



OECD Public Governance Reviews

Honduras

**INCLUSIVE AND EFFECTIVE GOVERNANCE
FOR BETTER OUTCOMES**



OECD Public Governance Reviews: Honduras

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Foreword

Increasingly complex and evolving policy challenges demand greater capacity from governments seeking to effectively deliver on policy outcomes. Focusing on improving public governance, and in particular the openness and effectiveness of public institutions to deliver better policies, is therefore critical to rebuilding trust in public institutions.

Honduras faces numerous challenges, including high inequality, low trust in government, and unequal access to, and quality of, services and infrastructure. Resilience to shocks, such as the COVID-19 pandemic and climate-related hazards, is low and puts the country in a vulnerable position, particularly with regards to public finances and productive sectors. Against this backdrop, improving the effectiveness of the public sector is crucial to reinforcing the social contract, fostering trust, and putting Honduras on a path toward sustainable and inclusive development.

This report aims to support the government of Honduras in the design and implementation of an ambitious public governance reform agenda. First, better strategic planning and co-ordination in the public sector is instrumental for optimising spending in a way that focuses on impact and building resilience. Second, improved monitoring and evaluation is needed to design better and more evidence-based policies, maximise the impact of spending, and strengthen accountability. Finally, supporting and reinvigorating Honduras's open government agenda is a fundamental step towards a more transparent, accountable and participatory government.

The OECD Public Governance Review of Honduras assesses the capacity of the public sector, and in particular the centre of government, to define and steer strategic priorities across government. Based on an assessment carried out at the end-2021, it identifies structural economic and governance challenges that limit public sector performance and its capacity to deliver. Furthermore, it analyses strengths and weaknesses in how measures to increase policy co-ordination, results-based management, monitoring and evaluation, and open government are designed and implemented. The report provides recommendations to promote an inclusive and outcome-oriented approach to public governance, and, ultimately, help Honduras deliver better results for citizens.

This review contributes to the OECD's programme of work on public sector effectiveness and on the strategic functions of the centre of government. It also draws on the OECD's expertise on public governance and lessons learned to mobilize the public sector towards common development goals. It was conducted by the Public Governance Directorate under the auspices of the OECD Public Governance Committee.

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Executive Summary

This report assesses the capacity of Honduras' public sector, and in particular the centre of government (CoG), to define and steer strategic priorities across government in order to achieve more inclusive and sustainable development. It looks in particular at four areas of public governance: policy co-ordination at the CoG, results-based management, policy monitoring and evaluation, and open government. This review is based on an assessment carried out at the end-2021. While the structure of the CoG institutions has changed with the 2022-2026 administration, the review's recommendations on public governance functions, mechanisms and practices can nonetheless help strengthen efficient and inclusive public governance in the new institutional setting.

Despite recent improvements, Honduras faces critical development challenges and ranks behind its regional peers in several policy areas. Trust levels in public institutions are also low in Honduras. While high poverty and inequality rates erode human capital and diminish inclusive growth, high levels of violence also impede socio-economic development and drive many citizens to migrate. Honduras' national public spending is also lower than the average among Latin American and Caribbean (LAC) countries, but it has risen due to the health crisis. The COVID-19 and climate-related crises have only worsened structural weaknesses in the country. A more effective public sector can support Honduras in meeting these challenges by providing greater capacity to address stagnant human development and high levels of poverty, inequalities, and corruption.

The steering capacity of the CoG is central to addressing these challenges. Progress has been made in leading policy co-ordination from the CoG. The legal framework implemented has clarified the co-ordinating role of the CoG, previously through the Secretariat of General Co-ordination of the Government (SCGG), and now by the Secretariat of Strategic Planning. However, the SCGG's work frequently overlapped with other initiatives led by other CoG units and failed to contribute to the government's high-level prioritisation and decision-making process. Similarly, while the creation of sectoral cabinets was a promising initiative, the absence of clear political support means that they were disconnected from decision-making and co-ordination activities. The lack of information sharing across secretariats also hindered cross-government co-ordination. Moreover, a lack of clarity on institutional responsibilities and limited human resources hampered effective co-ordination with subnational governments. To improve policy co-ordination, the government could conduct functional reviews and progressively develop a performance framework outlining a set of joint goals. To improve vertical co-ordination, the government could clarify responsibilities in terms of strategic planning, to better align territorial plans with national ones. Finally, the existing information system could be linked to a performance framework, embedding a limited number of cross-ministerial priorities with a series of indicators, and enhancing data management capacity.

Despite several efforts, the CoG's ability to implement results-based management (RBM) in an integrated way has also proven challenging. Honduras has developed rules and regulations determining the core components of strategic planning, budgeting for results, organisational modernisation and monitoring and evaluation, and has clarified the responsibilities of different bodies for implementation. This framework developed clear procedures for strategic planning and mandates for the budgetary system, but several gaps still need to be filled to implement a coherent government performance framework focused on results.

On the one hand, the complexity of the RBM framework hinders its effective implementation and, on the other, the effective implementation of the components deviates significantly from the formal prescriptions set by the RBM framework. Consequently, the priority-setting and budgeting processes are frequently disconnected from the RMB instruments. The Honduran government could simplify the RBM framework, focusing on fewer cross-cutting policy priorities, continuing to better align planning and budgeting, strengthening co-ordination between the Ministry of Finance (SEFIN) and the Secretariat of Strategic Planning, and improving the quality of planning.

Monitoring and evaluation (M&E) are not sufficiently embedded in a whole-of-government framework. Several actors located at the level of the CoG play an important role in co-ordinating and promoting monitoring and evaluation. However, the lack of mechanisms to ensure the use of performance monitoring results, and the lack of a general long-term framework, prevent Honduras from building an M&E culture across government. Efforts should be directed toward developing a robust legal framework to guide and undertake monitoring and evaluation activities across the government. Concerning the overall quality of the M&E system, Honduras could improve the indicators of the national and institutional plans as well as the availability and quality of data for M&E. The government could also define a specific methodology to communicate the recommendations arising from the evaluations conducted by the CoG and develop detailed guidance on evaluation practices.

Finally, Honduras has made important progress in establishing rules and governance frameworks for expanding open government. Notably, the country has been implementing Open Government Partnership (OGP) action plans for many years and it has adopted an Open State Declaration. However, Honduras faces several challenges in delivering on its promise of a more transparent, accountable and participatory government. Honduras could strengthen its transparency agenda, expand its participatory elements and translate the objectives of the Open State Declaration into action. Moreover, Honduras could address the health of its civic space to ensure citizens and civil society can build a relationship with public authorities based on trust. Adopting a National Open Government Strategy with clear co-ordination, monitoring and evaluation mechanisms would support the implementation of the country's open government agenda.

1 The Public Sector in Honduras

This chapter provides a broad overview of Honduras' public sector and assesses its effectiveness across several, intertwined dimensions. First, it lays out how structural challenges have been compounded by multiple shocks, impeding the country's sustainable development. Second, it assesses the quality and quantity of public spending against policy objectives and development outcomes. Third, it analyses the capacity of the public administration to deliver inclusive and quality services to all by examining public employment and public sector digitalisation. Finally, it attempts to gauge effects of corruption and limited transparency. The chapter points to several areas for policy reform and provides the context for the topics covered in the following chapters: policy co-ordination, results-based management, monitoring and evaluation, and open government.

A more effective public sector is essential to address the country's challenges

Enhancing the effectiveness of the public sector is essential to achieving better results for the citizens of Honduras, especially in a pressing fiscal context after the COVID-19 crisis and the natural disasters that affected the country in 2020, Tropical Storm Eta and Hurricane Iota. A more effective public sector can support countries in meeting these challenges by providing greater capacity to address the challenges of stagnant human development, persistent high poverty, pervasive inequalities and widespread corruption. Despite the progress in certain policy domains, Honduras remains one of the most insecure countries in Central America (UNODC, 2021^[1]), where violence compounds food insecurity and pushes many to migrate. Inequalities in the access to vaccines and unequal coverage of basic services further deteriorate the social contract (CEPII, 2018^[2]), while tight fiscal space limits the government's capacity to cope with cyclical downturns and shocks. Moreover, the COVID-19 crisis adds urgency to the long-recognised need for Honduras to raise the effectiveness of its public sector. A more effective public sector will help the country achieve more inclusive and sustainable growth, protect and nurture human capital and tackle long-standing governance challenges of low productivity of the public sector, weak co-ordination and outdated strategic frameworks. Improving the value-for-money of expenditures and strengthening the capacities of the civil service, accelerating the adoption of digital technologies and improving co-ordination with subnational governments will prove essential to building a public sector that is fit for current and future challenges.

This chapter offers a snapshot of the Honduran public sector, highlighting some of its strengths and challenges, and sets the scene for this Public Governance Review. The chapter starts by assessing the difficult context in which the Honduran public sector operates in light of current challenges, including the aftermath of the COVID-19 pandemic. It provides evidence of mixed macroeconomic performance and of the prevalence of weak socio-economic indicators, e.g. high levels of poverty, inequality and violence. The next section seeks to briefly define the scope of the public sector in the economy by having a closer look at public finances, the budgetary composition and its allocations. Thirdly, the scope of the public sector in the economy is further explored by analysing public investment, public employment, the state of digitalisation in the country and its centralised administration. Finally, the chapter examines more closely issues of corruption and growing mistrust in public institutions.

The rest of the Review is structured as follows. Chapter 2 focuses on the work of the centre of government for securing policy co-ordination. Chapter 3 analyses the Results-Based Management framework operating in government. Chapter 4 focuses on government efforts to build a sound monitoring and evaluation system. And Chapter 5 analyses the design and implementation of open government strategies in Honduras.

Coping with a complex context: Health and climate shocks compound structural weaknesses

Macroeconomic performance put under pressure by COVID-19 and climate-related crises

Macroeconomic indicators in Honduras were relatively stable with low public debt, inflation under control and a stable fiscal balance before the twin shocks of the COVID-19 pandemic and Tropical Storm Eta and Hurricane Iota hit the country in 2020. In that year, the country's GDP contracted by a historic 9.0%, the largest decline in Central America, compared to the average of 6.7% in Latin America and the Caribbean (LAC) and 4.5% in OECD countries. In contrast, the country's GDP grew by 4.8% in 2017, 3.8% in 2018 and 2.7% in 2019, well above the LAC average, which grew by 1.9%, 1.6% and 0.8%, respectively (World Bank, 2021^[3]). The decrease in GDP per capita is even starker, a contraction of more than 10% in 2020

compared to a modest growth of 0.9% and 2% in 2019 and 2018; this reflected the effects of a severe drought as well as structural deficiencies undermining the economy such as low productivity growth. The recession prompted by the twin shocks created large additional financing needs, implying a deterioration in external financing conditions and large public sector rollover needs (IMF, 2021^[4]).

At the national level, the country's fiscal balance faced severe constraints in 2020, jeopardising the sustainability and effectiveness of public spending, even though Honduras had recently improved its fiscal position based on the 2016 Fiscal Responsibility Law (LRF) and the macro-fiscal rules, especially the non-financial public sector deficit ceiling. In 2018, the country benefited from a primary balance surplus of 0.2% of GDP and a slight Non-Financial Public Sector (NFPS) fiscal deficit of -0.9% of GDP when factoring in interest payments, making Honduras the only LAC country with a positive fiscal balance along with Jamaica (OECD, 2020^[5]). These results significantly outperformed peer Latin American countries, whose average primary deficit reached -4.3% of GDP, as well as OECD countries, whose mean primary deficit amounted to nearly -2.9%. As in most economies across the world, in 2020 public finances in Honduras came under pressure due to the reduction of tax revenues and the raise in public spending to mitigate the economic and social impacts of the pandemic (Honduras, 2022^[6]). As a consequence, the NFPS fiscal and primary balance deficit increased respectively to -5.5% and -4.2% of GDP in 2020. The NFPS fiscal deficit for 2021 was 3.7% and for 2022 is projected to be 4.9% (Honduras, 2022^[6]) (Secretaría de Finanzas, 2022^[7]). Gross NFPS public debt increased by 9.6 percentage points from 44.6% of GDP in 2019 to reach 54.2% of GDP at the end of 2020 – due in particular to the increase of spending and the decrease of economic activity produced by the COVID-19 pandemic, Tropical Storm Eta and Hurricane Iota – and decreased to 51.9% in 2021. In 2018, it accounted for 44.1% of GDP in 2018, while the LAC average amounted to 64.7% and that of OECD countries reached 108.6% of GDP (OECD, 2020^[8]).

Despite this complex context, the country's economy rebounded in 2021 with a GDP growth of 12.5%, and is projected to grow by 4.1% in 2022 (Secretaría de Finanzas, 2022^[7]) (Honduras, 2022^[6]). The recovery is mostly due to the reactivation of domestic economic activity and international positive spillovers with the increase of remittances and manufacturing exports (IMF, 2021^[4]). However, institutional weaknesses create fundamental challenges that hinder the country's sustainable development. These span from low productivity growth to unmitigated climate-related risks and weak service delivery. First, most jobs created since the 2009 crisis have been in low-productivity and low value-added sectors, exacerbating skill mismatch and youth unemployment. Second, the country and its economy are very vulnerable to climate change due to exposure to climate-related hazards and high dependence on agriculture even after decades of continuous labour (USAID, 2017^[9]). For instance, the agricultural sector contracted by 6.2% in 2020 due to prolonged drought caused by an absence of reservoirs, irrigation systems and adequate technologies as well as the tropical storm and hurricane that hit the country. Finally, weak and unequal delivery of public services, particularly on education and health, as recently exemplified by low COVID-19 vaccination rates, negatively affects social cohesion and trust towards the state. As of April 2022, only 52% of the population received complete or partial vaccination (Our World in Data, 2022^[10]). This places Honduras as the second least vaccinated country in Central America, only above Guatemala with almost 44% of its population at least partially vaccinated.

High poverty and pervasive inequality rates erode human capital and hamper inclusive growth

Honduras has the second highest poverty rate in the LAC region, only after Haiti. In 2021, 73.6% of Hondurans are considered poor and 53.7% live in conditions of extreme poverty (INE, 2021^[11]), compared to a regional average of 32% and 13.8%, respectively (UN ECLAC, 2021^[12]). Similarly, around a third of Hondurans are near-poor and are therefore vulnerable to fall into poverty (World Bank, 2021^[13]) while the Honduran middle class is among the smallest of the region. The economic impact of the pandemic and the two hurricanes resulted in an estimated 45% of households reporting income losses in 2020, bringing 43% of households to experience food insecurity, the highest rate in Latin America and the Caribbean (World

Bank, 2022^[14]). The pandemic and the hurricanes deeply affected labour market outcomes and further impeded human capital accumulation. Around 13% of adults lost their jobs in 2020, in particular low-skilled workers and women. School closures and the lack of access to remote learning opportunities compound pre-existing weaknesses in the education system, to which much of the population has limited access despite substantial public investments, resulting mainly in an increase in personnel costs. Furthermore, Honduras improved in the Human Development Index (HDI) between 1990 and 2019, with an increase in the country's HDI Index value from 0.519 to 0.634, most notably due to significant improvements in life expectancy at birth and an increase in years of schooling. Progress has recently stagnated in most HDI sub-components, including life expectancy and years of schooling (UNDP, 2020^[15]), and the COVID-19 pandemic is likely to have eroded some gains in the accumulation of human capital.

Despite efforts from the government to improve economic outcomes for the most vulnerable, inequalities are pervasive. The country's Gini Index fell from 0.59 in the 1990s to 0.48 in 2020 (World Bank, 2021^[16]), and income inequality remains the fourth highest in Latin America, just below Brazil, Colombia and Panama, which have Gini values above 0.50. Similarly, the country largely surpasses the average index for OECD countries, which amounts to 0.32 (OECD, 2020^[17]). The urban-rural divide reflects persistent inequalities in several dimensions and public services are unevenly distributed in the country. Around 70% of the rural population live in poverty in contrast to only 33% in urban areas (World Bank, 2021^[18]), and climate-related risks affect predominantly rural areas and agricultural workers. Education attainment is significantly lower in rural areas, where dropout rates are higher and access to basic services, such as sanitation facilities and electricity as well as child and maternal care, is highly uneven (Hernandez Ore, Sousa and Lopez, 2015^[19]). For instance, almost 25% of Hondurans do not have access to potable water and satisfaction with service delivery has been declining in the last decade. Similarly, satisfaction with democracy and with government institutions has also declined (LAPOP, 2019^[20]).

