Province of Córdoba
Best Practices for Anti-Corruption Policy in Sub-National States
- Case Study -

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Former Minister of Finance of the Province of Córdoba, Argentina
July 12th 2003 to December 10th 2015
Framework of a New Model

Year 2000

Laws of the New State:
- Law 8.836: State Modernization.
Particularly, the State Modernization Law introduces the concepts of:

- Budget Equilibrium
- Zero Fiscal Operational Balance
- Limitation to Indebtedness

"The Crystaline State": Public Information System

Govt undertook a total process reengineering
Legal reform and simplification

LEGAL ADAPTATION OF GOVT AGENCIES

Resolution 047/2001 of the Secretary of Public Revenue instructing on legal adaptation. 08/31/2001 is published in Oficial Bulletin the simplification of 1039 Resolutions into 36

Unified Regulation Registrar of Real Property

Unified Regulation Cadaster Service
Publication in O.B.: 08/06/2004

Unified Regulation in Revenue Service (over 1309 normative resolutions abolished)
Publication in O.B.: 09/24/2004
over 100 interpretative resolutions abolished

LAW 9086 OF FISCAL ADMINISTRATION

• Grants effective application of principles of transparency, financial regularity, legality, inexpensiveness, efficiency and effectiveness.

• Implementation of modern accounting practices.
Legal reform and simplification

**Compendium of Norms and Regulations**

- **2011**: Last compendium with reform and simplification of every norm and regulation of all Ministry of Finance departments and agencies.

**Unified Municipal Tax Code**

- Designed in 2010 and sent to Executive Branch which together with municipal representatives arrived to consensus in final draft.
- **May 2012**: Unanimously passed by Provincial Legislative Body. Law 10.059.

**Provincial Tax Code**

- **2004**: 16 years after the last time, the PTC is reformed and simplified. Decree 270/04.
- **2012**: Reform and Simplification. Decree 574/12
- **2015**: Reform and Simplification. Decree 400/15
- Reglamentation of PTC. Decree 1205/2015
Why such importance in regulatory reform and simplification?

- Unordered, abundant and disperse rules
- Prevent effective enforcement and systematic, orderly, clear and well-organized analysis of tax policy
- Hamper tax collection given that citizens do not know and cannot easily access to applicable norm
- Hinder activities regarding oversight, audit and control

Are counterproductive for Legal Certainty
Consultive Commission of Experts to evaluate Public Debt Management Practices

Collaboration of external agents to audit registries, to reconcile exact amount and composition and to verify application of regulation in force
Unified Fiscal Administration System (SUAF)

Unification of Systems and Standardization of accounting practices regarding economic and financial transactions
Implementation of Technologies for MORE TRANSPARENCY

The Real Property Registrar in the WWW
Web-Based Property Information Service, over 200,000 requests

The Cadaster Service in the WWW
Digital Cadastral Survey Filing
Web Based Cadaster Certificates

The Revenue Service in the WWW
- 93 New Web Services
- Over 1,000,000 Requests via Virtual Revenue Service
- Over 4,500 turns by year delivered online.
- Digital Tax Invoice: over 800,000 subscriptions
Information regarding most varied topics related to **Public Management**

In compliance of **Federal Fiscal Responsibility Regime**

**Additional Information:**

- Salary Scales.
- Tax revenues.
- Public Debt by Maturity.
- Debt Service Projections.
- Budget Statements.
- Expenditure on Tickets, Per-Diems and Mobility.
- Non Refundable Aids.
- Gross wages, deductions and employer contributions of Senior Staff. members.
- Provider payments – Public Provider Registry.
- Municipal Co-participation
- Public Debt by Currency, Creditor Type, Rate and Lending Institution.
- Debt Service payments.
- Use of Debt Proceeds.

**Municipalities** are able to consult **received amounts** regarding Provincial Co-participation Regime and other regularly transfered funds.
Citizens Budget

Synthesized and simplified version of the Provincial Budget, accessible for every citizen.

New means of participation which enables citizenship to understand, analyze and question government decisions regarding public resource allocation.

