

Venezuela

Western Hemisphere / **South America**

| | | | | | |
|--------------------|--------------------------------------|------------------------------------|----------------------------------|--|-------------------------|
| CAPITAL Caracas | TERRITORY 882,050 km ² | POPULATION (2020) 28,435,943.00 | GDP TOTAL (2020) \$482.4B USD | GDP PER CAPITA (2020) \$16,055.64 USD | INCOME GROUP unknown |
|--------------------|--------------------------------------|------------------------------------|----------------------------------|--|-------------------------|

Convention Implementation

61.0

In progress

19th of 31 western hemisphere
9th of 12 South American countries

Prevention

44.6

In progress

Criminalization and law enforcement

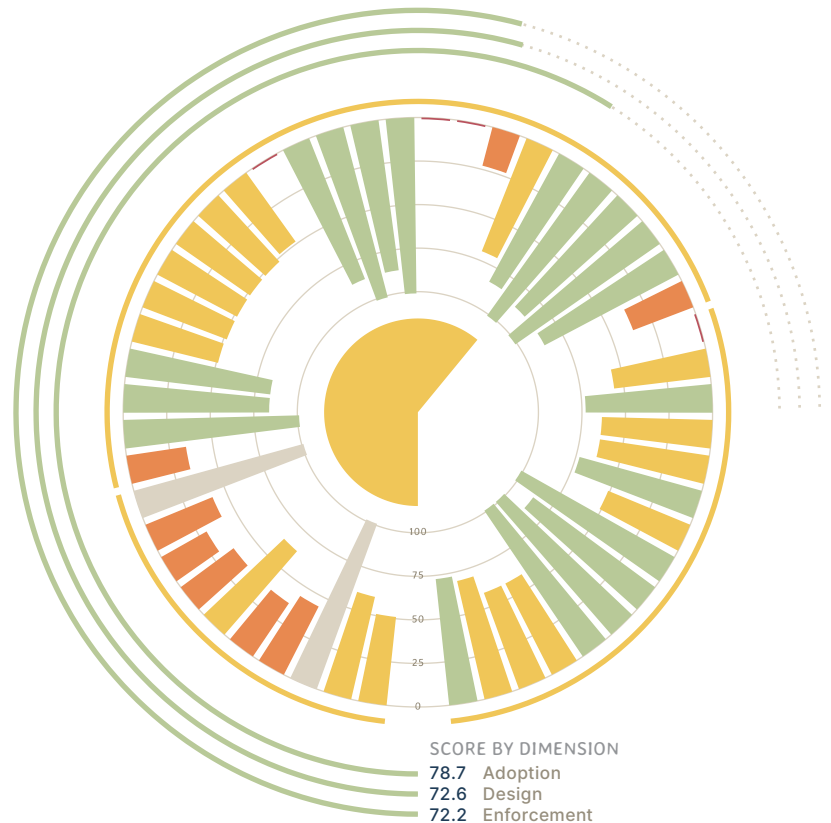
62.1

In progress

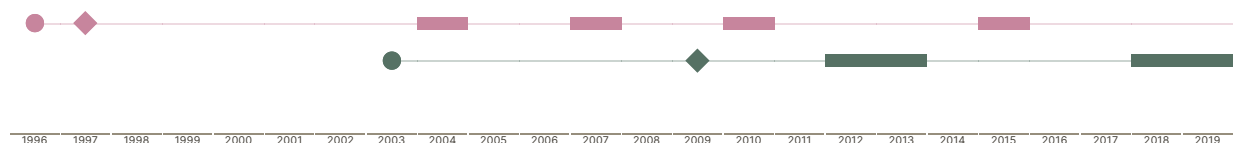
International cooperation

67.7

In progress



Anti-corruption conventions timeline



CONVENTIONS

- IACAC - Inter-American Convention Against Corruption
- UNCAC - United Nations Convention against Corruption
- OECD Anti-Bribery Convention

