

Latin America's Battle Against Corruption: A Path Forward

This report explores the current, critical moment in the region's fight against graft, and suggests eight strategies for building upon recent progress.

OVERVIEW

Throughout Latin America, corruption that was once met with resignation and acceptance is now front-page news. Since 2014, hundreds of previously untouchable politicians and business leaders have been sentenced to jail, from Brazil to Peru, Guatemala, and beyond. This shift, though disruptive in the short term, has the potential to make the region significantly more fair and prosperous.

What's happening is a truly regional anti-corruption movement, even if results have varied widely among countries. Public opinion polls and street demonstrations indicate it has strong support from a majority of Latin Americans. The movement's success can be traced to deep structural changes over the past 30 years including the spread of democracy, the rise of independent judicial institutions and the growth of Latin America's middle class. A broad coalition of judicial officials, civil society groups, politicians, private-sector leaders and regular citizens is determined to continue to push for an end to impunity.



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However, there have been recent setbacks. New scandals have continued to erupt, suggesting that many old practices remain stubbornly in place. With some exceptions, Latin American governments have failed to institute reforms that would meaningfully reduce opportunities or incentives for graft. In the face of continued scandal and dysfunction, some citizens are becoming increasingly disillusioned with not just their politicians, but with democracy itself.

This is therefore a critical moment for the anti-corruption movement. This report will explore recent developments and suggest eight potential strategies for a productive way forward, based on input received at a meeting of distinguished corruption fighters on March 1-2 at Americas Society/Council of the Americas (AS/COA) in New York City. The following content does not necessarily reflect the unanimous view of the conference participants, AS/COA or its members.

II A SHORT HISTORY OF THE MOVEMENT

Corruption in Latin America is not new; what's different now is that more criminals are being punished than ever before. Some studies suggest systemic graft has become more prevalent in recent years, but it has clearly been a major impediment to the region's development for centuries, under both civilian and military leadership.

The current anti-corruption movement's origins can arguably be traced to March 17, 2014. A coordinated police raid of a money laundering operation at a gas station in Brasília that day would soon mushroom into one of the biggest corruption schemes ever detected. The still-ongoing Lava Jato or "Car Wash" probe has led to billions of dollars in fines and sentences for close to 180 business leaders and politicians. Its effects weren't just restricted to Brazil. The probe has expanded to include bribes paid by Brazilian construction giants including Odebrecht for government contracts throughout the region, implicating leaders and executives in countries including Argentina, Colombia, Mexico and Peru.

More or less in tandem, other high-profile corruption cases have proliferated. These include Mexico's 2014 Casa Blanca scandal, which exposed favorable contracts the Enrique Peña Nieto administration awarded to a company that built a \$7 million home for his family. In Chile, former President Michelle Bachelet faced a backlash in 2015 when accusations surfaced that her son helped her daughter-in-law secure a favorable [loan](#) from the Banco de Chile shortly after her re-election. Guatemala's [La Línea](#) scandal, which in April 2015 exposed fraud and bribes at the national customs agencies at the highest levels of government, led to the resignation and arrest of then-President Otto Pérez Molina and Vice President Roxana Baldetti, among other government officials. Colombia has also seen prosecutions of formerly influential officials, including the [former director of anti-corruption](#) and the [ex-president of the Supreme Court](#).

For a more complete accounting of recent cases, see the timeline in Appendix A of this report.



"We have shown that the fight against corruption is possible, at all levels of the state. Nobody is above the law."

—Iván Velásquez
commissioner of CICIG

III STRUCTURAL FACTORS UNDERLYING THE MOVEMENT

WHILE FACTORS VARY among Latin American countries, we have identified four main trends supporting the recent anti-corruption movement:

1 DEMOCRACY

At the dawn of the 1980s, there were only three full democracies in Latin America. Today, there are only two clear dictatorships: Cuba and Venezuela. As a result of this democratic wave, many countries' judiciaries have enjoyed increasing autonomy and resources. It's no coincidence that the new generation of Latin American prosecutors pursuing corruption cases is the first to grow up under democracy. In time, institutions have become stronger and citizens have demanded more from their elected leaders.