Citizens Tax Guide

Website explaining in simple terms what are taxes, how are they classified, which are collected by the province, among other matters.
Organizational Evolvement

• **Provincial Revenue Service:** Was the first agency to achieve ISO Quality Certification **Accounting 5 Certified Macroprocesses.**

• **Secretary of Fiscal Administration:** in 2015 were RECERTIFIED ISO Quality Standards in all subsystems. **Córdoba is the First Province to achieve such level of standardization.**

• **Real Property Registrar:** Accounting with several ISO Quality Certifications, in processes in Central Administration and Dependancies.

By means of process quality certification we were able to identify, understand and manage internal and crossed relationships between them, enhancing levels of efficiency and effectiveness within our organization.
Towards International Public Sector Accounting Standards

**Public Sector Accounting Standards**

Resolution of the Ministry of Finance 220/13

Approved the **General and Special Accounting Standards of the Provincial Public Sector**

**GOALS:**
- Unified and Reliable Financial Information
- Facilitate Checking and Auditing
- Clear, Mandatory and Objective Principles
- Public Access

Achieved the first Accounting Statements in Accrual Basis, with Accurate and Reliable Data
Transparency was undertaken as an organizational principle and a policy approach for the management of the State.
1° in Transparency CIPPEC
Budget Transparency Index
Consistency on displaying budgetary information; in recent years. Was the only province which always got ratings higher than 8 points

1° in Transparency – ASAP
Compliance of Federal Fiscal Responsibility Regime
Córdoba Leads
Always complied with FFRR

1° in Transparency – IARAF
Fiscal Visibility Index
E-Government Index
Córdoba Leads
2014

Recognition to Performance

Córdoba Leads
CIPPEC®

The only province which developed and regularly publishes a Citizens budget

Years 2013 and 2014
## Environment Impact Management

<table>
<thead>
<tr>
<th>Process</th>
<th>Yearly Consumption BEFORE</th>
<th>Yearly Consumption NOW</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Working Hours</td>
<td>Paper Consumption</td>
</tr>
<tr>
<td>Budget - Financial Compensations</td>
<td>15.000</td>
<td>22.500 sheets</td>
</tr>
<tr>
<td>Budget - Interinstitutional Compensations</td>
<td>400</td>
<td>300 sheets</td>
</tr>
<tr>
<td>Budget - Employee Quotas Compensations</td>
<td>3.500</td>
<td>2.800 sheets</td>
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<tr>
<td>Final Printing of Resolutions</td>
<td>350</td>
<td>700 sheets</td>
</tr>
<tr>
<td>Delivery Order</td>
<td>3.360</td>
<td>6.220 sheets</td>
</tr>
<tr>
<td>Countersigning by General Accounting</td>
<td>11.760</td>
<td>760 sheets</td>
</tr>
</tbody>
</table>

In a year we save:
- **12.800 hours and 15.900 sheets**
- **100 hours and 300 sheets**
- **2.800 hours and 2.450 sheets**
- **50 hours and 350 sheets**
- **2.400 hours and 0 sheets**
- **2.880 hours and 380 sheets**
Declaración de Control del Nivel de Aplicación de GRI

Por la presente GRI declara que Ministerio de Finanzas - Gobierno de la Provincia de Córdoba ha presentado su memoria "Reporte de Sustentabilidad 2011 del Ministerio de Finanzas". Los Servicios de Provisión, en conformidad con lo dispuesto en el Decreto 155/2011, han informado que la memoria cumple con la normatividad del Nivel de Aplicación G3 de la Guía de Datos de GRI. Los Niveles de Aplicación no manifiestan opinión alguna sobre el desempeño de sostenibilidad de la organización que ha realizado la memoria ni sobre la calidad de su información.

Amsterdam, 4 Agosto 2011

Nelmaro Arévalo
Subdirectora Ejecutiva
Global Reporting Initiative

Global Reporting Initiative (GRI) es una organización que trabaja en red, y que ha promovido el desarrollo del marco para la elaboración de memorias de sostenibilidad más utilizadas en el mundo y sigue actualizándolo y promoviendo su aplicación a escala mundial. La Guía de Desarrollo del Sector de la Energía a nivel mundial.

