framework does not contain provisions allowing for criminal liability of legal persons (OAS no year).

##### *Political party and campaign financing*

Law 18.485 of 2009 regulates political parties and obliges all political parties and candidate lists competing in national elections to declare their income and expenditures (Piñeiro et al. 2015). According to the law, political parties receive public funding for their regular activities as well as during elections. Individual, including anonymous, donations are also allowed until a certain limit. Corporations, however, are prohibited from making donations to political parties (International IDEA 2014).

Candidates, on the other hand, may receive donations from individuals and corporations. The law does not ban donations from companies who have a contract with the public administration, but provides for limits (International IDEA 2014).

There is no limit to campaign expenditures by political parties and candidates. Both have, however, to report income received and expenditures to the country's electoral court, which functions as the electoral management body (International IDEA 2014).

According to recent reviews, the electoral court lacks the necessary human and technical resources to efficiently verify the financial statements of political

parties (Bertelsmann Foundation 2016). Research conducted by journalists also shows that the electoral court has not controlled or sanctioned political parties according to the law (Piñeiro et al 2015). They also found that loopholes in the current legal framework allow political parties to continue receiving donations from companies that have contracts with the public administration in circumvention with the law (Piñeiro et al. 2015).

### Transparency laws

The law on access to information, adopted in 2008, regulates the right of access to public information (Law 18.381 of 2008). It includes provisions regarding the processing of information requests and covers obligations concerning proactive disclosure by state bodies. It also establishes that public institutions must respond to access to information requests within 20 days, providing a reason if the information request is denied (Rodriguez & Rossel 2015). Individuals requesting information do not need to include a motivation or pay any fee.

In general, the exceptions to the right of access are consistent with international standards and include information related to national security, privacy, and legitimate commercial and other economic interests. The law, however, also contains a general provision that right to information can be denied if the information is considered confidential, which is too broad and subjected to personal discretion (Access Info & Centre for Law and Democracy 2016).

This legislation also provides sanctions for those who deny access to information not protected by law. Uruguay ranks 42 out of 101 countries with access to information laws assessed by the global right to information rating<sup>1</sup> (RTI rating), with a score of 91 points out of a possible total of 150 points (Access Info & Centre for Law and Democracy 2016).

in 2015, Rodriguez & Rossel analysed the implantation of the access to information law. They surveyed journalists who had made such requests and did a mystery shopping exercise. The study

<sup>1</sup> The RTI rating assesses the strength of the legal framework for guaranteeing the right to information in a given country, but it does not measure the quality of implementation of the law.

found that 29 per cent of journalists who had submitted at least one access to information request reported that they were required by public officials to provide motivations for their request, in contravention with the law. Considering all access to information requests filled by the surveyed journalists, only 56 per cent were answered, and out of those, 60 per cent within the legal timeframe.

The results of the mystery shopping exercise also show that improvements in the implementation of the law are required. Only 17.2 per cent (55 out of the 320 requests filled) of requests to access information filled were answered in a satisfactory manner (Rodriguez & Rossel 2015).

### Conflicts of interest and asset declaration

Law Nº 17.060 of 1998 regulates the declaration of income and assets by high-level public officials, including the president and vice-president, who have their declarations published in the official gazette, as well as ministers, members of the supreme court, electoral and audit courts, and senators, whose declarations are confidential.

An amendment to the law approved in 2008 extended reporting requirements to other categories of officials, including those occupying positions in the public procurement office, customs and the so-called trust positions (political appointments). As of 2009, approximately 12,000 public officials (5 per cent of the total number of civil servants) were required to declare their assets and liabilities (JUTEP 2011).

Declarations have to be filed upon taking office and upon leaving office and submitted to the Junta de Transparencia y Ética Pública (JUTEP). As mentioned, these declarations are not made available to the public. Sanctions for non-compliance with the law range from retention of 50 per cent of the official's salary to suspension (JUTEP 2011).

Analysis conducted by JUTEP in 2009 shows that 60 per cent of obliged officials submitted their declaration within the timeframe and form established by the law, while 38 per cent submitted it after the stipulated timeline and 2 per cent failed to submit it (JUTEP 2011).