2 RISE OF THE MIDDLE CLASS

Thanks to the commodity boom and smart fiscal policies, roughly 50 million Latin Americans have moved into the middle class since 2003. Citizens who had their basic needs met, and, in some cases, were paying taxes for the first time, become more concerned about how government money was being spent. Improved education levels have also contributed to changing attitudes. Latinobarómetro's 2017 report found that corruption is the number-one public concern in Brazil, Colombia and Peru, and the fourth-biggest concern regionally behind the economy and crime.

3 INCREASED USE OF SOCIAL MEDIA

As social media use has grown—Latin America's nearly 600 million social media users spend [more time on the platforms](#) than users in any other region in the world—it has allowed news of corruption to travel quickly. Platforms such as Twitter, Facebook and WhatsApp have served as a tool for anti-corruption protesters to quickly organize and amplify their message. Government officials and business elites today find it much harder to play down or suppress news of corruption cases.

4 TECHNOLOGICAL AND LEGAL CHANGES

Recent high-profile cases elsewhere, including South Korea, South Africa and Israel, suggest the anti-corruption movement is driven at least in part by global factors. Banking secrecy laws implemented after the 2007–2008 financial crisis and technological developments in the banking sector have helped combat endemic corruption, as has the increased exchange of information among countries. New technology can track transactions and user behavior, detect anomalies in companies' behavior and help anti-corruption efforts in real time. Within Latin America, recent laws including those enabling the greater use of plea bargains, such as in Brazil and Argentina, have been critical to prosecutorial efforts. The U.S. Foreign Corrupt Practices Act (FCPA) of 1977 also remains key in prosecuting corrupt behavior globally.



“We have discovered the nexus between poverty, corruption, and the lack of opportunities for Guatemalans.”

—*Thelma Aldana*
attorney general of Guatemala



“Today, the reality is that these companies that never included corrupt behavior in the calculus of their costs are now seeing that paying bribes is expensive.”

—*Rodrigo Janot*
professor, Universidad de los Andes;
former attorney general, Brazil

SOME OBSERVERS CONTEND that slower economic growth across much of Latin America this decade has fueled public anger at corruption—and may even be the main underlying factor. However, outrage over impunity has also palpably increased in economies that performed well or had little change in performance, such as Peru and Mexico—leaving the degree of correlation unclear.

IV RECENT CHALLENGES AND OTHER DEVELOPMENTS

After broad initial support from citizens and some governments, recent months have seen several setbacks for the anti-corruption movement.

In some countries, political actors have used their power to block potential charges and suppress the judiciary’s ability to investigate potential crimes. In October 2017, Brazil’s Congress voted to [shield](#) President Michel Temer from charges of corruption. Other prominent Brazilian politicians have used their so-called *foro privilegiado*, or privileged status, to evade investigation and/or push possible trials far into the future. Some observers including Supreme Court Justice Luís Roberto Barroso have [warned](#) of a concerted effort by politicians and judicial actors to make legal changes that would “suppress” the Car Wash probe. In Venezuela, the dictatorship of Nicolás Maduro has blocked efforts to prosecute corrupt officials, despite clear evidence of graft, including that [provided by](#) former chief prosecutor Luisa Ortega after she broke with the regime and fled the country in 2017.

In Honduras, a host of challenges for the OAS-backed Mission to Support the Fight against Corruption and Impunity in Honduras (MACCIH) led to the [resignation](#) of its head, Juan Jiménez Mayor, in February 2018. He cited a lack of support from the OAS, deficient staffing and security concerns. Impetus for the resignation came in January 2018 when policymakers passed a law limiting the mission’s ability to investigate the misuse of public funds, in what Jiménez Mayor called an “impunity pact.” In March 2018 the Honduran Supreme Court [accepted](#) a case challenging MACCIH’s constitutionality, leaving the future of the mission in doubt.