High levels of violence impede socio-economic development and push many to migrate

Honduras struggles with high levels of violence, with 40 intentional homicides per 100 000 inhabitants every year (UNODC, 2019^[21]). Honduras is still the third most violent country of the LAC region, just below El Salvador and Jamaica, which account for a homicide rate of 52 and 43.8 deaths per 100 000 inhabitants, respectively. These figures place Honduras largely above those corresponding to OECD countries, which have a homicide rate inferior to 2 deaths per 100 000 inhabitants on average (UNODC, 2019^[21]). The country's rate has significantly diminished however in recent years, from a peak of 83 homicides per 100 000 inhabitants in 2011. This decline is partly correlated to a reform in policing, which started in 2012 through a three-pronged approach based on reinforcing the admission criteria for new officers, improving the quality of training and improving the technical capacity and equipment of the police (IADB, 2017^[22]). The salaries of police officers were increased by 40% and social benefits were enhanced significantly.

Thus, violence constitutes one of the most important factors affecting the country's socio-economic development, constraining private sector growth, weakening the social contract and damaging human capital. In particular, the high rates of homicide and violence impact multidimensional aspects of Hondurans' lives, including education and the intention to emigrate. According to a United Nations agency report, more than 200 000 children stopped attending school between 2014 and 2017 due to the prominence of gang violence in schools (Peña, 2020^[23]). The report also showed that teachers are among the most displaced population segments, and that 83 teachers were murdered between 2009 and 2014. This issue translates into a lack of skilled labour within the sector, further impacting school outcomes. In 2021, the intention to emigrate is 30% higher than in 2004, the largest reported increase among regional peers, and the likelihood to emigrate is shown to be strongly correlated with food insecurity and corruption (LAPOP, 2019^[20]). In 2021, up to 55% of the national population reported the intention to migrate, with significant heterogeneity along the rural-urban divide (USAID, 2021^[24]).

Fragile public finances are further threatened by COVID-19

Financing the budget: External dependence and reversal of a positive trend amid multiple shocks

The fiscal stability and sustainability of public finances represent one of the main challenges for Honduras. According to the budget law for 2021, more than a third of the total budget is financed by debt securities while approximately two-thirds is financed by the country's internal activity. In particular, only 59% of the budget is financed through tax revenues (Molina et al., 2021^[25]). In 2020, total public debt (NFPS) increased by 18.2% compared to the previous year. Approximately 64.6% of public debt (NFPS) is external, while the remaining 35.4% is issued internally (Honduras, 2022^[26]). This denotes the high dependence of the public sector on external funding to obtain resources for the functioning of the public apparatus, including for the provision of basic goods and services and for financing recurrent costs, thus putting the country's finances in a vulnerable position.

After some progress, the ability of Honduras to raise revenues has been declining but is expected to stabilise. State revenues have been increasing from 16.8% of GDP in 2010 to 20.0% of GDP in 2016 (Secretaría de Finanzas, 2022^[7]), but from 2016 to 2019 they have experienced a slow, albeit steady decline: in 2019 they amounted to 19.2% of GDP (IMF, 2021^[4]), significantly lower than the LAC average of 23.7%. In 2020, total central government revenues decreased by 17.6% in real terms compared to 2019, due to the significant reduction in tax revenue (-20.4%) caused by the double impact on consumption and production of COVID-19 and the hurricanes (UN ECLAC, 2021^[27]). In particular, the pandemic caused a decrease in revenues collected because of the economic contraction and emergency measures to support small and medium enterprises (SMEs), such as deferrals and discounts on both personal and corporate income taxes, increased possibility to spread tax payments across several instalments and the extension of tax amnesties already in vigour. Tax revenues are even lower and have been decreasing sharply. While they constituted 17.6% of GDP in 2018, they represented only 14.8% of GDP in 2020 and are estimated to have slightly rebounded to 17.3% of GDP in 2021 (Honduras, 2022^[6]) (Secretaría de Finanzas, 2022^[7]).

Challenges also relate to how taxes reduce inequalities. A closer look at the inner composition of the aforementioned 59% of the budget, i.e. tax revenues, reveals the decreasing progressivity of the tax schedule and the reliance on consumption taxes, which in turn tends to reinforce socio-economic inequalities and undermines the fight against poverty. According to Molina et al. (2021^[25]), indirect taxes account for 73.7% of the total tax mobilisation, largely above the average value of 66% that prevailed in Honduras for the 2011-18 period. With three-fourths of total taxes being regressive, the country is experiencing one of the highest levels of tax regressivity in the LAC region (Rivera, Mature and Avelar, 2018^[28]). The importance of a strengthened social contract and reinforced trust points to the need for transforming the tax system by making it more inclusive and effective, for instance by rationalising tax expenditures and reducing tax evasion – thus empowering the government with the capacity to transform political priorities into actionable policies.

The dependence of Honduras on international financial support goes beyond sovereign debt being held by foreign entities. Internal consumption in Honduras is largely sustained by foreign remittances. The role of remittances in the Honduran economy has continuously increased since the 1990s, from less than USD 100 million and 1% of the GDP in 1993 to USD 6 billion, which represents more than 20% of Honduran GDP. An increase in remittances during the pandemic has been crucial to cushion income losses due to the pandemic (World Bank, 2021^[18]). Only during the 2008 financial crisis did remittances stop growing, even though the 2008 levels were progressively recovered and even surpassed during the past decade. Income derived from remittances contributes to poverty reduction, but can also undermine the competitiveness of the economy and raise the reservation wage of workers, thus contributing to voluntary unemployment, as well as further exposing the economy to global negative spillovers. Despite their potential benefits, the soaring weight of remittances within the economy suggests that part of the

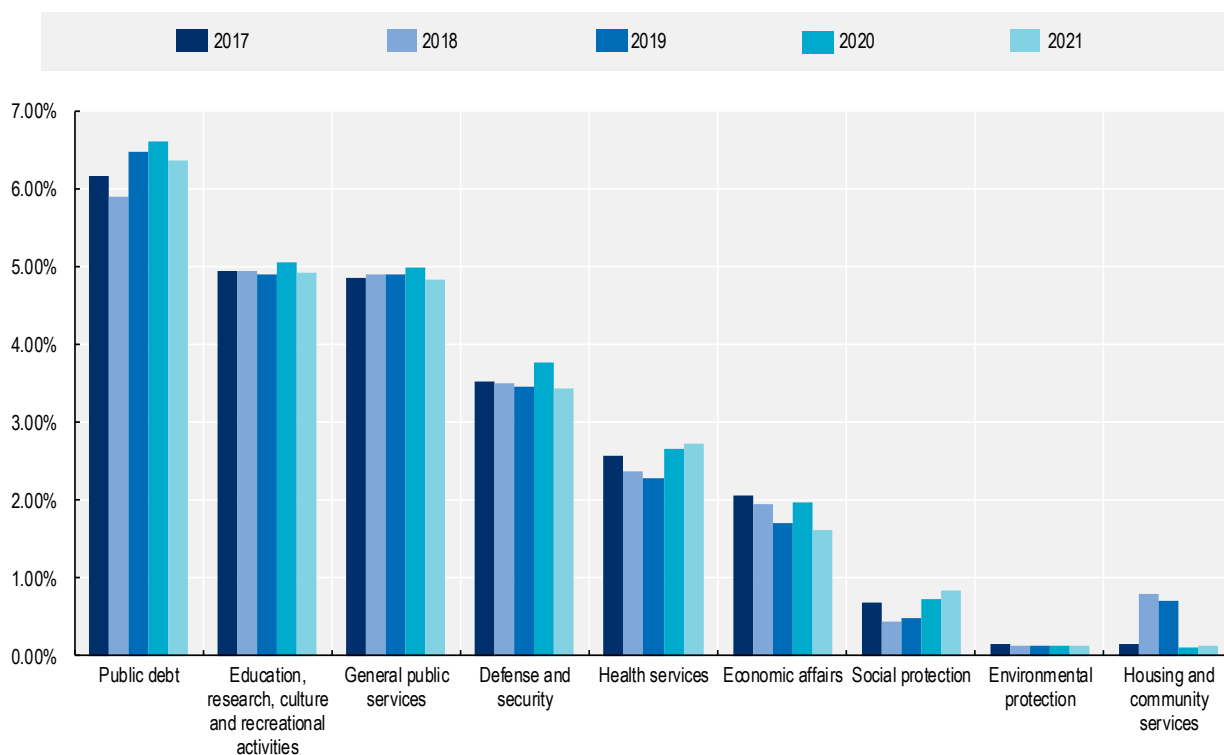
purchasing power – and hence the demand capacity – of Hondurans is conditional on receiving them, highlighting once again the weaknesses of social protection systems and public services.

The country's growth-enhancing spending is low, despite high total expenditures

Accounting for more than 24.1% GDP in 2021, national public spending in Honduras is lower than the average of LAC countries of 31.2% but has trended higher over the past years (Honduras, 2022^[26]) (OECD, 2020^[8]) (Molina et al., 2021^[25]). Despite the sharp contraction in capital expenditure by 11.0% in 2020, exceptional needs due to the pandemic led to a 4.2% increase in current spending, reflecting an increase in current transfers and spending on goods and services (UN ECLAC, 2021^[27]). In 2021 public spending further increased to reach 24.1% of GDP (Honduras, 2022^[26]) – one of the highest increases in past decades, largely due to the mitigation measures to cushion the effects of the pandemic and of Tropical Storm Eta and Hurricane Iota. At the end of 2020, more than two-thirds of total spending for the pandemic had targeted the purchase of medical supplies and equipment, while only the remaining third was spent on social assistance measures. In addition, amendments to approved budgets are frequent. For instance, only 60% of funds originally allocated to recovering from the damages inflicted by the hurricanes were actually spent to that end. Honduras still spends less than OECD countries, whose expenditures averaged 40.3% of GDP in 2019 and have recently increased due to COVID-19 mitigation measures.

According to the Honduras Finance Secretariat, 23.6 % of total government expenditures is allocated to paying back public debt and interests. The pattern of spending is pro-cyclical, which generally leads to further debt accumulation and fiscal distress (IADB, 2018^[29]). The country's growing overall spending is largely due to public debt spending, which emerges as the single largest expenditure item of the budget, as shown in Figure 1.1. Honduras spends less than LAC peers and OECD members on most social transfers, contributing to the high levels of inequality and poverty. Social expenditures represented a little more than 10% of GDP in 2010 and increased since then to approximately attain the average of 15% in the LAC region (IADB, 2018^[29]), still significantly lower than 20% for OECD member countries (OECD, 2019^[30]). Despite this improvement and because most of the spending stems from increased personnel costs, in 2017 only 0.4% of GDP is spent on social benefits, equivalent to 1.4% of total expenditures, the lowest among all LAC countries (OECD, 2020^[8]) and much lower than the LAC average of 10.2%; social protection expenditures meanwhile barely account for 0.9% of GDP in 2021 (Molina et al., 2021^[25]). Expenditures for the health sector are expected to decrease from 2.9% of GDP in 2020 to 2.7% in 2021. In this context, the country's high debt spending is projected to remain significant, as multiple shocks are strengthening the reliance on external financing given the constraints on fiscal revenues.

Figure 1.1. Destination of expenditure of the Central Administration, as a percentage of GDP



Source: Molina et al., 2021.

The increase in public spending is not fully reflected in the improvement of physical and human capital. This highlights structural inefficiencies and calls for better, smarter spending. According to data provided by the Honduras Secretariat of Finance, public investments decreased from 11.0% of total expenditures in 2017 to 6.5% in 2021, and it is estimated that in Honduras 4.6% of GDP is lost in technical inefficiencies of spending, mostly with regard to the wage bill but also in targeted transfers and procurement (IADB, 2018^[29]). The economic and well-being outcomes achieved by the country's public spending are mixed (Almeida et al., 2020^[31]). As the OECD *Health at a Glance: Latin America and the Caribbean 2020* reveals (OECD, 2020^[32]), health outcomes both in terms of health status indicators (e.g. life expectancy at birth, survival to age 65, the mortality rate for those under age 5) and in terms of determinants of health (e.g. sanitation, access to drinking water, smoking, alcohol consumption, overweight adults) are in line with the LAC average. In contrast, education outcomes, as indicated by dropout rates and school enrolment rates, are almost half the LAC and OECD averages (World Bank, 2021^[33]), despite their sharp improvement in the past 20 years (Michel and Walker, 2020^[34]). Similarly, limited and poorly targeted spending in social protection is not sufficient to protect the most vulnerable, as only 20% of the population is covered by social security and 60% of spending in social protection benefits the top 40% of the income distribution (Hernandez Ore, Sousa and Lopez, 2015^[19]).

Challenges and opportunities for the Honduran public sector

Public investments and public employment show the need for a more results-oriented use of public resources

Following the pandemic, governments are called upon to respond to evolving demands from citizens, ensure inclusive and sustainable growth, and create institutional resilience to shocks. The public sector is taking on a more involved role as a key economic and social actor responding to increased expectations and to challenging agendas. Prior perspectives on an enhanced role of the state in the economy and on the prominence of public investments have come back to the forefront of debate (Mazzucato, 2013^[35]). In this context, the efficiency and effectiveness of spending are crucial, as they determine the capacity and room for manoeuvre of the state to meet its newly enhanced role.

Inefficiencies in public investment limit the impact of spending

Public investment continues its downward trend after decades, even though the Public Investment Plans have been consolidating their strategic documents. According to data provided by the Honduras Secretariat of Finance, gross public investment is projected to represent 3.8% of GDP in 2022, significantly higher than the LAC average, while in 2017 it represented more than 2.5% (IMF, 2021^[41]). This commitment makes Honduras one of the three countries with the highest public investment rate in the LAC region (OECD, 2020^[5]). However, a better results-based model of governance and stronger tracking of spending are needed to translate the quantity of spending in tangible results, keeping pace with urban population growth and bridging the rural-urban divide. Honduras launched an initial results-based management framework, but available data suggest that performance, although improved, still lags behind most regional peers. As examined in Chapter 3, the complexity and ambitiousness of the result-based management (RBM) framework hinders its effective implementation and limits its potential impact. Stakeholders do not always possess a full understanding of the framework and public officials tend to only comply with RBM formalities without being engaged in delivering on its purpose.

Three main challenges hinder more efficient and effective public spending. First, corruption is a major obstacle and the country's score in the index measuring the diversion of public funds deteriorated by 23% between 2007 and 2017, placing the country in the lower half of the index when compared to peer Central American countries (World Bank, 2017^[36]). Second, public investment management efficiency is lower in Honduras than the LAC average and constitutes a major hindrance to effective spending (Serebrisky et al., 2017^[37]). Third, burdensome and inefficient regulatory frameworks increase inefficiencies in spending, can make corruption more likely, hamper the improvement of the country's logistical infrastructure, undermine human capital accumulation, and discourage private sector investments in critical sectors frameworks (Koske et al., 2015^[38]). Despite the decrease in public investment spending, UN ECLAC has pointed to the relevance of Public Investment Plans as a major tool for planning and co-ordination in Honduras. The National System of Public Investments of Honduras (SNIPH) is the framework that sets out the legal framework, processes and actors to co-ordinate and plan public investments. The Secretariat of Finance (SEFIN), through the General Directorate of Public Investment (DGIP), is the governing body of the SNIPH. The DGPI, as the governing body, develops standards and methodologies that govern the SNIPH and is responsible for prioritising the viability of projects, programming investments, monitoring, and project closure. In addition, the 2023-26 Mid-term Fiscal Framework (Marco Macro Fiscal de Mediano Plazo – MMFMP) sets out, among other elements, the government public investment goals for the next three years (Honduras, 2022^[6]). Nonetheless, the actual performance of the planning and budgeting frameworks differs significantly from the formal regulations, as discussed in Chapter 3.