There is no information on potential wrongdoings or investigations that have been started based on the information declared to the JUTEP.

Regarding the prevention of conflicts of interest, Uruguay still does not regulate the revolving door, that is the movement of individuals between the public and private sectors.

Current rules need to be reformed to include cooling-off periods between exercising a position in the public sector and accepting a job in a related area in the private sector, and vice versa (OAS 2013).

### Whistleblowing

Whistleblower protection in cases of corruption in Uruguay is limited. Standard protections to witnesses are provided in the criminal law and in a decree regulating witness protection. However, the country still lacks dedicated legislation that protects whistleblowers from retaliation and ensures that the information disclosed will be dealt with confidentially (Silvestre 2013).

### Institutions

The country does not have a single institution responsible for curbing corruption. This task is shared by several bodies. Oversight functions are mainly exercised by the Court of Accounts and the Committee of Transparency and Public Ethics (Junta de Transparencia y Ética Pública)

#### *Junta de Transparencia y Ética Pública (JUTEP)*

JUTEP advises the criminal justice system and the government on matters related to crimes against the public administration. The committee is also responsible for managing and monitoring asset declarations made by public servants and for monitoring the required disclosure by public entities of decisions on the award of tenders and special contracts for direct procurement. The body also provides advice to public sector agencies, on request, regarding mechanisms in force for the prevention and eradication of corruption.

JUTEP officials also provide training to public servants to promote transparency and public ethics through the

National College of Public Education of the National Civil Service Office.

The 1998 law (17.060) that established JUTEP ensures the technical independence of the body in the exercise of its functions, but the body was set up as part of the Ministry of Education and Culture (OAS 2013).

JUTEP is composed of three members. Decisions are made at the sole instance with the vote in favour of at least two members. The decisions of the JUTEP are subject to review under administrative appeal to the Court of Administrative Judicial Review.

The law states that the three members have to be individuals with recognised experience and professional and moral rectitude. They are appointed by the president on the advice of the cabinet with the approval of a three-fifths vote of the senate and serve for a term of five years. Members can only be removed by the president upon the approval of a qualified majority of senators.

In its 2011 annual report, JUTEP criticised the human and technical resources available to the institution. Despite all its functions, as of 2011 the body had only 11 people working there; a number that is not sufficient to meet all of the tasks assigned to the JUTEP. According to the UNCAC review, there have been some efforts to address the issue, such as the adoption of a law allowing the body to have secondments from other public entities or hiring temporary personnel. Nevertheless, according to the review, there appears to be a continued shortfall of personnel in JUTEP (OAS 2013).

In addition, the review also pointed to a lack of financial resources that could hinder the body's performance. In an attempt to address this issue, JUTEP has been seeking other sources of revenue, in particular through agreements with international organisations, to meet its needs (OAS 2013).

### Judiciary

The judiciary in Uruguay is independent and autonomous from other powers.



The supreme court is comprised of five judges who are nominated by the president and appointed in joint conference of the general assembly for term of ten years, with re-election after a lapse of five years following the previous term (OAS no year). Below the supreme court are courts of appeal (*tribunales de apelaciones*), district courts (*juzgados letrados*) and then peace courts (*juzgados de paz*). Specialised courts to deal with organised crime (*juzgados especializados en crimen organizado*) were created in 2009. They are responsible for judging crimes related to drug trafficking, money laundering and crimes against the public administration (including corruption) that involves funds above U\$20,000 (Machado 2014).

The Uruguayan justice system has one of the better reputations among Latin American countries with no significant concerns of corruption (ISAAT 2015; Latino Barometro 2015). However, there is a severe backlog of cases that has led to overcrowded prisons. The previous administration put an emphasis on reforming the current system to speed up trials as well as to ensure that the human rights of prisoners are respected (ISAAT 2015).

According to Uruguay Transparente (2015), it is necessary to strengthen existing transparency and accountability mechanisms in the judiciary related to the administration of the courts and management of cases. It is also important to guarantee transparency in the appointment, transfer and promotion of judges. (Uruguay Transparente 2015)

### *Tribunal de Cuentas (Court of Auditors)*

The Court of Auditors is the country's main oversight body. It enjoys functional and technical autonomy to oversee the execution of the budget by public authorities and to control all activities connected with state finances.