In Guatemala, President Jimmy Morales’ August 2017 [decision to expel](#) Iván Velásquez, the head of the UN-backed International Commission against Impunity in Guatemala (CICIG), drew intense international and domestic backlash. Morales’ order came just after Velásquez and Attorney General Thelma Aldana—the same prosecutors who successfully investigated former president Pérez Molina—made public they were seeking to lift the president’s immunity to investigate illegal campaign financing. In a show of strength for the anti-corruption movement, several government ministers and their deputies resigned in protest, and the Constitutional Court [overturned](#) the presidential order, allowing Velásquez to stay in the country. Yet the incident underscored strong support among many politicians in favor of the status quo.



“If you combat corruption, corruption is going to try to combat you ... but we cannot give up.”

—**Claudio X. González**
president and co-founder,
*Mexicanos contra la
Corrupción y la Impunidad*

In Mexico, media reports have accused government officials of using [spyware](#) intended only for use against criminal networks and terrorists to target individuals and civil society groups who are working to combat corruption and impunity. This was viewed as a forceful move against those fighting graft in a country where everyday corruption costs the economy between [2 to 10 percent of GDP](#) and [98 percent of crimes go unpunished](#). In October 2017, Mexico Attorney General Raúl Cervantes became the third attorney general to [resign](#) under President Peña Nieto. Meanwhile, new structures such as the National Anti-Corruption System have fallen short of expectations, due in part to political resistance to their implementation.



“Corruption is not politicians from the left or the right; corruption is the opposite of politics, I think. It’s just criminal behavior.”

—Sérgio Moro
federal judge, Brazil

Regionwide, some countries have seen a perceptible decline in popular support for anti-corruption efforts. This may be partly due to natural fatigue as time passes. But many citizens see a pattern of selective justice, in which some parties or individuals are singled out for prosecution while others continue to operate with impunity. Where courts are perceived to be highly politicized, belief in the judicial system has often suffered; Argentina’s judicial system has the confidence of just 12 percent of the population, a [2017 poll showed](#), half the level in 2011 and lower than any other branch of government.

Not everyone sees the anti-corruption crackdown as a sign of progress. Indeed, the seemingly never-ending wave of scandals is causing some citizens to lose faith not just in individuals or parties, but in their entire political system. Regionwide, just 69 percent of Latin Americans now say democracy is always the best form of government—the lowest level since 2003, according to [Latinobarómetro](#). Meanwhile, some, especially in the private sector, are asking whether “enough is enough,” and whether the movement, for all its benefits, has become excessively disruptive to economies and political systems. Others see worrying parallels with the Mani Pulite or “Clean Hands” probe in Italy in the 1990s, which resulted in hundreds of arrests and political turmoil but produced little long-term improvement in that country’s perceived level of corruption. Indeed, in some cases in Latin America, it is unclear whether new officials are any less corrupt than old ones who were ousted or sent to jail.

Despite these questions and shortcomings, the corruption fight has marched on, with continued strong backing from citizens and civil society. Sixty-two percent of Brazilians said corruption was their country’s biggest problem in a [December 2017 poll](#), up from 40 percent who said so in 2016 and just 11 percent in 2011. In Mexico, 26 percent of voters identified “combating corruption” as their top concern in a [March 2018 poll](#), behind only “fighting crime” (34 percent). Meanwhile, judicial cases themselves have also continued to move forward. New charges were filed against Brazilian President Michel Temer and former President Luiz Inácio Lula da Silva, among others. Amid broader political turmoil in March 2018, Peruvian President Pedro Pablo Kuczynski [resigned](#) ahead of a second impeachment vote after scandals linked to Odebrecht and alleged vote-buying came to light. From Lima to rural Mexico to the cities of northeast Brazil, a new generation of prosecutors inspired by the recent success of Car Wash and other investigations is taking aim at old practices.