Public sector jobs enjoy a significant wage premium and weak meritocracy characterises the civil service

Since 2013, employment in the public sector has increased by an average of 2% every year, reaching 6% of total employment in 2018 (OECD, 2020^[5]), far below the LAC and OECD averages of 11.9% and 21.1%, respectively. Public employment is more relevant when compared with all formal employment and all paid employment, representing 22.5% and 13%, respectively (World Bank, 2018^[39]). According to data provided by Secretariat of Finance, the public wage bill represents 11.2% of GDP and 34.8% of total government expenditures in 2018, higher than the LAC averages of 8.5% and 27.3% respectively, and has been declining steadily since 2008 (World Bank, 2018^[39]). The civil service, despite improvements, faces challenges in terms of skills development and fragmentation of contracting frameworks, when compared to regional peers (World Bank, 2022^[40]). Only 28% of public servants have tertiary degrees, significantly less than in most other LAC countries, even after accounting for the lower share of the overall workforce with tertiary education (World Bank, 2021^[41]). In addition to strengthening the recruitment and selection processes, introducing performance agreements in Honduras might support “accountability for results” while boosting professionalism (OECD, 2021^[42]), and reinforcing legal frameworks to limit the revolving door between politics and private businesses could limit discretionary practices in the civil service. Chapter 3 of this Review analyses the need for improving the performance framework in Honduras.

Despite improvements in the past decade, the civil service continues to have deep structural weaknesses. The General Directorate of Civil Service (DGSC) has made attempts to improve the availability of information through the Human Resources Information and Administration System, to limit arbitrariness in the appointment of personnel, implement a performance evaluation system, and present a bill for an Administrative Career Law for discussion in Congress (Velarde, 2014^[43]). However, Honduras still faces challenges in the unification of salary policies and in consolidation of the different contracting modalities used across agencies and institutions (World Bank, 2022^[40]). It is worth highlighting that the country’s public servants are among the youngest across the LAC region, the mean age within public sector employees being slightly below 40 years old. This would indicate a potentially dynamic labour force within the public sector to which human capital and organisational knowledge can be easier to transfer. The current government is planning to elaborate a wage policy to address many of these challenges and potentially reform the Civil Service Law, in order to add improve performance evaluations and other key priorities.

Harnessing digital technologies can improve service delivery and inclusion, but challenges lie ahead

The experiences of OECD countries show that digitalising public services improves their quality, optimises the targeting of programmes, reduces transaction costs and widens access (Nicoletti, 2021^[44]). Digitalisation of the public sector can respond to the rapidly evolving needs of service delivery, boosting transparency, engaging citizens and strengthening the social contract. This has become even more fundamental as governments continue to reel from the impacts of the COVID-19 pandemic and strive to build institutional resilience for an inclusive recovery (Bjerde and Kunt, 2021^[45]). The shocks that Honduras recently experienced can represent an opportunity for the government to harness digital instruments, data and tools to optimise management and service delivery, facilitate the transition towards universally accessible and citizen-centric public services, and fight corruption (Bjerde and Kunt, 2021^[45]). However, the performance of the national statistical system is modest as highlighted in Chapter 2, especially in data infrastructure, standards and methods. Honduras scores 61 out of 100 points in the World Bank Statistical Performance Indicators (SPI), well below the regional average (World Bank, 2021^[46]). Several challenges hinder the digital transformation of the country, ranging from insufficient and unequally distributed infrastructure to weak capacity and the lack of an updated government strategy.

Even if the use of and access to digital technologies have been steadily improving, Honduran households have the lowest Internet access and utilisation rate in the region, only second to Nicaragua. It is the country with the lowest rate of ownership and use of mobile telephones, and the digital divide affects more than half the population. The high-quality 4G network does not cover the majority of the country, which ranks among those having the lowest adoption of ICT technologies worldwide (World Economic Forum, 2019^[47]). Digital government systems and processes for e-participation and citizen engagement are weak, and Honduras fares significantly worse than its peers in Central America and in the LAC region (United Nations, 2020^[48]) (ERCAS, 2021^[49]). The digital divide between rural and urban areas is deep, which reinforces social and economic disparities. Only 18.7% of those having access to Internet live in rural areas while 81.7% live in urban areas (INE, 2018^[50]). About 17% of Honduran households have access to a computer, but urban residents are more than four times more likely to own one (INE, 2021^[51]).

The digital capacity of the civil service is also weak and, even after slight improvement in the past decade, Honduras is among the countries in Latin America with the lowest score in the Civil Service Development Index. The development of digital skills among civil servants is seldom mentioned in the existing national digital strategy, and the staff size of the digital authority is one of the smallest in the region. Accumulation of human capital and digital skills in the digital authority is difficult, as only 20% of workers are part of the career civil service while the remaining 80% are temporary contractors with high turnovers (IADB, 2021^[52]). The digital authority is responsible for few activities and contributions, the fewest among LAC countries, and staffing is disproportionate with respect to existing tasks. Finally, the OECD OURdata Index shows that the public sector in Honduras ranks poorly in indices measuring data availability and accessibility as well as government support for data reutilisation, placing the country below the LAC and OECD averages (OECD, 2020^[8]).

As highlighted by the OECD *Recommendation on Digital Government Strategies* (OECD, 2014^[53]), successful digitalisation programmes tend to be part of larger public sector digital modernisation strategies. The only integral tool developed recently is the Digital Agenda 2014-18, which yielded mixed results (DGT, 2020^[54]). Progress on certain digital indicators, such as higher Internet connectivity, has been substantial in the past decade, but Honduras still lags behind most countries in Latin America. The Agenda is now outdated as it does not consider the country's current challenges; it does not include concrete policy pathways; and it underplays the public utility that digitalisation could offer for a transparent and accountable public sector. The Centre of Government (CoG) is not included as a strategic partner in activities related to digital government, as outlined in the OECD *Government at a Glance: Latin America and the Caribbean 2020* (OECD, 2020^[8]). The related legal framework is obsolete and competences are not always clearly defined, which makes it difficult to effectively manage digital transformation of the public sector.

The e-procurement system *Honducompras*, first set up in 2005, is controlled by the State Contracting and Procurement Regulatory Office (ONCAE) and it does not fully respond to modern needs or standards of e-procurement platforms (Rozo, Penagos, Fernandez, 2020^[55]). A large number of contracts are awarded and stipulated outside the platform, undermining its efficacy, and the system features limited data structures. The absence of key procurement information, such as award and contract dates as well as tender details on procured items, precludes a full analysis of the entire procurement cycle. The system also lacks adequate interoperability features to integrate and cross-check data across fiscal and public investment databases. The new public contracting portal *Honducompras 2*, after having been piloted in a number of government agencies, is now suspended because of technical problems (Rozo, Penagos, Fernandez, 2020^[55]) (IMF, 2021^[4]).

Can a multi-layered government enhance public sector effectiveness? Building from a very centralised country

Honduras reports a poorly developed multilevel governance structure. After a political push to decentralise revenue mobilisation and services in the 2000s, the fiscal autonomy of subnational authorities has recently

diminished and the country nowadays is among the most centralised in the region (CEPII, 2018^[21]). Honduras has a simple multilevel governance structure, displaying 18 departments and 298 subnational government entities, where less than 40% of the Honduran public resources is managed by regional departments and municipalities, and more than 60% is controlled by the central state (Secretaría de Finanzas, 2022^[7]). The share of procurement spending at the central level in Honduras was the highest in LAC, accounting for 82.6% of total procurement expenses (OECD, 2020^[5]) – an indication of the high centralisation of procurement needs and processes.

Efforts to decentralise revenue mobilisation, spending and service delivery have faced several challenges. First, fiscal decentralisation reforms have not been fully informed by an evidence-based assessment of the capacity of local administrations to deliver services. Decentralisation of certain sectors, for instance water and sanitation, is incomplete and has seen mixed results depending on the specific delivery modalities (Root et al., 2020^[56]). Second, the resistance of central agencies and shifting political priorities of governments have hampered attempts to delegate more responsibilities to local authorities. Finally, decentralisation efforts have yielded short-term improvements in efficiency and cost recovery, but these did not fully translate into better services or increased accountability (World Bank, 2020^[57]).

The Honduran administration combines an influential Presidency with a structure that is becoming increasingly fragmented, as explored in depth in Chapter 2. Over the past decade, the number of public institutions increased significantly, going from 75 in 2012 to 106 in 2019. During the 2018-22 administration, the public sector housed 11 State Secretaries, which increased to 24 with the Government taking office at the beginning of 2022. The new structure of the administration, which also includes the abolishment of 17 entities among secretariats of state, special cabinets and sectoral cabinet programmes, creates the Secretariat of State in the Office of Transparency and Fight against Corruption. As the new government priorities spell out, the regulatory office for state procurement and contracting (ONCAE) will be attached to the latter Office as this is meant to step up efforts to fight corruption in the country (Government of Honduras, 2022^[58]).

In order to increase the public sector's co-ordination capacity, in 2022 the executive also created the Secretariat of State in the Office of Strategic Planning as the governing institution of the national planning system for the country's social and economic development. Aligned with the priorities of the new executive, several other Secretaries of State are created, such as one in the Office of Women's Affairs, to which the "Ciudad Mujer" programme will be attached as a decentralised entity, or the one in the Offices of Infrastructure and Transport. The role of the Honduran Social Investment Fund (FHIS) will be reinforced and headed by a director with the rank of secretary of state. The importance of improving the results-based management framework is examined in Chapter 3 and the planned improvement of that directorate will be crucial to improve the quality of spending. It will function as a decentralised entity of the Presidency headed by an official with the rank of minister advisor, while the newly established Secretariat of State in the Office of Risk Management and National Contingencies (COPECO) will strengthen the country's resilience to shocks (Government of Honduras, 2022^[58]).

Perception of corruption and low trust in public institutions are two major challenges for the public sector

The perception of corruption has worsened and the increasingly lower level of trust in government institutions undermines the possibilities of advancing necessary reforms

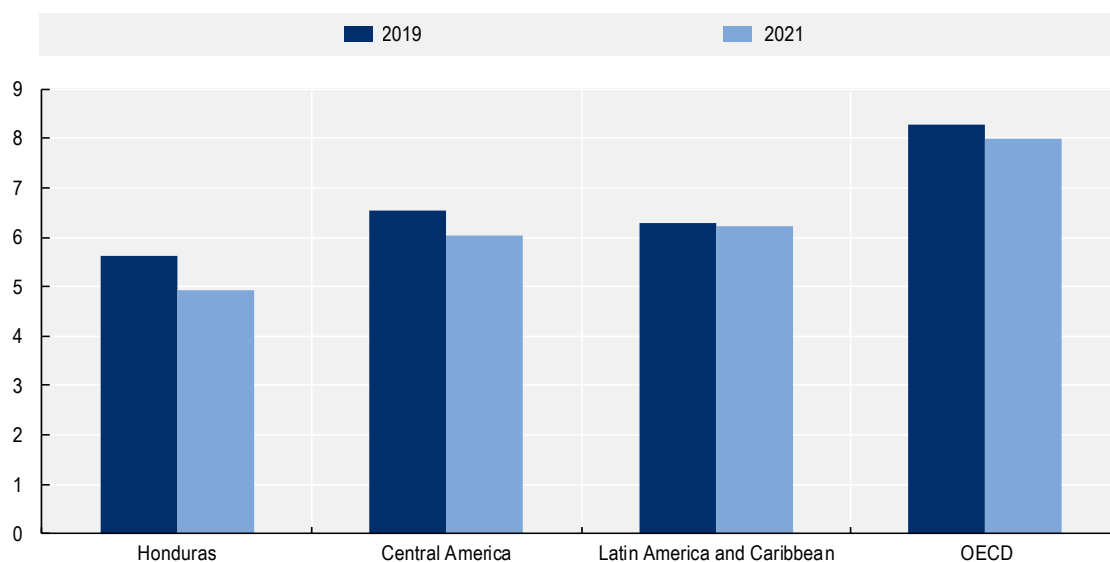
Honduras is grappling with pervasive corruption and the quality of institutions is deteriorating. This can be a factor undermining the trust of citizens toward the state and fosters violence, limiting the space for reforms and ultimately promoting inequalities. In 2020, around 80% of Hondurans report having little or no

trust in the parliament, the government or the judiciary (Latinobarómetro, 2020^[59]). More than half of Hondurans think corruption among public sector officials is widespread and the overwhelming majority believe that more than half of all politicians are corrupt. Almost one in every ten people report having recently been victim of extortion and more than 25% of Hondurans justify the payment of bribes to obtain services (LAPOP, 2019^[20]) (Latinobarómetro, 2020^[59]).

The perception of corruption is not limited to politicians. Between 2016 and 2018, the number of people who think that members of the judiciary and of the police are involved in corruption increased significantly, signalling a general deterioration of trust towards fundamental organs of the state (Latinobarómetro, 2020^[59]). Corruption also stifles the private sector, limits competition and hinders innovation. In Honduras, medium-sized firms are the most impacted by corruption, and they are frequently asked to pay bribes or give gifts to obtain services or to secure a government contract. Given the high levels of labour informality, estimated at 71% of total non-agricultural employment, existing estimates on the impact of corruption on small firms are likely to underrepresent the real impact. Honduras is placed as one of the worst performers in the control of corruption and, more concretely, as the world's 20th most corrupt nation and the third most corrupt country among the LAC countries, just after Venezuela and Nicaragua (Transparency International, 2020^[60]).

The rule of law and accountability mechanisms in Honduras have deteriorated, placing the country in the lower quartile worldwide and significantly below the regional average. The World Justice Project indices show the country's precarious respect for the rule of law, with low levels of accountability of the executive (WJP, 2021^[61]). More than half of all firms identify the court system as a major constraint, compared to the average of 20% in the region. High business costs due to crime and violence, de facto unequal application of laws and regulations favouring politically connected incumbents, and weak protection for property rights and contract enforcement pose serious challenges for the Honduran business environment. Close to 80% of privately owned land is either untitled or improperly titled (Almeida et al., 2020^[31]). In addition, disputes tend to take years to settle in court due to the weak judicial system, whose independence has declined. Checks and balances are weak and the freedom of the press has deteriorated lately (World Economic Forum, 2019^[47]).

Figure 1.2. Index of Public Integrity



Note: Higher scores indicate better performance.

Source: European Research Centre for Anti-Corruption and State-Building, 2021.

Civil society organisations operate in a shrinking environment where they face important financial, legal and political challenges, including threats to personal safety. Multifaceted barriers, such as the lack of resources and complex relationships with public authorities, prevent civil society organisations from operating to their full potential. As discussed in Chapter 5 of this Review, recent changes in the legal framework concerning the laundering of assets expose civil society organisations and their members to deeper scrutiny from the judiciary and the police, potentially imposing heavier pressures and resulting in increased obstacles to their activities. The narrowing space for civic society is correlated with the abuse of force by the police and the army (Human Rights Watch, 2020^[62]), to numerous violations of human rights (Inter-American Commission on Human Rights, 2019^[63]), and more generally to high levels of violence and crime.

The trust of citizens in the state and their confidence in democracy is a major problem. About one-third of Hondurans report not being satisfied with democracy and more than two-thirds would accept an undemocratic government if it were able to solve the country's problems (Latinobarómetro, 2020^[59]). Mistrust towards the National Congress has increased significantly in the past decade, and the number of people declaring not to have any trust in it doubled since 2011. The same trend can be observed when analysing citizens' trust in the judiciary, the executive, the national electoral institution (National Electoral Council) and the police. There is a widespread opinion that the country is governed by a few powerful groups acting in their own interests and that not everyone is equal before the law (Latinobarómetro, 2020^[59]). Combined with evidence of weak and unequal service delivery, declining checks and balances, fiscal vulnerability and suboptimal budgeting for results, these trends highlight the country's fragility and call for urgently improving its public sector's effectiveness.

Recent efforts to strengthen integrity and accountability have yielded mixed results

Honduras has reinforced its institutional framework across several dimensions to strengthen integrity, but weaknesses persist and recent shocks have the potential to reverse critical achievements. Despite challenges, reforms towards increased accountability were implemented in the health sector, and a number of efforts were undertaken in the fight against corruption. These include a self-assessment of progress in relation to the United Nations Convention Against Corruption; a monitoring agreement with Transparency International; and engagement in international multi-stakeholder initiatives such as the Open Government Partnership, the Extractive Industries Transparency Initiative, and the Construction Sector Transparency Initiative.