KEY EVENTS

- Signed
- Ratified/acceded
- Review rounds

Prevention

In progress

44.6

✓ Adoption 71.9 ✎ Design 60.4 ⌚ Enforcement 64.6

| | | | | |
|--|--|--|---|--|
| Standards of Conduct In progress 50.0 ✓ 75.0 ✎ 66.7 ⌚ 66.7 | Enforcement of Standards of Conduct In progress 59.4 ✓ 75.0 ✎ 83.3 ⌚ 66.7 | Training of Public Officials Not applicable ✓ N/A ✎ N/A ⌚ N/A | Asset and Conflicts of Interests Declarations Core-deficient 43.0 ✓ 50.0 ✎ 50.0 ⌚ 83.3 | Transparency in Government Contracting Core-deficient 35.9 ✓ 50.0 ✎ 50.0 ⌚ 66.7 |
| Elimination of Favorable Tax Treatment In progress 62.5 ✓ 100.0 ✎ 83.3 ⌚ 66.7 | Oversight Bodies Core-deficient 36.7 ✓ 100.0 ✎ 50.0 ⌚ 50.0 | Measures to Deter Domestic and Foreign Bribery Core-deficient 28.9 ✓ 50.0 ✎ 50.0 ⌚ 50.0 | Encouraging Participation by Civil Society Core-deficient 40.6 ✓ 75.0 ✎ 50.0 ⌚ 66.7 | Study of Other Preventive Measures Not applicable ✓ N/A ✎ N/A ⌚ N/A |

Criminalization and law enforcement

In progress

62.1

✓ Adoption 76.0 ✎ Design 69.3 ⌚ Enforcement 75.3

| | | | | |
|---|--|--|---|---|
| Protection of Those who Report Acts of Corruption Core-deficient 33.6 ✓ 75.0 ✎ 50.0 ⌚ 50.0 | Scope Implemented 100.0 ✓ 100.0 ✎ 100.0 ⌚ 100.0 | Jurisdiction: Offense-in-Territory Implemented 82.8 ✓ 75.0 ✎ 83.3 ⌚ 100.0 | Jurisdiction: Offense-by-National Implemented 82.8 ✓ 75.0 ✎ 83.3 ⌚ 100.0 | Jurisdiction: Offender-in-Territory In progress 50.0 ✓ 50.0 ✎ 50.0 ⌚ 100.0 |
| Passive Public Bribery In progress 50.8 ✓ 100.0 ✎ 83.3 ⌚ 50.0 | Active Public Bribery In progress 50.8 ✓ 100.0 ✎ 83.3 ⌚ 50.0 | Abuse of Functions In progress 50.8 ✓ 100.0 ✎ 83.3 ⌚ 50.0 | Money Laundering In progress 50.8 ✓ 100.0 ✎ 83.3 ⌚ 50.0 | Participation and Attempt In progress 47.7 ✓ 75.0 ✎ 83.3 ⌚ 50.0 |
| Active Foreign Bribery No implementation 0.0 ✓ 0.0 ✎ 0.0 ⌚ 0.0 | Illicit Enrichment Implemented 85.9 ✓ 100.0 ✎ 100.0 ⌚ 83.3 | Use of State Property Implemented 100.0 ✓ 100.0 ✎ 100.0 ⌚ 100.0 | Illicit Acquisition of a Benefit Implemented 85.9 ✓ 100.0 ✎ 83.3 ⌚ 100.0 | Public Embezzlement Implemented 100.0 ✓ 100.0 ✎ 100.0 ⌚ 100.0 |
| Passive Foreign Bribery No implementation 0.0 ✓ 0.0 ✎ 0.0 ⌚ 0.0 | Private Bribery No implementation 0.0 ✓ 0.0 ✎ 0.0 ⌚ 0.0 | Private Embezzlement Core-deficient 21.9 ✓ 50.0 ✎ 16.7 ⌚ 100.0 | Obstruction of Justice In progress 68.8 ✓ 75.0 ✎ 66.7 ⌚ 100.0 | Liability of Legal Persons Implemented 82.8 ✓ 75.0 ✎ 83.3 ⌚ 100.0 |
| Statute of Limitations Implemented 100.0 ✓ 100.0 ✎ 100.0 ⌚ 100.0 | Prosecution, Adjudication and Sanctions Implemented 85.9 ✓ 100.0 ✎ 83.3 ⌚ 100.0 | Consequences and Compensation Implemented 100.0 ✓ 100.0 ✎ 100.0 ⌚ 100.0 | Cooperation With Law Enforcement Implemented 85.9 ✓ 100.0 ✎ 83.3 ⌚ 100.0 | Asset Recovery Core-deficient 35.9 ✓ 50.0 ✎ 33.3 ⌚ 100.0 |