V RECOMMENDATIONS FOR CONTINUED PROGRESS

On March 2, 2018, AS/COA and *Americas Quarterly* gathered 10 of Latin America's leading anti-corruption figures in New York for a historic [conference](#). They included Sérgio Moro, federal judge, Brazil; Néstor Humberto Martínez, attorney general, Colombia; Iván Velásquez, commissioner, Comisión Internacional contra la Impunidad en Guatemala (CICIG); Thelma Aldana, attorney general, Guatemala; Rodrigo Janot, professor, Universidad de los Andes and former attorney general, Brazil; Claudio X. González, president and co-founder, Mexicanos contra la Corrupción y la Impunidad; José Ugaz, former chair, Transparency International; Eduardo Engel, professor of economics, University of Chile and former chairman, Presidential Advisory Council on Conflicts of Interest, Influence Peddling, and Corruption in the Bachelet administration; Alan Clutterbuck, president and co-founder, Fundación Red de Acción Política; and Geert Aalbers, senior partner, Control Risks. These speakers were joined by several representatives from the private sector, multilateral institutions and civil society, who also offered leadership and feedback.

Now is the moment for concrete reforms, because “the justice system alone cannot save the world,” as Velásquez stated at the conference. With citizens clamoring for change, and two of three Latin Americans set to elect a new government in 2018, the environment is ripe for politicians and civil society to move forward. “There is a silver lining to these scandals: you have a window of opportunity to make major reforms in favor of accountability,” said Engel, who after the Bachelet scandal of 2015 led efforts to approve more than 10 new laws to combat corruption in Chile. “In normal times, these reforms are almost impossible.”

What follows is not intended as a comprehensive list of necessary reforms, nor does it reflect a unanimous view of the conference's participants. Rather, it is a list of objectives that are perceived to be attainable in the medium and long term and can be started on immediately. Monitoring and tracking their progress will be key in keeping all parties accountable and ensuring the anti-corruption movement continues to move forward in a constructive way, reducing impunity over time and ultimately producing a fairer and more prosperous Latin America.

1 CREATE STRONG, AUTONOMOUS ATTORNEY GENERAL'S OFFICES AND OTHER PROSECUTORIAL BODIES.

This means institutions that are self-managed and control their own budgets. Judicial independence has been a key driver in the fight against corruption, and will remain a crucial issue in 2018 given the number of countries selecting new attorneys general, including Guatemala, Honduras, El Salvador, and potentially Mexico. “Congress and the executive branch manage the budget in Guatemala, and historically, it has been an insufficient budget to maintain the institutions that democracies require,” Aldana said, noting that 90 percent of Guatemalans “do not have access to the criminal justice system.”



“There is a silver lining to these scandals: You have an opportunity to make major reforms for more accountability. In normal times, these reforms are almost impossible.”

—Eduardo Engel
*professor, University of Chile;
former chairman, Presidential
Advisory Council on corruption
in the Bachelet administration*



“Companies are getting much more nuanced at managing corruption risks. I’m a big believer in the private sector as an agent of change.”

—**Geert Aalbers**

senior partner, Control Risks

2 DEEPEN ANTI-CORRUPTION EFFORTS IN THE PRIVATE SECTOR.

This should be a multi-pronged approach that increases accountability and oversight. Companies should increase local resources for compliance departments and firmly embed compliance into corporate culture. These changes are already taking shape, according to Aalbers, with “compliance and risk management becoming board-level issues” and many companies “taking internal issues like fraud and ethical breaches much more seriously than before.” Janot agreed, pointing out that “companies that never included corrupt behavior in the calculus of their costs are now seeing that paying bribes is expensive.” Board members should also be held more accountable for ensuring that ethics and compliance programs are effective. Some evidence suggests that diverse boards are more likely to detect corruption; just [8.5 percent](#) of board members in Latin America are women. Small-scale entrepreneurs and new private-sector leaders should also be brought into the anti-corruption conversation to talk about creating reformed business practices in the region. Including anti-corruption clauses in new trade agreements, such as a potential FCPA clause in a renegotiated NAFTA, may also lead to cleaner practices.