Two important entities supporting the fight against corruption have recently seen the light: the Special Commission for the Depuration and Transformation of the National Police, and the Mission to Support the Fight against Corruption and Impunity (MACCIH). Created in the wake of protests motivated by the theft scandal involving the Honduran Social Security Institute, the MACCIH was an international co-operation entity supported by the UN, the Organization of American States and the Government of Honduras. Its ultimate objective was to improve the Honduran justice system in the prevention and fight against corruption through active collaboration, advice, and supervision. It passed new legislation and worked with the Public Prosecutor's Office in high profile cases that sentenced two former presidential appointees and a magistrate of the Judiciary Council, among others. However, a law that blocked MACCIH jurisdiction over Congress was passed, postponing the prosecution for misuse of funds. The MACCIH was eventually dissolved in 2020. In 2022, the government of Honduras solicited the creation of a UN-backed International Commission against Impunity (CICH), which would follow on from the MACCIH in the fight against corruption and the misuse of public funds.

However, evidence from other countries shows that dealing directly with corruption – ensuring that corruption is detected and sanctioned – is important yet not sufficient. There is a need to evolve from a reactive culture of enforcement towards a proactive culture of integrity that manages to effectively and

efficiently prevent corruption risks and safeguards democracy (OECD, 2018^[64]). Indeed, corrupt practices evolve and adapt. To tackle corruption in a sustainable way, the OECD Recommendation on Public Integrity stresses that it is key to build a culture of integrity in the whole of government and society (OECD, 2017^[65]). In a nutshell, a culture of integrity is achieved by ensuring that all relevant actors co-ordinate and co-operate in a strategic manner, by promoting ethical leadership, fostering a merit- and values-based civil service, and by managing integrity risks efficiently, while enabling effective internal, external and social controls (OECD, 2020^[66]).

To achieve sustainable impact in the area of anti-corruption, it is therefore key that Honduras strengthen the institutional backbone and capacities that allow effective identification and management of integrity risks in different areas; reinforce mechanisms of monitoring and evaluation; and support more comprehensive open government initiatives, as highlighted in Chapters 4 and 5. As such, more efforts are needed to strengthen and support institutions such as the Supreme Audit Institution of Honduras, the High Court of Auditors (*Tribunal Superior de Cuentas*, TSC), the National Office for the Integral Development of Internal Control (*Oficina Nacional de Desarrollo Integral del Control Interno*, ONADICI), the General Directorate for Civil Service (*Dirección General de Servicio Civil*), and the National Electoral Council (*Consejo Nacional Electoral*, CNE), and eventually international initiatives and commitments to fight and prevent corruption, among others. At organisational levels, the internal audit offices, the transparency units and the ethics commissions are important to ensure that national policies are mainstreamed throughout the public sector and effectively implemented. The recent creation of the Transparency and Anti-corruption Secretariat (*Secretaría de Transparencia y Lucha Contra la Corrupción*) is an important step, as that body can steer and articulate the different actors and thus work towards establishing an integrity system in Honduras.

Conclusion

Despite improvements in some policy areas, such as education, Honduras still faces critical challenges and ranks behind its regional peers in several dimensions. Major inequalities, social exclusion and low trust represent common denominators in public life. For instance, education outcomes, even if they have improved significantly over the past decades, are poor despite high levels of spending. Access to and quality of services and infrastructure are low and unequal, especially for rural communities. Resilience to shocks, as highlighted by the COVID-19 pandemic and climate-related hazards, is low and puts the country in a vulnerable position, particularly with regard to public finances and productive sectors. Challenges in public governance are at the root of such outcomes. Corruption and capture of institutions by vested interests further divert resources and distort investments away from public services, foster inequalities, and ultimately limit the accumulation of human capital, pushing many to migrate.

In this context, improving the effectiveness of the public sector is crucial to reinforce the social contract, foster trust and put Honduras on the path of sustainable and inclusive development. First, better strategic planning and co-ordination in the public sector is instrumental for optimising spending, focusing on impact and building resilience, as explored in depth in the next two chapters. Chapter 2, “Improving policy co-ordination at the centre of government”, assesses the capacity of the centre of government of Honduras to lead whole-of-government policy co-ordination, highlighting important steps in establishing formal mechanisms for co-ordination while drawing attention to their weak implementation. Similarly, Chapter 3, “Strengthening the Results-Based Management framework in Honduras”, describes the functions and processes of the framework, highlighting the challenges in its implementation. Secondly, improved monitoring and evaluation is crucial to design better and more evidence-based policies, maximise the impact of spending, and strengthen accountability. Chapter 4, “Strengthening monitoring and evaluation in Honduras”, analyses several related elements such as the legal framework of monitoring and evaluation systems, the mandates of institutional actors, the availability of data and the overall impact on policy making. Finally, supporting and reinvigorating the country’s open government agenda represents a

fundamental step toward a more transparent, accountable and participatory government. Chapter 5, entitled “Open Government in Honduras: Towards effective implementation”, looks at that agenda and highlights important progress in establishing rules and governance mechanisms to deliver a more transparent and accountable government, but also points to important challenges related to weak implementation and evaluation. These chapters provide in-depth analyses, offer a comprehensive view of the respective challenges, and suggest specific recommendations to overcome them within the specific country context outlined in this introductory chapter.

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2 Improving Policy Co-ordination at the Centre of Government in Honduras

This chapter assesses the capacity of the centre of government (CoG) to lead whole-of-government co-ordination in Honduras. The chapter discusses the role of CoG institutions responsible for cross-government co-ordination; the value of the planning framework in aligning entities towards shared objectives; the work of the sectoral cabinets as forums for inter-ministerial consultations and decision making; and the mechanisms for multi-level co-ordination with subnational governments. The chapter highlights the progress achieved in establishing a formal framework for improved co-ordination, as well as the limitations in its practical implementation.

Introduction

In the context of a highly fragmented public administration (expressed by the large number of public institutions) and in pressing fiscal conditions, securing strong co-ordination is critically important for Honduras. It can reduce inefficiencies and duplications and maximise impact through synergies and joined-up efforts. This chapter assesses the capacity of the centre of government (CoG) in Honduras to co-ordinate across administrative silos to promote policy coherence.

Co-ordination is a key function performed by the institutions and units at the CoG. Although this function can be exercised through diverse mechanisms, three factors are usually critical for the success of any co-ordination effort. First, the existence of an entity or individual with a clear and empowered mandate to drive cross-government co-ordination. Second, the establishment of collective priorities and objectives that align the work of ministries (hereinafter “secretariats” when referring to Honduran ministries) and agencies. And third, having systematic processes for inter-ministerial consultation in order to foster coherence in policy design and implementation.

This chapter analyses these elements in Honduras and is organised as follows. The first section briefly presents the role of the CoG in OECD countries. The next section then examines the fragmented nature of the public administration in Honduras as well as the co-ordination challenges that it generates. The final section focuses on the Honduran CoG institutions and analyses how co-ordination has operated in practice in the country.

The centre of government in OECD countries: From administrative support to whole-of-government co-ordination with a focus on results

Policy co-ordination is critical to dealing with complex policy challenges successfully. Although it was always a preoccupation in the field of public administration, it has become particularly relevant in many OECD and non-OECD countries in recent decades. Several factors account for this change of prioritisation (Alessandro, Lafuente and Santiso, 2013^[1]) (Cingolani and Fazekas, 2020^[2]) (Peters, 2018^[3]).

First, the overall growth of the public sector and, in particular, the increasing number of autonomous and semi-autonomous bodies have challenged the capacity of government leaders to steer public action coherently towards collective goals. Second, there is a growing consensus that most high-level policy challenges, such as economic development, poverty reduction and climate change, are multidimensional and require concerted contributions from multiple ministries, agencies, levels of government, and non-state actors. This is connected to a third factor: the increased expectations of citizens for improved outcomes in these key policy areas. Securing co-ordination is thus a pressing challenge. In its absence, government action is likely to result in gaps, overlaps, contradictions, inefficiencies, and limited impact.

To design effective whole-of-government approaches, OECD countries increasingly tend to strengthen the institutional capacities of their centres of government. The centre of government refers to “the body or group of bodies that provide direct support and advice to the Head of Government and the Council of Ministries, typically encompassing institutions such as the Chancellery, Cabinet Office, Office of the President or Prime Minister, General Secretariat of the Presidency, although institutional configurations vary across countries” (OECD, 2018^[4]). In many OECD countries, the CoG has moved from administratively supporting the corresponding president or prime minister to becoming a central actor in the policy cycle. This often implies the acquisition of responsibilities to ensure coherence in the policy design and implementation processes, as well as to provide strategic and evidence-based advice to ensure that decisions are congruent and prudent (OECD, 2014^[5]).

The CoG is critical for producing co-ordination because spontaneous horizontal collaboration across ministries is often hampered by differing priorities and policy preferences and conflicting incentives. The

CoG is well placed to arbitrate between these different positions: one test of the effectiveness of the centre of government is its ability to play a mediator role in ministries' disagreements (OECD, 2020^[6]).

CoG institutions are usually the only ones empowered to convene ministries and agencies for joint work (Brown, Kohli and Mignotte, 2021^[7]). Their policy co-ordination role is performed either by supporting and fostering environments for co-ordination, or by being directly involved in shaping the contents of policy. In the first scenario, these units have generally contributed to preparing cabinet meetings or other inter-ministerial committees by managing their decision-making process and enforcing the rules of that process. In practice, co-ordination here implies collecting the required documents in advance of the meetings, enforcing deadlines, planning the agenda, drafting and controlling shared plans, facilitating information sharing, and ensuring that proper consultations have been followed, among other similar tasks (Alessandro, Lafuente and Santiso, 2013^[11]). Other types of CoG units are more focused on the substance of the co-ordination, i.e. not only on facilitating its processes but also on directing or shaping the contents of policy. These units are often responsible for ensuring coherence in priority policy areas (economic policy, social policy, national security, etc.). In the United States for instance, the NEC (National Economic Council) has co-ordinated the agencies having some sort of power over economic matters (such as the Treasury, the State, Commerce, and Labour Departments, among others), and so contribute to the shaping of ultimate policy decisions (Destler, 2012^[8]).

International experience suggests that the factors driving the success of co-ordination mechanisms are diverse, but three common elements stand out in particular. First, the fact that there are specific institutions or individuals who have been empowered to lead those mechanisms, either formally – through a law, which enhances the clarity of their duty – or informally, by communication of the chief executive. Second, the existence of shared priorities and objectives that align the work of ministries and agencies. And third, the existence of robust and systematic co-ordination routines, such as processes for inter-agency consultation, which reinforce the regular collaboration among the various branches of government and embed co-ordination into the launching of any policy decision. The following sections will analyse the extent to which the Honduran CoG has been able to consolidate these three critical elements.

Co-ordinating within a fragmented environment: The Honduran challenge

A highly fragmented public administration

The co-ordination capacity of the Honduran CoG should be evaluated within the context of the organisation of the country's public administration. The analysis of this chapter focuses on the structure of the government during the 2018-22 administration and recognises changes made in public institutions with the 2022-26 administration. In that context, during the 2018-22 administration, the public sector housed, *inter alia*, 11 state secretariats (ministries within which a large number of units exist), a central bank, 3 regulatory entities, 4 public entities for social security matters, 4 national universities, 75 other public institutions, 18 regional governments, 8 public companies, and over 100 companies where the state held equity (Secretaría de Finanzas, 2019^[9]). As discussed in Chapter 1 on the public sector effectiveness of Honduras, while the number of line ministries is relatively low in comparison with other Latin American countries, Honduras combines an influential presidency with an administration that is becoming increasingly fragmented. Over the past decade, the number of public institutions, as considered in the official budget documents, has gone from 75 in 2012 to 94 in 2015, and up to 106 in 2019 (Secretaría de Finanzas, 2012^[10]; Secretaría de Finanzas, 2015^[11]; Secretaría de Finanzas, 2019^[9]). Upon taking office in 2022, the newly elected government increased state secretaries to 24 and abolished 17 older entities – secretariats of state, special cabinets and sectoral cabinet programmes, outlined in Executive Decree PCM-05-2022 (Government of Honduras, 2022^[12]).

This fragmentation resulted from the successive creation of new entities, resulting in limited co-ordination or clarity of roles and responsibilities among them, as well as the lack of a comprehensive approach to the organisation of the public administration. Such a fragmented administration is partly the outcome of two important factors. First, a decades-long accumulation of public bodies and entities responding to emerging sectoral needs. Indeed, most of the institutions created during the 2018-22 administration belonged to the “decentralised public administration” and displayed varying levels of formal autonomy, hindering the prospects for coherent policy responses. The accumulation of public entities derived, in turn, from the “agencification” phenomenon pinpointed at the beginning of this chapter, i.e. the atomisation of administrative bodies motivated by the growth of agencies and other autonomous entities resulting from the processes of specialisation that have taken place in Honduras during the past decades. A concrete example during the 2018-22 period is the creation of the Secretariat of Transparency (*Secretaría de Estado en el Despacho de Transparencia*, SDT) which, despite the fact that it highlights some commitment to the transparency agenda, has created some co-ordination challenges that are analysed in Chapter 5 on open government. In 2022, the newly elected administration has abolished the SDT and created a Secretariat of State in the Offices of Transparency and the Fight against Corruption (Government of Honduras, 2022^[12]).

A second reason accounting for the high level of fragmentation in Honduras refers to the frequent partial modifications of the Public Administration Law (*Ley Administración Pública*) from 1986, which have not been accompanied by a comprehensive reform. This law has been recurrently amended for the past two decades through occasional decrees that sought to respond to the inefficiencies posed by the original framework. The result has been the accumulation of a huge legal corpus of decrees that have de facto outdated the original law precisely by attempting to stopgap its inefficiencies. Consequently, today no comprehensive public administration reform provides a holistic coherence to the entire body of institutions within the executive branch.

This fragmentation is aggravated due to the limited practice of multi-sector collaboration. The prevailing organisational culture does not foster joint planning and co-ordinating efforts. State secretariats and other public entities typically pursue their own programmes without assessing whether joint efforts with other secretariats or entities could have led to better aligned high-level government strategies as well as generate better and more efficient outcomes. The incentives for officials to invest time and resources in high-level, priority outcomes that cut across departmental boundaries seem scarce, and intra-secretariat vertical governance and accountability arrangements largely prevail. This considerably hampers the prospects for an efficient co-ordination framework, especially considering the system's public fragmentation.

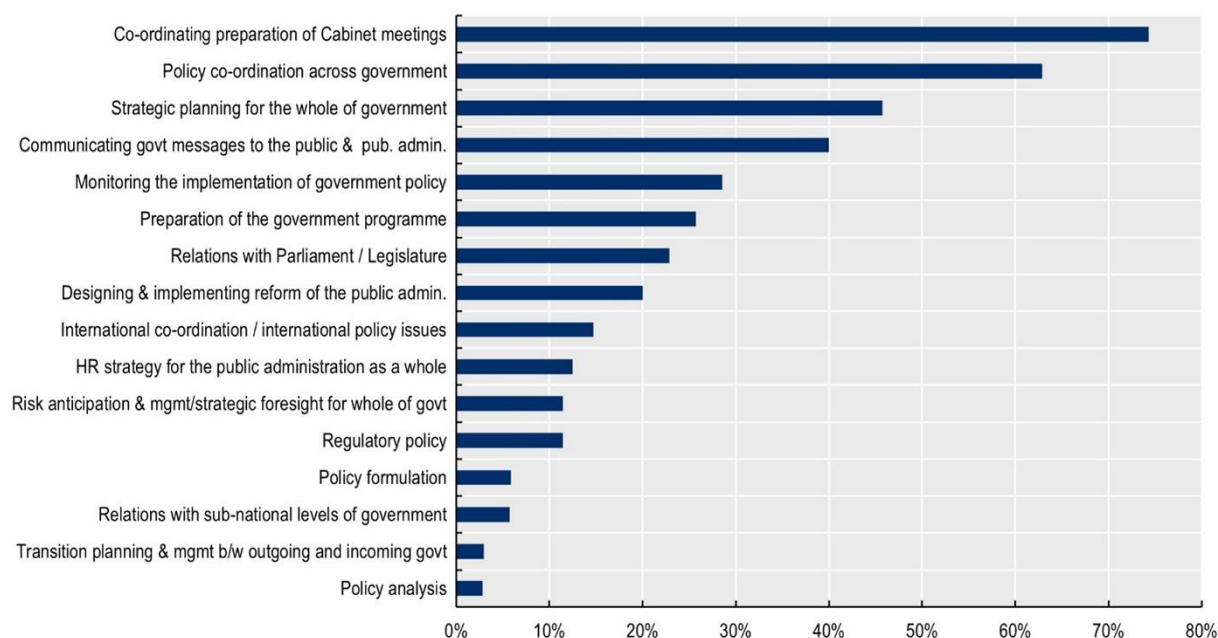
Taking these challenges into consideration, the government of Honduras could consider conducting a functional review of the public administration's functions and responsibilities in a detailed mapping to identify gaps, mandate overlaps and duplication across the executive branch. This could provide the needed coherence and clarity as well as reduce fragmentation and overlap across institutions. It is important to broadly communicate the findings of the review as well as the changes in the structure and responsibilities across government to raise awareness. The work could be led by the newly created Secretariat for Strategic Planning, which is in charge of steering the National Planning System for Social and Economic Development (see section below).