International cooperation

In progress

67.7

✓ Adoption 86.7 ✎ Design 84.4 ⌚ Enforcement 71.1

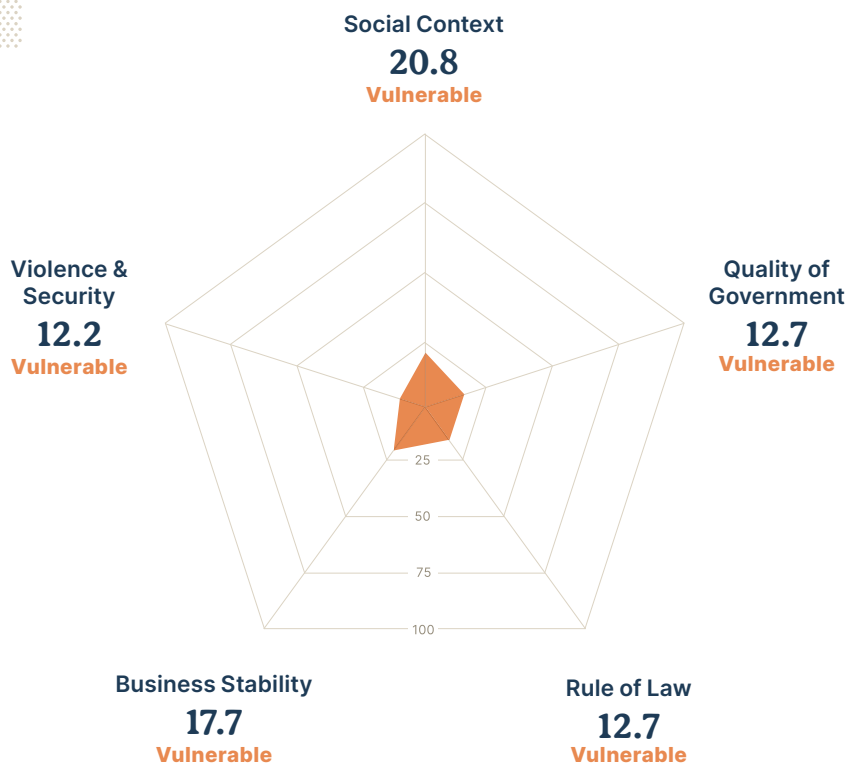


Corruption Resilience

15.2

Vulnerable

31st of 31 western hemisphere
12th of 12 South American countries



Analysis

Convention Implementation

Venezuela signed the Inter-American Convention Against Corruption (IACAC) on March 29, 1996, and ratified it on May 22, 1997. It is a State Party to the Follow-Up Mechanism for the Implementation of the Inter-American Convention against Corruption (MESICIC) since June 4, 2001. The country also signed the United Nations Convention Against Corruption (UNCAC) on December 10, 2003, and subsequently ratified it on February 2, 2009. Accordingly, Venezuela has undergone four rounds of review under MESICIC (the fifth round of review was reportedly postponed for reasons of force majeure), and one round of review under the UNCAC review mechanism.

Venezuela's record in implementing its commitments to IACAC and UNCAC exhibits a number of successes but also a modicum of failures. With an overall score of 61.0, the measures adopted place the country at the lower middle point of compliance with international norms, surrounded by Haiti (58.2), Paraguay (60.8), Bolivia (62.7), and Panama (63.5). Although the country evidences a gradual increase in the rate of success from one section of measures to the other, the difference is not significant enough to bring special attention to the distribution of efforts. Overall, Venezuela's efforts are considered to be well distributed across the three sections, with roughly two fifths of all measures reviewed found to be in progress. Yet, as is the case throughout the region, the prevention of corruption receives a lower score (44.6) than both criminalization and law enforcement (62.1) and international cooperation (67.7).

The prevention of corruption is deficient but not totally lacking, classified as "in progress" by its average score and with a majority of measures found to be deficient, including transparency in government contracting (35.9), the state of oversight bodies (36.7), and the systems for registering asset and conflict of interests' declarations (43.0), among others. Indeed, preventive measures account for almost half of all failing measures in Venezuela. Three measures are considered to be in progress: the adoption of standards of conduct (50.0) and their enforcement (59.4), and the elimination of favorable tax treatment for corrupt expenditure (62.5). No measure in this section is classified as fully or largely unimplemented.