3 INCREASE JUDICIAL COOPERATION AND DATA-SHARING WITHIN LATIN AMERICA.

This collaboration should happen among the offices of attorneys general, without the interference of the executive branch. As Moro pointed out, “international cooperation has been fundamental in the Lava Jato investigations,” ranging from bank records received from Swiss authorities to support from the U.S. Department of Justice. There should also be more forums for regional prosecutors to interact and exchange contact information and ideas. Political consensus behind investigations can help, as evidenced by the [recent](#) support from three former Bolivian presidents for opening an Odebrecht-related probe in their country. Collaboration among international banks has also been shown as crucial in detecting anomalies and increasing compliance.

4 ALLOW FOR GREATER USE OF PLEA BARGAINS.

Legislation is needed in many countries to support and expand the use of plea bargains so prosecutors can gain the cooperation of suspects who understand the internal structures and activities of criminal organizations. This is perhaps the underappreciated key to the Car Wash prosecutions in Brazil. “Lava Jato was developed based on plea bargains, but other countries don’t understand this,” Martínez said. Brazil only finalized its [plea bargain statutes](#) in 2013, and Car Wash followed one year later. Incentivizing plea bargains also includes limiting the number of available appeals, which Brazilian experience suggests is a common tactic among defense teams.

5 SUPPORT INVESTIGATIVE JOURNALISM.

Many breakthroughs in specific cases, and the anti-corruption movement generally, have resulted from the work of investigative journalists. Companies, foundations and individuals interested in reducing corruption should consider donating resources to independent outlets producing quality investigative journalism, including those such as El Faro in El Salvador, Mexicanos Contra la Corrup-



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—**Néstor Humberto Martínez**

attorney general, Colombia



“We need institutions and incentives to change the tone at the top.”

—**Alan Clutterbuck**
*president and co-founder,
 Fundación Red de Acción
 Política*

ción y la Impunidad and ProPublica in the United States. Governments should dedicate extra resources to protecting journalists from harm, and to investigating crimes committed against them to ensure they are not intimidated from doing their work.

6 BETTER EDUCATE CITIZENS ON COSTS OF CORRUPTION. Experience suggests that corruption declines as education improves. But better efforts could be made, from primary school all the way to the graduate school level, to show citizens the empirical costs of corruption, from everyday petty infractions to bribery and fraud at the corporate and governmental level. As Aldana stated, reducing corruption reduces poverty. This includes education on corruption in past authoritarian regimes to show that democracy itself is not the problem.

7 ALLOW FOR NEW VOICES IN POLITICS. Governments and the private sector should take concrete steps to remove barriers to entry for a new generation of candidates and appointed officials. This includes a conscious effort to name more women, young people, Afro-descendant and indigenous leaders to cabinet-level positions and others throughout government. Increased attention should also be given to appointing officials untouched by scandals. “We need change from politicians who can make change, not only from the judicial side,” said Ugaz. Campaign finance reform is necessary to level the playing field for new entrants, as well as to reduce opportunities for illegal behavior among incumbent politicians and their funders. “There is insufficient, inefficient funding, which paves the way for gray zones,” according to Clutterbuck. Countries should also allow independent presidential candidates in countries like Brazil, where it is currently forbidden, or in Mexico, where the registration process is difficult.

8 ENFORCE LAWS ALREADY ON THE BOOKS. Many great anti-corruption laws already exist, as evidenced by [new laws](#) in Argentina, Brazil, Colombia, Mexico and Peru, but many are not being enforced. As González pointed out, “In general, Mexican laws are not that bad, they are just not implemented.” The same can be said of many other countries, a situation that recalls a common expression in Brazil: *Algumas leis não pegam*, or “Some laws just don’t catch on.” Across the region, this is often a question of resources for enforcement, but also political will from elected leaders and law enforcement officials.



“We need change from politicians who can make change, not only from the judicial side.”

—**José Ugaz**
*former chair,
 Transparency International*

This conference was generously supported by Open Society Foundations, Ford Foundation and Institute of International Education.