Towards a stronger centre of government in Honduras: Advancing a better-equipped framework to pursue whole-of-government co-ordination

The CoG concept does not refer to any concrete organisational structure: the institutions directly supporting the head of government can differ among countries, depending on the political system, the administrative structure, or even constitutional order of the country. Hence, the best way to identify the CoG in any given

country is to focus on the key crosscutting co-ordination functions that define it (OECD, 2004^[13]) (Alessandro, Lafuente and Santiso, 2013^[11]). Beyond frequent co-ordination of the preparation of cabinet meetings, and despite the heterogeneous range of institutional structures across OECD countries, the 2014 and 2017 OECD surveys on centre of government (OECD, 2014^[5]; OECD, 2017^[14]) concentrate the CoG work in five main functions: 1) policy co-ordination across government, which increasingly includes leading cross-departmental priority strategies; 2) supporting decision making by the head of government; 3) strategic planning for the whole of government; 4) monitoring the implementation of government policy, which means developing new mechanisms that emphasise outcomes rather than just tracking expenditures; and 5) public administration reform.

Figure 2.1. Top responsibilities delegated to the centre of government across OECD countries



Source: OECD (2017^[14]), *Government at a Glance*, https://doi.org/10.1787/gov_glance-2017-en.

The Honduran CoG units are intended to support both the presidency and the council of ministries. More concretely, during the 2018-22 administration the CoG included the following institutions, as per those performing the above-mentioned functions:

- The presidency, which in practice co-ordinates several important programmes, and within it the Office of Presidential Priorities, established in 2020 to enhance the delivery of high-level government priorities (Diario Oficial de la República de Honduras, 2020^[15]). This Office held ministerial rank and reported directly to the President.
- The Secretariat of General Co-ordination of the Government (SCGG), which played a key role in most of the areas described above. According to the Decree PCM-009-2018 (Diario Oficial de la República de Honduras, 2018^[16]), the head of the SCGG was in charge of assisting the President of the Republic in the direction and co-ordination of the administration. To this end, the SCGG had the following competencies: strategic planning, within the framework of the Country Vision and the Nation Plan, and the definition of public policies; allocation of resources for the achievement of the objectives and goals defined in the Strategic Government Plan; the mechanisms and procedures for monitoring and evaluating the results of the government's management; recommendations to the President of the Republic to improve the effectiveness and impact of government policies and

programmes; formulation and implementation of transparency and anti-corruption policies and programmes; and analysis, proposal and implementation of plans for the modernisation and reform of the State. The SCGG was repealed by Executive Decree PCM-05-2022. Strategic planning functions have been assigned to the newly created Secretariat for Strategic Planning, which is in charge of steering the overall National Planning System for Social and Economic Development (Government of Honduras, 2022^[12]). The organisational structure of the SCGG was composed of:

- The Presidential Directorate for Strategic Planning, Budget for Results and Public Investment (*Dirección Presidencial de Planificación Estratégica, Presupuesto por Resultados, e Inversión Pública*, DPPI), was in charge of formulating the annual and pluriennial plans within the framework of the Country Vision and the National Plan, and assisting the entities of the executive branch in the formulation of annual institutional and operational planning.
- The Presidential Directorate for Monitoring and Evaluation (*Dirección Presidencial de Monitoreo y Evaluación*, DPME), which created the mechanisms and procedures for monitoring/evaluating the results of government work, provided ongoing training to the Management Planning and Evaluation Units (*Unidades de Planificación y Evaluación de la Gestión*, UPEGs), and formulated recommendations to the president to improve the achievement of the objectives of the government. In the context of the 2022-26 administration, both the DPPI and the DPME were dissolved and their functions have been attributed to the Secretariat for Strategic Planning.
- The Secretariat of the Presidency (SEP), which emerges as the administrative right-hand ministry of the Presidency of the Republic. It was mainly responsible for co-ordinating the communications of the government, and holds the Cabinet Secretariat of the Council of Ministers. It was responsible for liaising with political parties in their relationship with the government. Most of the SEP units are purely administrative and seek to comply with the aforementioned functions, except for two:
 - The General Directorate of Civil Service. Provided for in the General Law of Public Administration (Decree No. 146-86), its main functions are to offer state agencies technical advice for personnel administration in order to achieve greater efficiency in public administration (Government of Honduras, 1986^[17]).
 - The Project Management Unit (UAP), created through Executive Decree No. PCM-008-2010 as a SEP body in charge of ensuring the co-ordinated implementation, monitoring and evaluation of programmes and projects financed with national and external funds and executed by the SEP.
- The Secretariat of Finance (SEFIN). According to Article 57 of the Regulation on the Organisation, Functioning and Competence of the Executive Branch (Decreto Ejecutivo No. PCM-008-97, 1997^[18]), the SEFIN has functions and competencies for the administration of state assets. As with most Ministries of Finance, SEFIN performs both CoG functions (such as budget formulation aligned with the government's strategic planning) and sectoral functions (tax policy, debt policy, etc.).
- The Secretariat of Governance, Justice and Decentralisation (SGJD). According to Article 29 of the Public Administration Law, the SGJD is in charge of the Internal Regime of the Republic and, more importantly, of the direction, co-ordination, liaison, supervision, monitoring and evaluation of the subnational (departmental and municipal) regimes (Government of Honduras, 1986^[17]).

In addition, the following institutional units and instruments are key in supporting co-ordination across the Honduran Government:

- The Secretariat of Transparency (SDT). The SDT was the institution responsible for assisting the President of the Republic in the formulation, promotion, co-ordination, execution and evaluation of strategies and public policies related to transparency and prevention of and fight against corruption.

Especially relevant to note is that the SDT integrally assumed SCGG functions related to modernisation and state reform.

- The sectoral cabinets; although they are an inter-ministerial arrangement with no staff or budget of their own, they also had responsibilities in policy co-ordination. It is worth noting that these cabinets were repealed with the 2022-26 administration.

Figure 2.2 identifies the institutions of the Honduran CoG that are expected to perform the five main functions presented above.

Figure 2.2. Main CoG functions and corresponding institutions in Honduras (period 2018-22)

Policy co-ordination across government	Supporting decision-making by the Head of Government	Strategic planning for the whole-of-government	Monitoring the implementation of policy	Public Administration Reform
<ul style="list-style-type: none"> • SCGG (+Sectoral Cabinets) • SEFIN • SGJD (with sub-national governments) 	<ul style="list-style-type: none"> • SCGG • SEP (communications, relations with Congress) 	<ul style="list-style-type: none"> • SCGG • SEFIN 	<ul style="list-style-type: none"> • SCGG • Office of Presidential Priorities 	<ul style="list-style-type: none"> • SCGG • SDT

Source: Own elaboration, with data from Executive Decrees PCM-146-86, PCM-008-2010, PCM-266-2013, PCM-001-2014, PCM-002-2014, PCM-009-2018 and PCM-111-2020, as well as from the Law on the Regulation of the Organisation, Functioning and Competence of the Executive Branch.

The following sections focus the analysis on the institutional setting described in Figure 2.2. While the structure of the CoG institutions has changed with the 2022-26 administration, the chapter provides recommendations on the public governance functions, mechanisms and practices needed to strengthen CoG policy co-ordination, regardless of the current institutional setting.

A seemingly solid policy co-ordination framework led by the SCGG

For the past decade, Honduras has made progress in setting a long-term planning structure for the country (see Chapter 3) as well as in enhancing the CoG institutional and technical capacities for pursuing those plans. However, these are only first steps within the long process of actually changing the institutional, cultural and political practices that have been entrenched within the Honduran Public Administration for decades.

As Chapter 3 will discuss, the encompassing legal reform that took place in Honduras under the 2009 Law for the Establishment of a Country Vision and the Adoption of a National Plan – and, more relevantly in institutional terms, under Executive Decree 266-2013 (Diario Oficial de la República de Honduras, 2013_[19]) – entailed certain improvements in the consolidation and integration of national strategies, as well as in the consolidation of a comprehensive co-ordination framework that clarifies the role of the various public institutions in this respect. The major innovation derived from the role defined for the SCGG as the key co-ordinating entity of the government. This made the SCGG an entity to which all state secretariats as well as other relevant public bodies must resort for ensuring the alignment of their programmes with the national strategic documents – and therefore, for carrying their public policies forward. The SCGG was indeed the central CoG institution in Honduras, responsible (at least formally) for strategic planning within the framework of the Country Vision and the National Plan; for the definition of general government policies; and for the allocation of resources for achieving sectoral objectives and goals. Thus, in theory, the SCGG would play the critical CoG role of “guardian of the policymaking process” (OECD, 2004_[13]).

The SCGG was also tasked with ensuring the alignment of all single-sector and horizontal strategies with national strategic plans. Therefore, during the processes of creating or renewing strategies, the SCGG was in charge of ensuring close communication with relevant ministries to ensure that alignment. In this vein, and in order to facilitate the process, Executive Decree PCM-001-2014 (Diario Oficial de la República de Honduras, 2014^[20]) organised the entire public administration around five sectoral cabinets; these took the form of inter-ministerial committees seeking to harmonise public action across sectors, thus setting the stage for the SCGG to more easily co-ordinate with sectoral bodies (see below for further assessment of the role of the sectoral cabinets). Since the SCGG headed these cabinets, it fulfilled the function of chairing inter-ministerial meetings and resolving conflicts when disagreements arose, at least from a “within-sector” perspective.

As discussed in the first section, three factors are critical for successful co-ordination: 1) a specific institution empowered to drive co-ordination; 2) shared priorities across ministries; and 3) systematic inter-ministerial routines. In this vein, it is relevant to mention that the legal framework in Honduras developed during the past decade had formally set those three elements. First, it provided a clear and formal mandate to the SCGG as the body empowered to lead government co-ordination. Second, it defined shared objectives through the Country Vision and Nation Plan. And third, it established inter-ministerial instances through the sector cabinets. However, the practical implementation of this legal framework had several limitations. As previously discussed, the SCGG legal mandate had not been fully implemented in practice, and its capacity to drive the policy-making process to ensure co-ordinated action was limited. The following sections discuss these challenges in detail.

Honduras CoG institutions face a significant challenge in positioning themselves as leading in the co-ordination of policy priorities

The ability of CoG institutions in Honduras to co-ordinate national strategic objectives across the government lies in their ability to strategically lead strong and siloed ministries, which occasionally might not establish sector-specific strategies in a way that significantly contributes to the pursuit of whole-of-government strategic objectives. This signals the need for the CoG to improve effective implementation and communication of the national strategy across secretariats. The way in which the key CoG institutions co-ordinate among themselves for the preparation of national strategic plans is important in this respect. The practice found in Honduras for the analysis of this Review during 2021 differs significantly from OECD area best practices of cross-governmental planning of joint objectives. In the latter cases, there is an explicit attempt to identify a more streamlined set of high-level cross-government priorities and, for these, to establish systematic processes for multi-ministerial planning. In Honduras, there is a lack of clarity regarding government priorities. Moreover, as discussed in Chapter 3 in relation to the strategic planning framework, OECD good practice showcases an effective integration of the different components in the performance framework, such as planning and budgeting. This is not the case in Honduras, where each component tends to operate in a more fragmented way, lacking a clear prioritisation process.

Building on the recommendations of Chapter 3 that address how priorities could be better integrated in the planning framework, there is a need for CoG institutions to better implement and communicate those priorities. To that end, the government could consider progressively establishing a performance framework describing the set of joint goals and outcomes that the CoG is aiming to accomplish, and include clear responsibilities for line ministries. This would allow the CoG to create a shared vision and narrative for more strategic co-ordination. The government could publish the CoG strategic goals and objectives on line with up-to-date information regarding progress in achieving these priorities. The performance framework in the United States is a relevant example in that regard (Box 2.1).

Box 2.1. United States performance framework

In the United States, a dedicated website (Performance.gov) communicates the goals and outcomes the federal government is working to accomplish, how it seeks to accomplish them, and how agencies are performing. Agencies are identifying both short- and long-term goals to be reflected in four-year strategic plans, annual performance plans, and a limited number of agency priority goals. The public is able to explore those goals, and the progress being made to meet them, on line on a central website that provides a comprehensive picture of government performance.

Based on the 2010 Government Performance and Results Modernization Act (GPRAMA), the government-wide framework requires federal agencies to set performance goals that deliver results for the American people, establish management processes to review progress, and regularly communicate progress being achieved against those goals.

Source: (Government of the United States, n.d.^[21]), www.performance.gov.

The internal lack of co-ordination within the CoG exacerbates the challenge. As in most public administrations, the roles and responsibilities of each ministry and agency are defined by law; their political mandates, budget allocations, and legal accountability induce a siloed approach in which each entity is mostly concerned about its own objectives and activities. As previously noted, the large number of public institutions in Honduras enhances this fragmentation. In turn, the fragmentation and insufficient collaboration across CoG entities leads to frequent gaps, overlaps and contradictions in the mandates and responsibilities of ministries and agencies. Even though such vertical structures could be effective when it comes to the generation of institutional knowledge of the public policy areas within their scope, complex and crosscutting policy challenges can hardly be addressed optimally through this administrative model. For instance, the CoG role of articulating implementation of a national strategic vision in Honduras was weakened by co-ordination gaps between the SCGG – in charge of steering implementation of the Country Vision/National Plan – and the SEFIN, in charge of budget setting and implementation (see Chapter 3). Within the SCGG itself, the department responsible for financial steering and hence co-ordination with the SEFIN (the Budget for Results Unit) seemed to remain disconnected from the units and institutions in charge of overall administrative reform (other units within the DPPI as well as within the DPTMG in the SDT, for instance). The creation of the Office of Presidential Priorities further exacerbated the potential for overlap already present between the SCGG, the SEFIN and the SDT. In addition, as discussed above, the SCGG was not able to fully implement the sectoral cabinets as a mechanism to promote cross-ministerial collaboration.

These gaps in horizontal co-ordination also become evident in the nature of the political-administrative interface in Honduras during the translation process of the national plans and the UPEGs into the institutional and annual operational plans (POAs). When converting those plans into actionable items, there could be more vertical communication between top civil servants and politicians, as well as more horizontal communication among ministries at all steps in the translation process, to improve coherence in establishing and implementing an integrated governmental programme reflecting the interconnections between the different strands that help advance the government's strategic objectives. Chapter 3 provides a more detailed analysis of the country's planning framework.

Against this backdrop, there is room to strengthen the different units performing core CoG functions. In light of the restructuring with the 2022-26 administration, the government could consider clarifying the roles and responsibilities of the different CoG units to enhance their capacities and role as co-ordinating units. As done in countries such as New Zealand (Box 2.2), the government could consider codifying key CoG

processes and allocating concrete roles and responsibilities across units through dedicated guidelines or manuals. Clarifying processes and procedures through clear, simple and easy-to-find information can ultimately improve central government decision making.

Box 2.2. The Cabinet Manual and Guides in New Zealand

Through the cabinet office, the government of New Zealand published a Cabinet Manual in 2017 with the aim of guiding ministers, their offices and public officials working within the central government. It also provides a key source of information on the country's constitutional arrangements relevant to the executive branch. In essence, the Cabinet Manual provides guidance for central government decision making by providing key information that ranges from high-level appointments to the conduct of ministers and public servants, decision-making processes, developing legislation and management of public information.

To complement information from the Manual, the government published an interactive “CabNet”, a secure platform for cabinet and cabinet committee meetings that centralises papers and minutes of decisions. It provides practical guidance for public officials on what information is needed and how it should be shared. In addition, New Zealand also published “CabGuide”, which is an online platform that aims to provide further advice to public officials on the procedures and operations of the cabinet, cabinet committees and the executive council. It contains comprehensive guidelines on writing and lodging a paper (whether it is a consultation, a policy, appointment, legislation, etc.) as well as advice on necessary considerations for the paper depending on its objective and the obligations for its potential publication, either proactively or reactively.

