

# Chapter 11

## Transparency in Latin American and Caribbean Supreme Auditing Institutions

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### ABSTRACT

*One of the objectives of supreme audit institutions (SAIs) is to promote transparency and accountability of the public sector entities. But, at the same time, SAIs must improve their own transparency and accountability. The use of information and communication technologies plays an essential role in making this disclosure. The International Organization of the Supreme Audit Institution (INTOSAI) recognizes that communication is a strategic factor of SAIs. Studies have analyzed information dissemination practices carried out in developed countries. However, SAIs elsewhere, such as the Latin American and Caribbean, have not been the object of research. This chapter analyzes whether these SAIs are using the internet as a means to enhance transparency and interaction with stakeholders. The results indicate that, although in general the institutions analyzed publish the information required by INTOSAI, there is still ample room for improvement, especially regarding interaction with their stakeholders.*

## INTRODUCTION

Advances in information communication technologies (ICTs) have greatly expanded the volume of information available about governments and public administrations (Marland, Lewis, & Flanagan, 2017), and public entities are now disclosing more information than ever about themselves (Wæraas, 2010). As observed in previous research (Krause, Feiock, & Hawkins, 2016; Mol, 2015), the recent financial and economic crisis and public-sector corruption scandals have in many cases spurred this increase in the volume of published information. The quest for social legitimacy seems to impel public entities to define and communicate their differences from other organisations (Brunsson & Sahlin-Anderson, 2000). In this respect, public managers are seeking to respond to citizen demand and thus justify their actions (Neu, Warsame, & Pedwell, 1998; Goodpaster, 1991).

Stakeholder participation in the public sphere must be based on collaboration, in which citizens' opinions, wishes and demands are taken into account (Baur, 2017; Estévez, Fillottrani, Janowski, & Ojo, 2012). However, for this participation to be feasible and beneficial, citizens must have dependable information providing a basis for opinion (Zuiderwijk, Janssen, Zhang, Puron-Cid, & GilGarcia, 2015). In fact, citizens have traditionally been excluded from public management and control processes (Ríos, Benito, & Bastida, 2016), a situation that is particularly acute in less developed countries. As observed by Renzio and Krafchik (2007), transparency is normally weak in countries with high levels of poverty, unnecessary projects, corruption and inefficient services. All of these factors hinder efforts to improve government, consolidate democracy and raise standards of living.

One of the main roles of Supreme Audit Institutions (SAIs) is precisely to ensure the transparency and accountability of public sector entities (INTOSAI, 2009a). However, the SAIs, as public entities responsible for controlling the rest of the public sector, must themselves provide transparency and accountability. For this reason, the International Organization of Supreme Audit Institutions (INTOSAI) has issued a standard (ISSAI 20) for the principles of transparency and accountability (INTOSAI, 2009a) and a code of good practices on transparency (ISSAI 21) (INTOSAI, 2009b), which, among other obligations, requires SAIs to supply information on the results and conclusions of their auditing activity.

Bearing in mind that INTOSAI (2010a) considers communication to be of strategic importance, studies have been conducted to analyse the information published by audit bodies, particularly in developed countries (Garde-Sánchez, Rodríguez-Bolívar, & Alcaide-Muñoz, 2014; González, García, & López, 2013; González, López, & García, 2008; Alcaide-Muñoz, Garde-Sánchez, & Rodríguez-Bolívar, 2013). However, SAIs elsewhere, such as the South America and Caribbean, where participation in INTOSAI is coordinated through the Organization of Latin American and Caribbean Supreme Audit Institutions (OLACEFS), have not been the object of research in this regard. In this paper, the authors examine the level of transparency and accountability of SAIs of the South America and Caribbean, taking into account the peculiarities of this socio-political context. To do so, the authors analyse the websites of these SAIs, comparing the information provided with the criteria and norms set out in ISSAI 20 and 21 to determine the extent to which these institutions apply the ISSAI criteria regarding their own management.

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