As part of the review of the country's implementation of the Inter-American Convention against Corruption, the review group highlighted that the court lacks the necessary autonomy to decide on its budget. The court has not had the necessary resources to implement modern control mechanisms nor to attract and retain qualified staff (OAS 2013).

The review also observed that the work conducted by the Court of Auditors could lead to better results if the body had jurisdictional powers or was able to impose sanctions (OAS 2013).

Moreover, a better tracking mechanism to ensure that the recommendations put forward by the court in its audit reports are taken into consideration is also important. The review group recommended the implementation of a mechanism through which feedback on whether action was taken to correct a detected irregularity and if sanctions were imposed, with respect to the reports it has submitted, can be received (OAS 2013).

Finally, the Court of Auditors also needs to improve its transparency and accountability mechanisms. According to the Inter-American Convention review, as of 2013, details on the budget allocation and expenditures of the Court of Accounts and its training activities were not made available to the public (OAS 2013).

### *Office of the Attorney General and Public Prosecutor's Office*

The Office of the Attorney General and Public Prosecutor is charged with protecting society, defending and representing the state in the areas prescribed by law, and providing advisory services to the executive branch and the judiciary upon request.

The office enjoys technical independence in the exercise of its functions. The attorney general is appointed by the executive branch with the approval of the senate or the permanent committee, as appropriate, for a term of ten years. National, departmental and assistant prosecutors are appointed in the same way as the attorney general. Prosecutors have tenure and remain in their posts so long as their conduct is good; they retire at the age of 70.

### **Other actors**

#### *Civil society*

Freedom of assembly and association are guaranteed by the Uruguayan constitution. After 15

years under military rule (1973-1985), with severe violations of human rights and the prohibition of political associations and trade unions, the current civil society space in the country is very rich and dynamic (Freedom House 2015).

Uruguayan civil society has a long tradition of civic engagement and a participatory civic culture. There are numerous and active civic associations and a significant level of social trust (Bertelsmann Foundation 2016; Freedom House 2015).

There are, however, few organisations working specifically to curb corruption and hold the government to account. A civil society mapping developed by the Institute for Communication and Development, with support from the Inter-American Development Bank, provides a good overview of civil society organisations operating in Uruguay according to their areas sub-areas of work – as well as their geographical location (see: <http://www.mapeosociedadcivil.uy/index.php>).

In the area of transparency and accountability there are currently ten organisations registered on the website, including:

- **CAINFO** works primarily on issues related to access to information and freedom of expression
- **DATA** works on the design of ICT tools to stimulate public participation and promote transparency in the public administration
- **Cultura Ambiental** works to enhance transparency, accountability and public participation particularly in environmental issues
- **GMS** works on the development of information, research and advice in areas related to freedom of information and communication channels
- **ICD** works on strengthening public participation in decision making and social responsibility, with institutions and social actors accountable
- **Red de Gobierno Abierto** formed by different civil society organisations to promote transparency and access to public information in the country
- **Uruguay Transparente** works, among other things, to develop and promote campaigns in defence of ethical values and to advocate for measures to combat corruption
- **UYCHECK** works to verify the accuracy of statements and data provided by politicians and the government

### Media

The Uruguayan constitution guarantees freedom of speech and freedom of the press. As such, freedom of expression is fully guaranteed across all actors of society without any censorship or restriction (Bertelsmann Foundation 2016). There are also no government restrictions on internet access, and penetration is high relative to the rest of Latin America, with about 61 per cent of the population using the internet in 2014 (Freedom House 2015b).

In general, the media is diverse and journalists rarely face any form of physical attack or harassment (Freedom House 2015b).

In 2014, a new law regulating the functioning of the media was approved. The law is seen by international observers and local organisations as an important step to ensuring an even more open and dynamic media environment (Bertelsmann Foundation 2016).

The new law also includes provisions related to the mandatory provision of: free airtime to political parties' electoral campaigns; the narrowing of provisions on hate speech; the inclusion of safeguards to prevent a few media groups from dominating the commercial market; and broadcast licensing, establishing an Audiovisual Communication Council responsible for licensing and enforcement, among others.

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