First published in 1979, CabGuide ensures the continuity of government systems through successive administrations. The most recent edition, dating from 2017, presents a comprehensive update on the continuing development of cabinet government conventions and procedures. All government departments and ministers' offices were invited to provide feedback on the current Manual, and to make suggestions for any changes they deemed necessary. The text has also been updated to allow for legislative developments since 2008, and to incorporate guidance issued by cabinet minutes or cabinet office circulars. A new version currently in preparation will replace this edition.

Source: (Department of the Prime Minister and Cabinet (DPMC) of New Zealand, n.d.^[22]), <https://dpmc.govt.nz/publications/cabguide>; (Department of the Prime Minister and Cabinet (DPMC) of New Zealand, n.d.^[23]), <https://dpmc.govt.nz/our-business-units/cabinet-office/supporting-work-cabinet/cabinet-manual>; (Department of the Prime Minister and Cabinet (DPMC) of New Zealand, n.d.^[24]), <https://dpmc.govt.nz/publications/what-cabnet>.

Too many co-ordination institutions do not equate to greater co-ordination: Sectoral cabinets, a well-intended but ill-conceived endeavour

The Decree PCM-001-2014 had organised the entire public administration around five sectoral cabinets. These cabinets functioned as inter-ministerial committees that attempted to enhance government co-ordination under the guidance of the SCGG (the CoG unit in charge of providing them support). While the cabinets were repealed with the 2022-26 administration, it is worth analysing whether or not they fulfilled their role and identifying the design and practical challenges they faced, in order to help the new administration with lessons learned.

Under Executive Decree PCM-001-2014 (Diario Oficial de la República de Honduras, 2014^[20]), these sectoral cabinets were reorganised around five sectors (previously there were up to seven cabinets), thus establishing:

- the Economic Cabinet
- the Social Cabinet
- the Governance and Decentralisation Cabinet
- the Infrastructure Cabinet
- the Security and Defence Cabinet.

The decree stipulated that the sectoral cabinets should align the institutions under their co-ordination (all the public entities dealing with matters related to their sector) with the national strategic planning and the budget assigned to them. Their “Deputy General Co-ordinators” (individuals empowered to lead a given sectoral cabinet and belonging to the SCGG structure) were responsible for monitoring the objectives and goals contained in the Sectoral Strategic and Operational Plans, evaluating their fulfilment and performance. Moreover, the sectoral cabinets were supposed to periodically ensure inter-institutional co-ordination, something that did not happen in practice, and submit their proposals and recommendations to the SCGG – which, as stated above, was in charge of evaluating them to check their compliance with the country’s strategic documents. It is only then that, if the presidency authorised them, such proposals were submitted for discussion and approval by the Council of Ministers.

In this light, the sectoral cabinet structure was a positive advancement in the construction of a better co-ordinated public administration in Honduras. In theory, this type of sectoral cabinet or inter-ministerial committee can enhance co-ordination between entities that share the same policy areas. By discussing and producing sectoral plans, the sectoral cabinets were thought to co-ordinate with institutions to align strategic objectives and national strategic planning under the supervision of the SCGG. In addition, under Executive Decree PCM-001-2014 (Diario Oficial de la República de Honduras, 2014^[20]), the sectoral cabinets were also entitled to monitor and evaluate the fulfilment of such objectives, which allows for a greater degree of co-ordinated action throughout the entire policy process. However, the cabinets faced significant challenges in improving co-ordination and maximising integrated strategy setting and implementation. As (Hallsworth, Parker and Rutter^[25]) point out, attempts to improve co-ordination have often suffered from a gap between theory and practice because of the presentation of impractical models of co-ordination or inefficiencies in providing the political support to turn desired practices into reality. This finding is key for the Honduran case in four aspects.

First, the cabinets had not gained sufficient “institutional legitimacy”. The “sectoral cabinet” structure had not been well received in practice by a large number of actors involved in the policy-making process. Some CoG institutions refused to accept the authority, for example, of the “Deputy General Co-ordinator” figure created by Executive Decree PCM-002-2014 (Diario Oficial de la República de Honduras, 2014^[26]). According to that decree, this figure was entitled:

- to analyse matters related to the secretariat, decentralised and autonomous entities and programmes that make up their sector
- to approve, at the proposal of the head of the respective institution, the Institutional Strategic and Operational Plans
- to recommend the allocation of budgetary expenditure ceilings, within the respective sectoral ceiling assigned by the SCGG
- to submit to the SCGG information on the monitoring/evaluation of the institutions and agencies that make up the corresponding sectoral cabinet
- to submit to the SCGG the resolutions and recommendations of the sectoral cabinets
- to propose to the SCGG the pertinent sectoral public policies.

Hence, the refusal to recognise the leverage of the Deputy General Co-ordinator led many institutions to work independently and in an unconnected manner, thus forfeiting the potential of the sectoral cabinets as a useful co-ordinating platform. Simultaneously, this challenge also translated into an increasing lack of leadership on the part of the cabinets: devoid of the legitimate support from the public entities that comprise their sectors, the cabinets may see their capacity to effectively co-ordinate these public institutions greatly diminished.

Second, sectoral cabinets experienced a notable “institutional overcrowding” – that is, they comprised an excessively vast amount of institutions within their realm. This also affected their efficiency in the perception of the most relevant entities. The number of public entities varied from one sectoral cabinet to another, but was never below 9 (which is the case for the Governance Cabinet). Indeed, the Social Cabinet housed 17 public institutions; the Infrastructure Cabinet, 17; the Security and Defence Cabinet, 22; and the Economic Cabinet, 32 (Diario Oficial de la República de Honduras, 2014^[20]). These sectoral macrostructures made room for cumbersome platforms where joint co-ordination of all concerned institutions became unfeasible. Inefficiencies in management and co-ordination thus emerged as a result of the nature of the framework itself.

Third, the slim prospects for co-ordinated action also discouraged the involvement of key political figures within the cabinet. Most sectoral cabinets lacked decision makers or any other political authority within their frameworks; even though it is true that they were originally conceived as predominantly technical environments for co-operation, they were reduced to purely technical spaces unconnected with actual decision makers and hence with the policy-making process. Ministers and even lower-ranked political appointees did not participate in most of the sectoral cabinet network. The only two exceptions are found in the Social and Defence Cabinets, which did account for some degree of political participation within their structures, even though this was only occasional. Overall, there were no clear incentives or a clear performance framework to ensure active participation in the cabinets and the generation of concrete outcomes. The fact that, for example, the SEFIN did not take part in all these inter-ministerial committees indicated that the cabinets lacked the basic levers (such as the budget) to induce co-ordination.

Finally, the proliferation of co-ordination bodies may paradoxically have led to poor co-ordination performance. There was also an increasing number of entities outside the sectoral-cabinet realm with co-ordinating powers: the presidency led certain crosscutting programmes such as “Better Life” (*Vida Mejor* or “With a Job You Live Better” (*Con Chamba Vivís Mejor*). The Food and Nutritional Safety Technical Unit (*Unidad Técnica de Seguridad Alimentaria y Nutricional*, UTSAN), within the SCGG, was also in charge of leading several plans (for example, the EUROSAN *Occidente* programme), and some projects with international funding also required the existence of a special co-ordinating body outside the cabinets (Honduras’s UN Permanent Mission, 2021^[27]). The diversity of co-ordinating institutions available in the system as well as the absence of any rule governing the circumstances in which each of those institutions was entitled to lead the co-ordination function generated confusion and prevented effective co-ordination from taking place. It furthermore allowed for discretion within the public administration when it came to the preferred co-ordination body to be used.

A lack of established processes for decision making at the sectoral cabinets

Neither Executive Decree PCM-001-2014 nor previous legislation had established robust processes of policy making that provided the sectoral cabinets with a clear and straightforward role. For example, in terms of adopting public policies, Executive Decree PCM-001-2014 stipulated that the cabinets shall meet periodically “to ensure inter-institutional co-ordination” and submit their proposals and even recommendations to the SCGG – which, as stated above, was in charge of evaluating them and consulting with the President of the Republic; if authorised by the latter, those proposals would be submitted for discussion and approval by the Council of Ministers (Diario Oficial de la República de Honduras, 2014^[20]). This involved proposals and recommendations originated at the cabinets themselves, but the legislation

remained silent about the role of the cabinets concerning public policy proposals and initiatives originated at the heart of their secretariats. Given the aforementioned tendency of secretariats to work independently and formulate their own policies according to secretariat-driven criteria, legislation de facto remained silent about the actual role of the cabinets during most of the policy-making process. There was no strong legal basis for secretariats' public policy initiatives needing to pass through sectoral cabinets before actually reaching the Council of Ministers and the presidency.

Therefore, in most decisions (and certainly in the most relevant ones), bilateral dialogue between ministers and the president prevailed, leaving the cabinets with a very minimal role in the exchange of information. This juncture weakened the cabinets' co-ordinating role and limited any suitable alignment of secretariats' policies with the government's national strategies, given that the co-ordination mechanisms in charge of monitoring that alignment (i.e. the sectoral cabinets) were often bypassed in the policy process.

To exploit the full potential of these types of co-ordination bodies, the government of Honduras could streamline and empower their functions with clear and simple processes for decision making. In terms of the functions, the government could consider establishing CoG-led co-ordinating bodies around a selection of key presidential priorities as well as revising and streamlining their membership to ensure efficiency. Moreover, the government could aim to provide the needed structure and guidance for the decision-making processes by defining objectives and plans for delivery for each body, as well as establishing protocols for sharing information, conducting consultations and reporting to the president (among other functions) across cabinets. Finally, elaborating an internal communication campaign could help empower and clarify the co-ordinating role of the CoG in these bodies. To this end, the government could follow examples from well-established sectoral cabinets with similar functions, such as the cabinet committees in Ireland (see Box 2.3).

Box 2.3. The creation and dissolution of cabinet committees in Ireland

The Cabinet Manual in Ireland defines three distinct types of committees and provides specific guidelines for their creation, operation and dissolution:

- Category 1: Committees established to examine major ongoing policy areas
- Category 2: Committees established to manage a particular issue of public importance
- Category 3: Ad hoc committees created to advance a particular item on the government's agenda and which generally conclude their work in a short period.

The Manual establishes clear guidelines and criteria for the establishment and dissolution of committees, their powers, procedures for monitoring and evaluating their work, and the administrative support structures necessary for their operation.

All cabinet committees are dissolved at the end of each government's term. The committees are also dissolved when they present a final report to the government, after having fulfilled their mission. The government's (re)creation of a cabinet committee should be documented, either formally or informally.

Cabinet committees, other than Category 3 (ad hoc) committees, must have a mandate that reinforces the achievement of a key government objective as set out in the government programme or major policy document; that is of significant public importance or is sensitive; that has a transverse dimension; and that cannot be adequately addressed by an existing cabinet committee.

Within three months of their establishment, cabinet committees (other than Category 3) must also establish a work programme for the coming year, which sets explicit priorities and targets to assess the achievement of key objectives. They must provide an activity report to the government at least once a

year, unless other reporting methods have been specified. These committees must also present a final report to the government at the end of their mandate.

The Chief Cabinet Secretary then submits an annual report to the head of government (*Taoiseach*), reviewing the operation and effectiveness of the cabinet committee system.

Source: (Government of Ireland, n.d.^[28]), *Cabinet Committees of the 32nd Government*, <https://www.gov.ie/en/organisation-information/48fd2-cabinet-committees-of-the-32nd-government/>.

The lack of information sharing across secretariats hinders co-ordinated public action

Another important element to facilitate inter-ministerial co-ordination is information and data sharing. As the (OECD^[14]) highlighted, communicating and sharing data in an open format among the various public actors and stakeholders involved in the policy-making process is crucial to guarantee policy co-ordination as well as to maintain the momentum of key cross-departmental government strategies and initiatives. Sharing information can enable a common understanding of the characteristics of the policy challenges and their potential solutions. It can also help co-ordinate policy implementation, by providing to the entities important information about the actions of their peers (timing, location, etc.).

In Honduras, information and data sharing remains a central challenge for the public administration, for two main reasons. First, the performance level of the national statistical system is modest. As mentioned in Chapter 1, Honduras scores 61 points out of 100 in the World Bank's Statistical Performance Indicators (SPI), placing it in the third quintile globally and well below Latin American leaders Mexico (87), Chile (82) and Costa Rica (79) (World Bank, 2021^[29]). Evidence collected during the fact-finding mission shows that the country counts on incipient and underdeveloped information directories and databases, and hence lacks a comprehensive system of robust statistical information that can serve as a basis for evidence-informed policy making. Data collection and archiving methods are still rudimentary and occasionally unrepresentative of the actual distributions of the country's population and socio-economic activities, which might result in the reliance on inaccurate indicators, leading to a reluctance from stakeholders to rely on the data from the national statistical system. As found in Chapter 5, inadequate technology and management systems in the public sector hinder the quality of public information. Thus, strengthening the statistics and data systems is essential to improve composite and aggregate indicators that allow for high-quality public policies as well as for enhanced co-ordination.

Second, the absence of a common performance framework also affects the government's capacity and incentives to share information and data. State secretariats and public institutions tend to work independently and be motivated by secretariat-driven goals. They tend to separately build their own data and statistics, which means that they generally make use of different sources of information. Consequently, reliance on different information and reluctance to share data emerge as significant co-ordination challenges, which limits the ability of public institutions to have a holistic view of the country's problems, as well as of the ways they can most accurately contribute to such problems' solutions. This has become a recurrent issue in a large number of LAC countries (Agudelo, Chomali and Suniaga, 2020^[30]); however, the lack of co-ordination through data sharing is particularly concerning in countries with a fragmented public administration such as Honduras. During interviews with the OECD Secretariat, several government officials pointed out that beyond secretariats' own databases, there are recent attempts to favour the flow of statistical information through the creation of a single and comprehensive system of governmental information under the management of the centre of government. Yet, this system is still in its early stages and lacks the relevant data and instruments required to formulate sound public initiatives.

Given the importance of quality information and data for evidence-informed decision making, the government should first, increase efforts to strengthen the existing information system by linking it to a

performance framework and embedding a limited number of cross-ministerial priorities with a series of indicators. Second, the government could build capacities for public officials and set standards that facilitate the interoperability of information and data across the system. The Box 2.4 provides the relevant example of Finland, which uses indicators to measure and showcase impacts of the government programme.

Box 2.4. Finland: Setting priorities and indicators in the Strategic Government Programme

Prime Minister Sanna Marin's 2019-23 government programme, developed based on strategic objectives, supports a cross-sectoral approach and aims at addressing interlinkages in an effective manner. The programme is organised around seven strategic "themes", each managed by an inter-ministerial group composed of ministries that have a substantial link to the theme. The government is further focused on four big "priority goals": balanced finances, a 75% employment rate, carbon neutrality by 2035, and decreasing inequality. These strategic themes and priority goals are further specified with around 64 sub-goals having 70 indicators.

Overall, indicators based on information and data are used to evaluate the progress of the government's actions and the priority goals. To portray the impacts of government action, the government includes cross-sectoral indicators to describe economic, ecological and social wellbeing to inform decision making, in addition to existing sectoral indicators. Research-based data are also used to provide evidence on achieved impacts.

Source: Authors own elaboration based on information provided by the government of Finland and complemented by (Global Government Forum, 2019^[31]), <https://www.globalgovernmentforum.com/the-power-of-priorities-goal-setting-in-finland-and-new-zealand/>.

To enhance the data management capacity, including collecting and using quality information and data, the government could conduct capacity-building workshops for public officials working in the CoG and in key line ministries, and provide through its General Directorate of Civil Service (*Dirección General de Servicio Civil*, DGSC) a range of targeted courses in relevant policy areas to develop the necessary capacities and skills in terms of information and data management. The government could also develop specific standards of data and information to facilitate its interoperability through the information system. The simplicity and usability of such standards are fundamental to ensure their uptake by stakeholders. France, for instance, developed a reference framework with recommendations to promote interoperability of information systems across the public sector (see Box 2.5).