Descargo de responsabilidad: En los datos del anexo, incluidos los que contienen datos estadísticos, se han tomado medidas para proteger la integridad de las mismas, manteniendo el anonimato de los sujetos que en ellos se encuentran identificados, en el caso de que sean datos sensibles, conforme a lo dispuesto en la normativa aplicable. La información contenida en la memoria presenta un análisis detallado de la planta y su entorno que refleja una visión integral de la situación actual de la empresa y sus perspectivas para el futuro.
Declaración de Control del Nivel de Aplicación de GRI

Por la presente GRI declara que Ministerio de Finanzas - Prov. de Córdoba ha presentado su memoria “Reporte de Sustentabilidad 2011 - 2012” a los Servicios de GRI quienes han concluido que la memoria cumple con los requisitos del Nivel de Aplicación B.

Los Niveles de Aplicación de GRI expresan la medida en que se ha empleado el contenido de la Guía G3.1 en la elaboración de la memoria de sostenibilidad presentada. El Control confirma que la memoria ha presentado el conjunto y el número de contenidos que se exigen para dicho Nivel de Aplicación y que en el Índice de Contenidos de GRI figura una representación válida de los contenidos exigidos, de conformidad con lo que describe la Guía G3.1 de GRI. Para conocer más sobre la metodología: www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Los Niveles de Aplicación no manifiestan opinión alguna sobre el desempeño de sostenibilidad de la organización que ha realizado la memoria ni sobre la calidad de su información.

Amsterdam, 09 de abril 2013

Nelima Arxex
Subdirectora Ejecutiva
Global Reporting Initiative

Global Reporting Initiative (GRI) es una organización que trabaja en red, y que ha promovido el desarrollo del marco para la elaboración de memoria de sostenibilidad más utilizado en el mundo y sigue mejorándolo y promoviendo su aplicación a escala mundial. La Guía de GRI estableció los principios e indicadores que pueden emplear las organizaciones para medir y dar razón de su desempeño económico, medioambiental y social. www.globalreporting.org

Descarga de responsabilidad: En los casos en los que la memoria de sostenibilidad en cuestión contenga enlaces externos, incluidos los que remiten a material audiovisual, el presente certificado sólo es aplicable al material presentado a GRI en el momento del Control, en fecha 03 de abril 2013. GRI excluye explícitamente la aplicación de este certificado a cualquier cambio introducido posteriormente en dicho material.
In 2015 we published OUR THIRD SUSTAINABILITY REPORT

Report under New Methodology: G4

Participation of Ministry of Finance’s Staff in “G4 Pioneers Programme”

Participation in tele-conferences to exchange knowledge and expertise, together with a group of 84 public and private organizations from 38 countries.
Experience exchange in Amsterdam

- International Experts from 80 countries
- Speakers from companies and organizations that are global leaders
- Over 1,500 attendees
Decree 1062/2015

Implementation of ISO 37001 transparency principles to promote the fight against bribery and corruption

- Develop all related concepts internally with the leaders of the organization
- Promote risk assessment and due diligence
- Promote financial and commercial controls
- Encourage reporting, audit and investigation
- Generate internal training
Implementation of **Best Practices**

Tangible Results
Detection of Cases of Corruption

Complaints filed by Ministry of Finance

Complaints filed by Private Citizens

"MEGACASE"

alteration of official documents in order to fraudulently change the owners of land property
Upon detection of irregularities, the Provincial Government adopted an active behavior. On the one hand, the Public Prosecutor was informed about the allegedly wrongful acts, providing supporting documentation. This collaboration was maintained for the rest of the instructional process, and even in the instance of trial. On the other hand, the respective administrative investigations were commenced.

In addition, the Minister of Finance, Cr. Angel Mario Elettore, made in 2006 a presentation to the Ministry of Justice and the Attorney General in which he requested to intensify the investigative proceedings. This gives existence to the MegaCase of the Registrar of Real Property.
What measures were undertaken to avoid further cases?

Over the past decade, the Registrar of Real Property has been subject to profound transformations on behalf of the Ministry of Finance. The **strengthening of security policies** was one of the pillars that led the actions of the organization. In this sense, a great number of **security camera systems** were installed, the **functional structure of the organization** was modified, a great quantity of **registrar documentation was digitized**, and a number of actions were stipulated leading to **operational decentralization** and to the continuous improvement of processes and capabilities.
Impact over Decision Making Processes

Implementation of BEST PRACTICES

Generation of RELIABLE and TIMELY Information

Enhancement of DECISION MAKING PROCESSES
Commitment of the people that are part of the organization achieving the impossible just takes a little bit longer
Thank you