In terms of criminalization and law enforcement, Venezuela shows better results than those regarding prevention, although a few significant issues remain. The country has deficiently criminalized

embezzlement in the private sector (as required by UNCAC) (21.9) and has not adopted sufficient protection for those who report acts of corruption (i.e., whistleblower protection) (33.6) or taken sufficient actions to pursue asset recovery (35.9). Concerning whistleblower protection, the UNCAC review mechanism states that "[t]here is no specific law for the protection of reporting persons." Moreover, three important measures remain fully unimplemented: the criminalization of active and passive bribery of foreign officials and bribery in the private sector. Other measures remain in progress, including those pertaining to active and passive public bribery, the abuse of functions, and money laundering—all of which receive a score of 50.8 due to limitations in their legal features and absence of statistical information on the results of their enforcement—among others.

Venezuela is found largely compliant in its commitments to establish jurisdiction over the offenses covered by the conventions. However, the UNCAC review mechanism reports some issues concerning the country's jurisdiction "over offenses committed by one of its nationals or by a stateless person who has his or her habitual residence in its territory...; over acts of participation and attempt committed abroad in money-laundering offenses...; as well as over the offenses established under the Convention when the alleged offender is present in its territory and it does not extradite him or her". The country also shows reasonable progress in its commitments regarding international cooperation, with an average section score of 67.7.

Corruption Resilience

Venezuela's social context indicator score declined by 1.7 points from the previous year. The country is one of the lowest performing along with Cuba and Nicaragua, where it was 44.1 points below the Western Hemisphere average of 64.9 for 2020. Since 2010 the country's score has declined due to the complete breakdown of the democracy in 2017. Venezuela falls within the bottom percentile for the Western Hemisphere region for the entire decade. During the decade, the minimum and maximum scores for Venezuela were 20.8 (2020) and 39.7 (2010), with a range of 18.9 points. Venezuela's social context indicator score for 2020 is primarily because of the country's authoritative regime and widespread corruption. Thus, civil liberties and political rights are not respected. The media, for example, consists of state-dominated media and independent media outlets, where the latter is a minority within the government and is severely restricted. The independent media outlets

in Venezuela constantly face intimidation, threats, harassment, and violence when they criticize the government and its activities.

The country's quality of government indicator for 2020 declined by 1.6 points from the previous year. Venezuela's indicator score is one of the lowest in the Western Hemisphere countries and South American countries, and the country is below the Western Hemisphere average of 50.6 by 37.9 points for 2020. Again, the country's indicator score falls within the bottom percentile for the Western Hemisphere in 2020 and throughout the decade. The country has consistently been the lowest-performing country, where it attained the lowest indicator score in 2020 with 12.7 and the highest indicator score in 2014 with 26.0, with a range of 13.3 points. Venezuela's government indicator for 2020 is mainly influenced by the breakdown of democracy and widespread corruption within the country.

Venezuela's rule of law indicator declined by 1.1 points from the previous year. Throughout the decade, the country's rule of law has been consistently low, where it's below the Western Hemisphere average of 51.1 by 38.4 points for 2020. The country has attained the highest indicator score in 2011 of 24.8 and its lowest indicator score in 2020, with

a range of 12.1 points. Again, Venezuela is the lowest ranking for both the region and subregion. Venezuela's rule of law indicator is mainly because of the complete lack of judicial independence and politicization. A 2020 United Nations reports stated that the complete lack of judicial independence makes it impossible for the courts to protect human rights.

The country's business stability indicator for 2020 increased by 0.8 points from the previous year. Once again, the country was below the Western Hemisphere average of 50.5 by 32.8 points for 2020. Throughout the decade, the country's score varies and was consistently low, where it attained its highest indicator score in 2012 with 23.5 and its lowest indicator score in 2020, with a range of 5.8 points. The country's indicator score is attributed to the completely inadequate regulatory system that governed the private business sector.

Venezuela's violence and security indicator score for 2020 declined by 1.2 points from the previous year. Between 2016 and 2017, the country experienced a 17.6-point decline, attributed to democratic fragility and eventual breakdown. The country was below the Western Hemisphere average of 55.0 by 42.8 points for 2020.