Box 2.5. The General Reference Framework for Interoperability in France

In France, the General Reference Framework for Interoperability offers a series of recommendations to promote interoperability across information systems within the public sector. Following the rationale of the European Interoperability Framework, the French framework focuses on different levels of interoperability, setting standards for each level that are to be implemented by public sector organisations. Standards are therefore established for technical, semantic or syntactic interoperability to guarantee that public sector organisations and systems are as interoperable as possible:

- Semantic interoperability refers to the meaning of different words, which often varies among public sector organisations. This interoperability aims to streamline the definition of words across public sector organisations to ensure there is agreement regarding the meaning of data that are exchanged and on the context of the exchange.
- Technical interoperability refers to data formats and data exchange protocols as well as the conditions and storage formats of these data. This interoperability ensures that data can be properly exchanged among public sector organisations and in the right format.
- Syntactic interoperability stands as a subset of technical interoperability as it focuses on the technical format data should have in order to be properly exchanged among public sector organisations.

Source: OECD (2019^[32]), *The Path to Becoming a Data-Driven Public Sector*, OECD Digital Government Studies, OECD Publishing, Paris, <https://doi.org/10.1787/059814a7-en>; (Government of Brazil, n.d.^[33]), <https://www.enap.gov.br/pt/>.

Sub-national governments face major difficulties aligning with national strategies: The challenge posed by vertical co-ordination

A final key challenge faced by the Honduran administration refers to co-ordinating among the different levels of government. Two main typologies of problems are identified: those linked to the insufficient clarity and inconsistencies of the multi-level co-ordinating framework itself, and those that are operational in nature.

Regarding the co-ordinating framework, there was significant confusion over the roles of the SCGG and the SGJD in managing the relationship of central government with municipalities and, more concretely, in ensuring the alignment of territorial plans with broader national plans. As specified in the Regulatory Framework Law for Municipal Development Planning (*Ley Marco Normativo de Planificación del Desarrollo Municipal*), municipalities, through their UPEGs, were obliged to develop municipal development plans, which had to be aligned with national strategies. According to the law, the SCGG established the norms and facilitated and co-ordinated the processes of articulation of territorial planning, securing alignment with national and sectoral action plans. In parallel, the SGJD, through the Directorate of Planning and Governance, promoted and co-ordinated processes for the formulation of Municipal Development Plans. During the 2018-22 administration, both secretariats were responsible for municipal planning processes and were supposed to complement each other's functions to ensure territorial development. Subnational governments prioritised their needs according to their own requirements in terms of public services, which is why they also had their own planning and strategy unit that prepares and executes development plans (in line with national strategies and in accordance with the budget of the central government). The new Executive Decree PCM-05-2022 provides that these responsibilities fall under the SGJD acting with the new Secretariat for Strategic Planning.

When it comes to articulating and monitoring plans, as mentioned at the beginning of the chapter the SCGG generally took the lead. In turn, at the subnational level, this duty was the responsibility of the SGJD. The SGJD would thus have no competencies concerning institutional planning at the national level but rather in co-ordinating municipal planning. This created co-ordination challenges with the SCGG, which in practice also worked with municipalities. In this regard, despite the existence of a legal framework establishing the roles and responsibilities of both entities, there were no formal or operational arrangements between the SCGG and the SGJD on how to effectively co-ordinate municipal planning to ensure its coherence with the overall national planning. This led to separate and uncoordinated efforts. As a consequence, municipal plans were frequently misaligned with broader national strategies. During the fact-finding mission, Honduran government officials mentioned that following various (and often

contradictory) guidelines from different co-ordinating bodies tends to translate into ambiguous territorial plans and hides the key priorities with which those plans should align.

Beyond the need for further articulating, at least in practice, the relationship between the government actors involved in the co-ordination with the municipalities, two other issues deepen the inconsistencies of the multi-level co-ordinating framework in Honduras. First, government officials highlighted during the fact-finding mission significant challenges of co-ordination between state secretariats and subnational governments. Although municipal plans should be aligned with broader national strategies (and potentially with broader sectoral strategies), overall the state secretariats instead propose programmes and projects that prioritise the fulfilment of their own institutional plans, regardless of their suitability with municipal strategies; this makes them likely to disregard those subnational instruments. In other words, secretariats sometimes fail to take into account the particular needs and characteristics of most subnational governments, and there is no institution in charge of raising subnational needs through the line ministries.

Second, there is no co-ordination framework regulating how or when secretariats approach departments and municipalities. As a consequence, subnational governments are frequently faced with a vast amount of diverging programmes and working groups from numerous line ministries. Such a large number of unconnected programmes presented to the municipalities overwhelms their capacity to efficiently manage them, hence also limiting their potential impact. Moreover, approval and implementation of development co-operation projects is frequently not aligned with existing municipal plans. This contributes to allocating resources into similar or even overlapping programmes in certain departments, and to further disconnecting the planning process with actual policy making. Ultimately, these dynamics unveil the significant constraints faced by the SGJD in attempting real policy co-ordination at the subnational level.

Finally, multi-level co-ordination is hindered by the institutional weakness of the SGJD. As the body in charge of co-ordinating subnational public action, the SGJD lacks a consistent level of resources that would allow for the successful fulfilment of its duties. In terms of its administrative capacity, the SGJD lacks sufficient human resources to tackle its assigned workload, which hinders its ability to co-ordinate effectively. For example, currently one of the key SGJD units is in charge of monitoring and co-ordinating nearly 300 institutional plans at the subnational level; however, as stated by several government officials during the fact-finding mission, as of November 2021 the unit had at its disposal only six civil servants to perform such a task.

There is thus a need to clarify the responsibilities assigned to the different levels of government and to strengthen multi-level co-ordination. In terms of responsibilities, the government could further clarify the role of the CoG institutions in co-ordinating with subnational governments by streamlining and clearly articulating their responsibilities, as well as those of the departments and municipalities; these should be tailored to local circumstances and be agreed by all levels of government. In relation to multi-level co-ordination, the government could create a formal mechanism for consultation, co-ordination, co-operation and joint decision making across levels of government. Creating a permanent space that increases vertical dialogue and communication can help the local planning process to be better aligned with national strategies while also delivering on local needs and characteristics. For instance, Portugal created a Council for Territorial Dialogue to better communicate and co-ordinate on key policies and programmes across all levels of government. The Council, created in 2015, is chaired by the Prime Minister and benefits from the participation of central and local governments (OECD, 2019^[34]). In Colombia, the most important planning tool at the subnational level is the Department Development Plan, which is the blueprint for the Governor's term. Strategic planning at this level is supported by various vertical and horizontal co-ordination mechanisms, such as the "*Pactos Territoriales*" used to carry out multi-level initiatives that contribute to the objectives of the National Development Plan. Such a practice could be useful in Honduras when UPEGs create their municipal development plans.

In regard to the planning processes at the national and municipal level, the government could simplify these by identifying a selection of critical geographic areas and seek to align interventions from different

ministries and levels of government coherently. This place-based approach can create a stronger collective impact than each intervention being implemented separately. The practice is championed by countries such as the United Kingdom and the United States, which use place-based interventions to revitalise deprived areas or specific vulnerable population groups (see Box 2.6).

Box 2.6. Place-based interventions in the United Kingdom and the United States

Sure Start in the United Kingdom

Sure Start is a UK programme aimed at helping parents and children in disadvantaged areas. It does so by providing a series of services to support children’s education, health and well-being. Under the framework of the Programme for Government Outcomes, Sure Start is aligned with five key policy outcomes: improved language skills; early identification of developmental delay; improved access to services; enhanced parenting skills; and effectively integrated services. The government also provides infographics with statistical data accessible in an open format.

Promise Neighbourhoods in the United States

The “Promise Neighbourhood” programme is a US strategy aimed at addressing the economic difficulties of communities with targeted interventions for children and youth. Funded by the Department of Education, the programme design is based on a results framework with ten indicators that each community should aim to achieve. It also provides enough flexibility to each community to achieve its intended results based on its local specificities.

Source: (U.S. Department of Education, n.d.^[35]), <https://promiseneighborhoods.ed.gov/background/about>; (Department of Education, n.d.^[36]), <https://www.education-ni.gov.uk/articles/sure-start>.

Conclusion

Honduras has made certain progress towards establishing the key pillars for leading policy co-ordination from the centre of government. First, the legal framework has clarified the co-ordinating role of one key CoG entity: what was the SCGG and is now the Secretariat of Strategic Planning (*Secretaría de Planificación Estratégica*). Second, the planning framework provides whole-of-government and sectoral objectives that, in theory, could help foster cross-ministerial collaboration. Third, the creation of sectoral cabinets was an interesting initiative for robust inter-ministerial consultations and decision making. These were potentially key factors for successful inter-ministerial co-ordination led by a strong CoG.

Despite progress made in the past years in an ongoing effort to reform public administration, further efforts are needed for Honduras to increase the level of implementation. With a highly fragmented public administration, the role of SCGG frequently overlapped with similar efforts led by other CoG units and lacked a clear prioritisation process, in particular for high-level cross-government priorities. Thus, the SCGG was not able to consolidate a proper co-ordinating role, and that translated into a lack of co-ordination both within the CoG units and across government entities. Moreover, a consistent policy-making process for the sectoral cabinets was not established, and other channels (such as bilateral discussions between the president and each minister) often superseded the work of the cabinets. These have therefore become instances of information exchange between lower-level officials, thus causing the cabinets to fall short of their potential. Another important challenge is the absence of a performance framework, which affects the government’s capacity and incentives to share information and data across secretariats. Finally,

multi-level co-ordination also presents challenges: there were overlapping roles by the SCGG and the SGJD and weaknesses in aligning projects with the existing plans.

All these challenges result in weak cross-government co-ordination in Honduras. Although the establishment of the SCGG and the sectoral cabinets were steps in the right direction, there is still ample room for enhancing co-ordination and coherence in practice.

Recommendations

Improving policy co-ordination from the centre of government

- Conduct a functional review of the public administration's functions and responsibilities in a detailed mapping to identify gaps, mandate overlaps and duplication across the executive branch.
 - The mapping should include a clarification of the level at which each of the entities are located, in order to establish a clear hierarchy across public bodies.
 - Broadly communicate the findings of the review as well as any changes in the structure and responsibilities across the government to raise awareness.
- Create a shared vision and narrative of the government's priorities for a more strategic co-ordination, by establishing a performance framework describing the set of joint goals and outcomes that the CoG is aiming to accomplish and including the clear responsibilities for line ministries.
 - Use an institution with a mandate similar to the former sectoral cabinets to disseminate the CoG-focused performance framework and engage a wide set of ministries in the priority-setting process. This could help incentivise, acknowledge and reward contributions from line ministries to those common goals and outcomes, as well as position the role of CoG institutions as key enablers.
 - Publish the strategic goals and objectives of the CoG online with up-to-date information regarding progress in achieving these priorities.
- Strengthen the core CoG functions by further clarifying the roles and responsibilities of the different units to enhance their co-ordination capacities.
 - Codify key CoG processes and the allocation of concrete roles and responsibilities across units through dedicated guidelines or manuals.
- Exploit the full potential of the multi-government stakeholders mechanisms as key co-ordinating bodies by streamlining and empowering their functions with clear and simple processes for decision making.
 - Establish CoG-led co-ordinating bodies around a selection of key presidential priorities, and revise and streamline their membership to ensure efficiency.
 - Define objectives and plans for delivery for each body as well as establishing protocols for sharing information, conducting consultations and reporting to the president, among other functions, across cabinets.
 - Elaborate an internal communication campaign to empower and clarify the co-ordinating role of the CoG in these bodies.

Improving information sharing across secretariats for evidence-informed decision making

- Strengthen the existing information system by linking it to a performance framework and embedding a limited number of cross-ministerial priorities with a series of indicators.

- Build capacities for public officials and set standards that facilitate the interoperability of information and data across the system.
- Enhance the data management capacity, including collecting and using quality information and data.
 - Conduct capacity-building workshops for public officials working in the CoG and in key line ministries, and provide through the General Directorate of Civil Service a range of targeted courses in relevant policy areas to develop the necessary capacities and skills in terms of information and data management.
 - Develop specific standards of data and information to facilitate their interoperability through the information system. The simplicity and usability of such standards are fundamental to ensure the system's uptake by stakeholders.

Strengthening vertical co-ordination to better align territorial plans with national strategies

- Clarify the responsibilities assigned to the different levels of government in terms of strategic planning, by streamlining and clearly articulating and communicating the roles of the central government institutions in charge of co-ordinating with subnational governments, as well as those of the departments and municipalities, while recognising the ongoing decentralisation process.
 - Ensure that the responsibilities for strategic planning are tailored to local circumstances and that they are agreed by all levels of government.
- Strengthen multi-level co-ordination by creating a formal mechanism for consultation, co-ordination, co-operation and joint decision making across levels of government.
- Simplify the planning processes at the national and municipal level by identifying a selection of critical geographic areas and seek to align interventions from different ministries and levels of government coherently.

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3

Strengthening the Results-Based Management Framework in Honduras

This chapter analyses the Results-Based Management (RBM) framework developed in Honduras. It focuses on two pillars of this framework: Strategic Planning, and Budgeting for Results. For each pillar, the chapter describes the functions, processes, roles and responsibilities of the framework and assesses how they have operated in practice. The chapter documents significant progress in formally establishing an RBM framework and creating an institution responsible for its overall co-ordination, but it also highlights the significant challenges faced in its implementation.

Introduction

Since 2006, Honduras has developed several instruments that constitute the basis of its Results-Based Management (RBM) framework. These instruments include rules and regulations establishing the core components of strategic planning, budgeting for results, organisational modernisation and monitoring and evaluation, as well as the responsibilities of different entities to implement this framework, including those of Centre of Government (CoG) institutions, sectoral cabinets, and line ministries (hereinafter “secretariats” when referring to Honduran ministries). Under the 2018-22 administration, the Secretariat of General Coordination of the Government (*Secretaría de Coordinación General de Gobierno*, SCGG) played a key coordinating role, thus providing the basis for an integrated approach to RBM. The mandates of these entities and the following analysis correspond to the institutional architecture of the 2018-22 administration. While some of the institutions have changed in the new government (2022-26), the findings and recommendations of this chapter aim to strengthen the Honduran RBM framework regardless of the institutional setting.

The General Framework of the Results-Based Management Model in Honduras (*Marco General del Modelo de Gestión por Resultados en Honduras*) (Government of Honduras, 2020^[1]) outlines the 5 pillars of the Honduran RBM framework: 1) strategic planning, 2) organisational modernisation, 3) budgeting for results, 4) monitoring and evaluation, and 5) transparency and accountability (see Figure 3.1). This chapter analyses the RBM framework developed in Honduras, focusing on two key pillars: Strategic Planning and Budgeting for Results. The rest of the pillars are assessed through the different chapters of the Review: while Chapter 2 analyses some elements concerning organisational modernisation in Honduras, Chapters 4 and 5 address the Monitoring-Evaluation and Transparency components, respectively.

Figure 3.1. Pillars of the Honduran Results-Based Management framework



Source: Government of Honduras (2020^[1]), General Framework of the Results-Based Management Model in Honduras (*Marco General del Modelo de Gestión por Resultados en Honduras*).

Progress and challenges in building a robust Results-Based Management framework in Honduras

An RBM framework with some initial but uneven impact

Honduras launched an initial Results-Based Management framework in 2006 as a response to the institutional and public governance challenges experienced by the country at the beginning of the century. In 2009, the country approved Legislative Decree No. 286-2009 providing the basis for the establishment of a Country Vision and the adoption of a National Plan. It also created an entity tasked with leading the new performance system (Planning Secretariat, or SEPLAN). This legal framework sought to address the institutional and political crisis experienced in Honduras during that year, by establishing a long-term Vision with a broad base of consensus. It also intended to improve the results orientation of a public sector that had not yet adopted a number of innovations in performance management that were trending in Latin America and the Caribbean (LAC).

The available data suggest that the establishment of this RBM framework led to modest performance improvements in subsequent years, although with uneven progress across different RBM components. The Inter-American Development Bank's RBM Index showed an overall minor improvement between 2007 and 2013, in line with the evolution of most countries in the region and far from the LAC top performers (Kaufmann, Sanginés and García, 2014^[2]). Still, within this Index, the Strategic Planning component presented a significant improvement, mostly due to the establishment of the new legal framework. Planning was considered the starting point for the development of the RBM system, as the government considered that a good planning system in place was going to enable more efficient implementation of the other framework components. Until then, planning was only sectoral, through instruments such as a poverty reduction strategy, but with no overarching planning instrument. Moreover, the new National Plan incorporated measurable indicators. Honduras also made some progress in performance-based budgeting, although again from a very low baseline. Building on the progress made by the established legal framework, the government adopted in 2020 the General Framework of the Results-Based Management Model in Honduras with the Executive Agreement No. 035-2020 (La Gaceta, 2020^[3]).