Latin America Corruption Timeline

March 17, 2014 A coordinated [police raid](#) of a money laundering operation at a gas station in Brasília uncovers links to Brazilian state oil company Petrobras. In time, the the Lava Jato or “Car Wash” probe becomes the largest corruption scandal ever uncovered in the world.

November 9, 2014 A report by [Aristegui Noticias](#) uncovers the Casa Blanca scandal, exposing favorable contracts the Enrique Peña Nieto administration awarded to a company that built a \$7 million home for his family.

March 2015 Chile’s tax agency [files a lawsuit](#) against mining company Sociedad Química y Minera de Chile (SQM) over tax fraud, allowing the public prosecutor’s office to include the firm in a probe investigating illegal campaign financing. On January 12, 2018, SQM [agreed to pay over](#) \$30 million in penalties to the U.S. Department of Justice and the Securities and Exchange Commission over accusations that the firm’s executives issued fake invoices to illegally channel campaign donations to politicians from 2008 to 2015.

April 16, 2015 Guatemala’s [La Línea](#) scandal exposes fraud and bribes at the national customs agencies. It leads to the [resignation](#), and just hours later the arrest, of then-President Otto Pérez Molina on September 3, 2015. Vice President Roxana Baldetti, also implicated in the scandal, [resigns](#) on May 8, 2015 and is [arrested](#) on August 21, 2015.

May 27, 2015 Julio Rocha, the former president of Nicaragua’s soccer federation and a former development official at FIFA, [is arrested](#) on corruption charges in Switzerland. On December 6, 2016, Rocha [pleads](#) guilty to racketeering and wire fraud conspiracy for accepting US\$150,000 for marketing rights. Rocha [dies in jail](#) in January 2018 before being sentenced.

- June 19, 2015** Marcelo Odebrecht, the former CEO of Brazil's largest construction company, is [arrested](#). On March 8, 2016, he is [sentenced](#) to over 19 years of prison on corruption charges connected to Lava Jato. On December 21, 2016, his company agrees to pay at least [US\\$3.5 billion](#) in penalties to authorities in Brazil, the United States, and Switzerland.
- June 19, 2015** Otávio Azevedo, CEO of Brazil's second-largest builder Andrade Gutierrez, is [arrested](#) in connection with corruption at Petrobras. He is [sentenced](#) to 18 years in prison in September 2016.
- November 27, 2015** Jovino Novoa, a former senator from the Independent Democratic Union (UDI) party, is the first politician [convicted](#) in Chile's [Pentagate scandal](#). The scandal exposed illegal campaign contributions Chilean holding company Penta Group made to the UDI, among other allegations of misconduct.
- December 2015** Venezuelan executives Roberto Rincón and Abraham Shiera are [arrested](#) on corruption charges as part of a U.S. Department of Justice investigation into Venezuelan state-owned oil giant PDVSA. The DOJ's [indictment](#) includes violating anti-bribery provisions of the FCPA and money laundering. Shiera pleads guilty on March 22, 2016, and Rincón pleads guilty on June 16, 2016. They are scheduled to be sentenced on August 23, 2018.
- March 28, 2016** Former Honduran President Rafael Callejas [pleads guilty](#) to racketeering and corruption charges stemming from his role as president of the country's soccer federation (2002-2015). Callejas admits to accepting hundreds of thousands of dollars' worth of bribes in exchange for media and marketing rights to Honduran World Cup qualifier matches. He is scheduled to be [sentenced](#) on September 12, 2018.
- April 3, 2016** The International Consortium of Investigative Journalists (ICIJ) [publishes documents](#) from Panamanian law firm Mossack Fonseca, revealing how thousands of its clients hid their money in tax havens and carried out large-scale money laundering. Known as the [Panama Papers](#), the leak implicates Latin American political and business leaders. On March 14, 2018, Mossack Fonseca announced it will [shut down](#).

