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Mexico: at a crossroads

By Adam Dobrik on Friday, 21 November 2014



President Enrique Peña Nieto. Credit: 1er. Informe de Gobierno (CC BY 2.0)

Mexico's government is under increasing pressure to overhaul the country's anti-corruption laws following widespread public protests.

In November, Mexico's president, Enrique Peña Nieto, was forced to explain why a house described by his wife as their "real family home" was linked to a company that has won numerous government contracts.

Worse, in September, police in the city of Iguala were accused of handing over 43 students to a local drugs gang, which then murdered them. Iguala's mayor was arrested in connection with the incident. The press and the public blame the tragedy on the government and the systemic corruption in Mexico.

The country's citizens are demanding change. "We are at a crossroads where Mexicans are completely focusing on concrete evidence that the government is serious about the fight against corruption," said Juan Francisco Torres-Landa, at Hogan Lovells in Mexico City.

There are currently two competing anti-corruption bills before Mexico's parliament, although only one of them proposes to introduce a completely independent investigative body.

The first of those bills was put forward by the ruling political party, the Institutional Revolutionary

Party (PRI). President Nieto, who is PRI's leader, promised to introduce a new anti-corruption authority after he was elected in 2012. The party lost power in 2000 after its reputation was damaged by allegations of corruption.

Under the proposals, there would be a new and independent anti-corruption authority comprising specialised investigators and professionals. It would have the power to open its own administrative investigations and impose its own penalties. Criminal cases would still be handled by federal prosecutors.

In December last year, the bill was sent to the House of Representatives after it was passed by the senate, but there has been little progress since.

Diego Sierra, at Von Wobeser y Sierra in Mexico City, said he has yet to hear an adequate explanation for why there is a delay. "As a member of Mexico's ICC [International Chamber of Commerce] Anti-Corruption Commission I am well acquainted with the current politicians' discussions but I have so far found no reason why the bill has not passed."

With growing dissatisfaction at the country's anti-corruption efforts, Mexico's main opposition party, the National Action Party (PAN) proposed a rival initiative in October to address the problem.

Under the PAN proposals, Mexico's Superior Audit Office, which monitors all of Mexico's government bodies at federal and local level, will be given additional powers to open its own administrative proceedings in corruption cases.

PAN also proposes three separate bodies responsible for creating and implementing anti-corruption policies. A coordinating committee, which will be led by Mexico's president, will be in charge of Mexico's anti-corruption efforts. The National Council of Public Ethics will be in charge of implementing government policy, while a civil body, which represents ordinary citizens, will have the ability to issue recommendations about the country's anti-corruption efforts.

Sierra said the PAN bill is less appealing. "It is a little messy because there are so many different bodies involved," he said, adding that it will "likely lead to further fragmentation rather than efficiency in the fight against corruption." But Sierra added that "all of the momentum is now with this new bill".

There are, however, some merits to the PAN bill. It would centralise control of the country's anti-corruption efforts, which lawyers say is fragmented at the moment, because the coordinating committee would comprise the heads of each of Mexico's 32 states, as well as the country's president.

The bill also proposes placing stricter controls on the hiring process of government officials, as well as increasing the transparency of the bidding process for public contracts.

Observers said the Mexican government is under huge pressure to address the problem quickly. “Failure to act now will result in great damages to the government’s reputation and more so in the upcoming elections in June 2015,” said Torres-Landa. “This is the most serious challenge that the president is facing since he took office two years ago.”

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