April 11, 2016 Alfredo Hawit, former interim president of the soccer federation for North America, Central America, and the Caribbean, [pleads guilty](#) to four conspiracy counts. The Honduran national admits to accepting hundreds of thousands of dollars of bribes in exchange for marketing rights for Latin American soccer tournaments. He is scheduled to be [sentenced](#) on September 14, 2018.

September 12, 2016 Eduardo Cunha, the former speaker of Brazil's lower house who is accused of accepting as much as [US\\$40 million](#) in bribes, is [removed](#) from Congress. On March 30, 2017, he is [sentenced](#) to over 15 years of prison for graft.

November 17, 2016 Former Rio de Janeiro state governor Sérgio Cabral is [arrested](#) on corruption charges. He is accused of accepting bribes for awarding public construction contracts, including Rio's Maracanã stadium. On June 13, 2017, Cabral is [sentenced](#) to 14 years and two months of prison for corruption and money laundering.

March 14, 2017 Colombian President Juan Manuel Santos [apologizes](#) for illegal campaign contributions made to his campaign, but denies having had knowledge of the payments at the time. Attorney General Néstor Humberto Martínez had alleged that Odebrecht made illegal donations to both Santos' 2010 and 2014 election campaigns.

March 17, 2017 Brazilian authorities announce the launch of Operation Carne Fraca, an [investigation](#) into JBS and BRF, the world's largest beef and poultry exporters, that reveals the firms secured the sale of spoiled products by [bribing](#) food inspectors. JBS' controlling shareholder pays a fine of over US\$3 billion as a result.

May 23, 2017 Gabriela Zapata, the former girlfriend of Bolivian President Evo Morales, is [sentenced](#) to 10 years in prison on corruption charges. Zapata held an executive position at a Chinese construction firm that received over [\\$500 million](#) in government contracts.

June 27, 2017 Luis Gustavo Moreno Rivera, the former national director of anti-corruption in Colombia, is [arrested](#) for conspiring to launder money to promote foreign bribery. Moreno Rivera accepted a US\$10,000 bribe in exchange for giving a Colombian politician, who was working undercover for the U.S. authorities, information about a corruption probe. In March 2018, Moreno Rivera is [sentenced](#) to nearly five years in prison.

- July 12, 2017** Former Brazilian President Luiz Inácio Lula da Silva is [convicted](#) of corruption and money laundering stemming from charges that he accepted improvements to a beachfront apartment from a construction firm in exchange for Petrobras contracts. On April 7, 2018, he is arrested and begins serving his 12-year prison sentence while he appeals his conviction.
- August 27, 2017** Guatemalan President Jimmy Morales orders the [expulsion](#) of Iván Velásquez, the head of the UN-backed International Commission against Impunity in Guatemala, drawing intense international and domestic censure. Several government ministers and their deputies resign in protest, and on August 29, 2017, the Constitutional Court [annuls](#) his presidential order.
- November 28, 2017** Former President Mauricio Funes of El Salvador (2009-2014) is [convicted](#) of illicit enrichment while in office in a civil case. Funes and his son are banned from holding public office for [10 years](#) and ordered to pay over US\$400,000 in restitution to the government.
- December 13, 2017** Former Ecuadorian Vice President Jorge Glas receives a [six-year prison sentence](#) for accepting US\$13.5 million in bribes from Odebrecht in exchange for government contracts.
- December 22, 2017** José Maria Marin, the former head of Brazil's soccer federation, and Juan Ángel Napout, the former head of Paraguay's soccer federation and South America's soccer federation, are [convicted](#) of racketeering and conspiracy in New York. Both are found to have taken bribes in exchange for lucrative media rights for FIFA events. Marin and Napout are scheduled to be [sentenced](#) on May 30, 2018 and June 11, 2018, respectively.
- February 15, 2018** Juan Jiménez Mayor announces his [resignation](#) as head of the OAS-backed Mission to Support the Fight against Corruption and Impunity in Honduras (MACCIH) citing a lack of support from the OAS, among other challenges.
- March 2018** Lawyers representing five congressmen accused of corruption [submit a case](#) to the Honduran Supreme Court challenging the constitutionality of MACCIH.