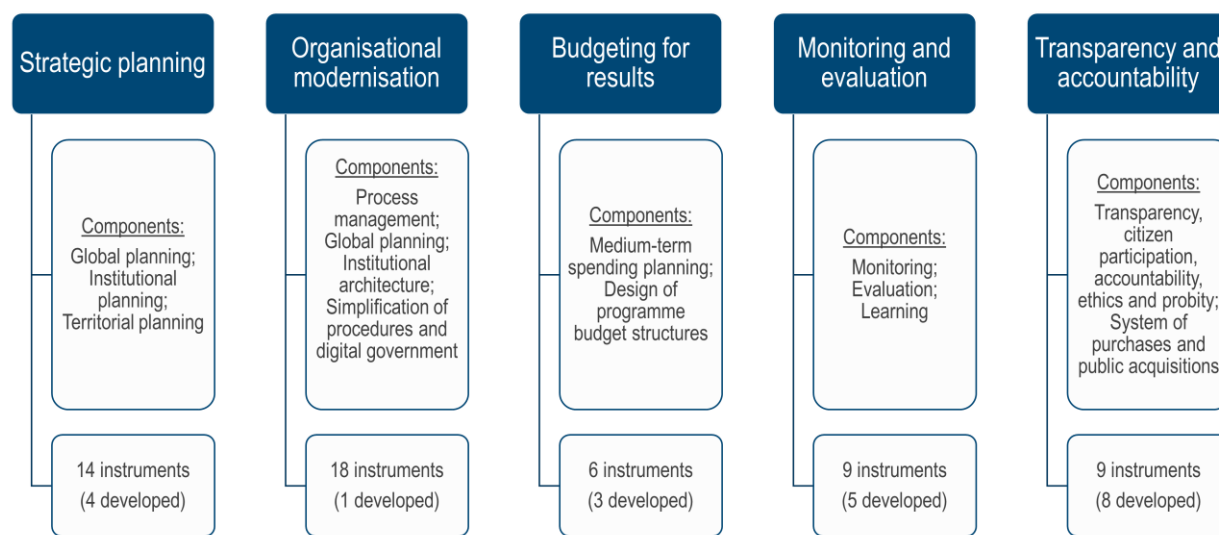
The complexity of the RBM framework hinders its effective implementation and limits its potential impact

The RBM framework represents a significant effort from the government of Honduras aimed at changing “the traditional way of managing public institutions, focusing their efforts on obtaining results and impact for people, especially the most vulnerable, and society as a whole” (La Gaceta, 2020^[3]). The document sought to provide a basis and foundation for the adoption of the RBM framework for all public institutions at the national level, and presents guidelines and instruments for subnational governments to articulate national and territorial planning. Subsequent adoption of Executive Agreement No. 035-2020 confirmed the government's high-level commitment to the new RBM framework (La Gaceta, 2020^[3]). This commitment had also been reflected in prior strategic documents, such as Country Vision 2038. Therein, one of the fundamental principles establishes that “the government will base its actions on a coherent and efficient strategic planning system, with adherence to the principles of leadership and citizen ownership, Results-based Management and shared responsibility with the rest of the branches of government” (Government of Honduras, 2009^[4]).

Overall, the Honduran RBM framework is an ambitious and comprehensive model. However, its complexity hinders its effective implementation, limiting the potential impact that such an effort may have. Concretely, the RBM of Honduras describes the 5 pillars of the model and the institutional architecture for its coordination and implementation. As seen in Figure 3.2, each of the 5 pillars has a set of components with a series of instruments for its implementation, such as guidelines, methodologies and regulatory frameworks.

In turn, every instrument has a designated responsible entity and a status of whether it has been developed, in process, or not yet available. In terms of institutional responsibilities, the SCGG was charged with the overall co-ordination of the framework and other relevant institutions were designated for each instrument, such as the Ministry of Finance (SEFIN), the High Public Management School (EAGP) and the Office of Presidential Priorities (*Despacho de Prioridades Presidenciales e Innovación Pública*, in Spanish).

Figure 3.2. Pillars, components and instruments of the Honduran RBM Framework



Source: Author's own elaboration based on (Government of Honduras, 2020^[11]).

While this framework was intended to organise and facilitate government actions in Honduras, its complexity has impeded its full understanding by stakeholders and has led to a limited implementation. For example, pillar 2 on organisational modernisation has 4 components and 18 instruments, from which only the National Procedures System was fully developed (see Figure 3.2). As analysed in the following sections of this chapter, even the instruments that have been developed, for instance on budgeting for results, have had limited impact as public officials only comply with RBM formalities without substantively delivering on its purpose. This complexity is also reflected in the ambitiousness of the model and the lack of prioritisation across instruments. The Honduran model aims to cover all government activity but it remains unclear how the instruments, that are more operational in nature, will contribute to government priorities. Moreover, even though the framework recognises the importance of articulating actions across the pillars to achieve the intended results and impact, the fact-finding mission revealed that, in practice, stakeholders often take a siloed approach in the implementation phase. In addition, as analysed in Chapter 4, there were also challenges in RBM monitoring, evaluation and reporting, in particular related to the quality of targets and indicators and on the lack of guidance on how to collect evidence to inform whether a goal was achieved or not. Finally, the Honduran RBM framework was published in October 2020, during the government's response to the COVID-19 crisis and shortly before the hurricanes Eta and Iota hit the country the following month. While the framework built on the prior legal basis and on certain existing components such as strategic planning, the timing of its publication implies that the real possibilities for its effective implementation as a whole were limited.

The CoG of Honduras could therefore envision streamlining the existing RBM framework for a better articulation of its components and more effective implementation. In the short term, the government could

define a smaller selection of crosscutting policy priorities endorsed by the president and elaborate a specific action plan for their delivery while ensuring that sufficient resources, both human and financial, are designated to implement them. Countries like the United Kingdom and the United States have developed a comprehensive RBM framework based on a defined set of priorities and performance information (see Box 3.1). This can help foster synergies across components and entities while aligning with overarching objectives.

Box 3.1. The RBM frameworks in the United States and the United Kingdom

The United Kingdom

In 2021, the UK Government updated its integrated planning and performance framework, which defines how it sets priorities, plans activities, allocates resources, and monitors progress. Thus, this framework comprises several processes led by different institutions at the Centre of Government. These include: 1) Spending Reviews, led by the Treasury, which act as the multi-annual planning process; 2) Outcome Delivery Plans, which are the annual planning instruments for each department, based on the orientations of the Spending Review and discussed with both the Cabinet Office and the Treasury; 3) the Budget, also prepared by the Treasury and aligned with the planning instruments; and 4) several reporting instruments that document progress towards the expected outcomes, both for internal management purposes and for public accountability. Each of these processes has its own guidelines that detail the expected contributions and technical standards expected from each stakeholder.

The United States

As mentioned in chapter 2, in the United States, the Government Performance and Results Modernization Act of 2010 updated the performance framework established in 1993. The Act establishes the key foundations for departmental and cross-agency strategic planning; requires entities to produce performance plans; defines quarterly data-driven reviews of progress; and mandates open publication of the performance information. The Office of Management and Budget (OMB) leads this implementation of the RBM framework from the centre of government. Each department and agency is to appoint a Performance Improvement Officer to co-ordinate application of the framework across the government. These senior officials constitute the Performance Improvement Council, which assists OMB in the implementation of the framework, resolves crosscutting issues, and helps share good practices.

Source: (Government of the UK, n.d.^[5]), <https://www.gov.uk/government/publications/planning-and-performance-framework/the-governments-planning-and-performance-framework>; (Government of the United States, n.d.^[6]), www.performance.gov.

Building on this experience, and in the longer term, the CoG could design and implement a revised RBM framework keeping the essential instruments and simplifying the guidelines sent to the ministries in order to increase compliance and impact. This would imply establishing a two-tier RBM framework with the following elements: one dedicated to top presidential priorities, with more in-depth instruments for planning, monitoring, and implementation; and one dedicated to overall government planning, to ensure basic standards throughout all government activity. Box 3.2 describes a similar system for implementing crosscutting priorities with a two-tier RBM framework in Colombia.

Box 3.2. The planning and monitoring framework in Colombia

Colombia has a planning and monitoring framework for all government action, which is headed by the National Planning Department (DNP). The DNP is primarily a technical entity responsible for ensuring that the strategic vision of the government is reflected in the planning and budgeting process. The DNP is also responsible for the design and co-ordination of the results-based evaluation systems and elaborates annual reports with the findings of those evaluations.

To complement the DNP, the Presidency Office from two different mandates (2010 and 2018) established teams responsible for supporting compliance with a limited set of high presidential priorities (the Delivery Unit, created in 2014, and the Council for Digital Transformation, Management and Compliance, created in 2021). While the two structures changed slightly in form, both had the overarching objective of supporting line ministries in implementing cross-governmental priorities.

Source: (Ministry of Public Service, 2021^[7]); (DNP Colombia, n.d.^[8]); (González and Acosta, 2018^[9]).

A well-defined strategic planning framework, but gaps in implementation, especially in defining priorities

The pillar of strategic planning is one of the best defined in the RBM framework. Given its capacity to define the expected public value (impacts/outcomes) and the policies, strategies and interventions needed to achieve it, the Institutional Strategic Plan 2019-22 (*Plan Estratégico Institucional 2019-2022*) (PEI) sets strategic planning as the central pillar around which the RBM framework revolves. Similarly, the General Framework of the Results-Based Management Model in Honduras states that, as the first pillar of the RBM, strategic planning is “the driving force of the entire Model because it directs public management towards common purposes” (Government of Honduras, 2020^[11]). As outlined in Figure 3.2, the strategic planning pillar has three main components: global (national) planning, institutional planning and territorial planning. Together, these components constitute the National Planning System for the development of Honduras.

National planning thus sets the major sectoral and country strategic objectives. It “focuses on national development goals and targets for the medium and long-term, as well as in the achievement of impacts (public value) and in the articulation of institutional planning” (Government of Honduras, 2020^[11]). The following section briefly describes the main documents of national planning in Honduras:

- The Country Vision (*Visión de País*) contains the principles, objectives and goals that are national priorities for the management of the country's social and economic development. The Country Vision describes the country's long-term aspirations in social, economic and political areas. With a time horizon of 28 years, Country Vision 2038 was launched in 2010 and is complemented by the 2030 National Agenda for Sustainable Development. This Country Vision document, the first launched by the government of Honduras, has four key objectives: the consolidation of Honduras as an educated and healthy nation able to remove extreme poverty and have a strong social security system; the consolidation of Honduras as a developed democracy, able to maintain the security of the country while removing violence; the consolidation of Honduras as a productive country generating opportunities and jobs while making sustainable use of its resources and reducing environmental vulnerability; and the consolidation of Honduras as a modern, responsible, efficient and competitive State (Diario Oficial de la República de Honduras, 2009^[10]).
- The National Plan (*Plan Nacional*, PN) contains the strategic guidelines and progress indicators that must be implemented in two periods of 12 years to achieve the objectives. After the first implementation period, the objectives must be reviewed and reformulated for the second period. The revision process for the second period will take place during 2022. In order to achieve the

Country Vision objectives, the first period of the National Plan defined for the period 2010-22 comprises 11 strategic guidelines and 65 indicators. The guidelines are:

- sustainable development of the population;
 - democracy, citizenship and governance;
 - poverty reduction, asset generation and equal opportunities;
 - education and culture as means of social emancipation;
 - health as a basis for the improvement of living conditions;
 - security as a prerequisite for development;
 - regional development, natural resources and the environment;
 - productive infrastructure as an engine of economic activity;
 - macroeconomic stability as a foundation for domestic savings;
 - country image, competitiveness and development of productive sectors;
 - and climate change adaptation (Diario Oficial de la República de Honduras, 2009_[10]).
- The Strategic Government Plan (*Plan Estratégico de Gobierno*, PEG) operationalises the National Plan for every presidential term. The PEG is a medium-term government plan composed of policies, programmes and projects that each government administration should implement. The PEG addresses the way in which that particular administration intends to contribute to the achievement of the goals and improvement of the indicators in each of the strategic pillars of the National Plan (Diario Oficial de la República de Honduras, 2009_[10]). The actions to be implemented by each institution to meet the PEG goals are reflected in Strategic Institutional Plans (*Planes Estratégicos Institucionales*, PEI), which are mid-term planning documents that institutions are mandated to develop to comply with the PEG.
 - Aligned with the Country Vision, Honduras has also defined its own 2030 National Agenda for Sustainable Development (AN-ODS). Just as in the case of the Country Vision, the AN-ODS works as another overarching guiding document, but in this case without further operationalisation within the medium term or annual strategic and operational documents. To facilitate the internal coherence of the strategic planning system, the Honduran administration has presented an alignment of the main AN-ODS goals with the central objectives contained in the Country Vision document (PEG, 2018-2022, 2018).

Although not included in the RBM framework, a draft Sustainable Reconstruction Plan (*Plan de Reconstrucción Sostenible*, PRDS) was launched by the government in 2021 as an *ad hoc* planning instrument to replace the losses caused by natural disasters and strengthen sustainability and resilience. According to the government of Honduras, the PRDS becomes the medium-term instrument for both the fundamental objectives of the Country Vision for the year 2038 and the National Agenda. Nevertheless, it is not clear how this new document fits within the current planning system.

Concerning the institutional actors in charge of co-ordinating the planning system, the first PEG was formulated for the period 2010-14 under the direction of what was then the Secretariat for Technical Planning and External Cooperation (*Secretaría Técnica de Planificación y Cooperación Externa*, SEPLAN). In early 2014 several reforms were made to the General Law on Public Administration, including the creation of the Secretariat for the General Co-ordination of Government (*Secretaría de Coordinación General del Gobierno*, SCGG), which took over the SEPLAN functions and consequently, was the entity in charge of preparing and co-ordinating implementation of the PEGs for the periods 2014-18 and 2018-22. As described in Chapter 2, the SCGG, dissolved in 2022, managed and co-ordinated the National Development Planning System. In accordance with Executive Decree 266–2013, the SCGG conducted the role of strategic planner within the framework of the Country Vision and the National Plan, defining general policies and the allocation of resources to achieve the objectives defined in the annual and multi-annual strategic plans by sector, as well as in the core strategic documents of the nation themselves. In

this vein, within SCGG the Presidential Directorate for Strategic Planning, Budget for Results and Public Investment (*Dirección Presidencial de Planificación Estratégica, Presupuesto e Inversión Pública*, DPPI) was the main body in charge of the national planning component, and more particularly was tasked with identifying and defining strategic priorities as well as formulating both a national strategic planning proposal that takes the form of the multiannual PEG mentioned above, and an Annual Strategic Plan.

The Annual Strategic Plans seek to align with and further concretise the medium-term programmes projected in the PEG, which in turn should align with the National Plan and the Country Vision (Diario Oficial de la República de Honduras, 2014_[11]). For the execution of these orientations, the sectoral cabinets were responsible for formulating Sectoral Strategic Plans, which contained the particular objectives and projects to be implemented per sector in line with those (pluri)annual strategic plans – and therefore necessarily with the Country Vision (and the AN-ODS 2030) and the National Plan. Ultimately, each public institution was mandated to develop its own Annual Operational Plan (POA) to structure its activities within the framework of the wider sectoral (and hence national) plans over the period of a year. These POAs become critical for the functioning of the planning system, in that they embody the instruments through which national strategic priorities are aligned with the budget (Diario Oficial de la República de Honduras, 2009_[10]).

Honduras has expanded its planning framework since 2006 to define both the country's long-term strategic objectives and their translation into shorter-term plans. In contrast to the previous situation, when Honduras did not have a national strategic plan and the planning function was dispersed among various institutions, the country adopted both the Country Vision 2010-38 and the National Plan 2010-22, and defined an articulated and ambitious legal commitment to strategic planning. Moreover, a substantial effort has been made by the Honduran public administration to articulate these major programmes in the medium and short term through the PEGs, the PEIs, and the POAs. Indeed, these plans have favoured some alignment of the state's key objectives with the existing budget. Thus, there exists a clear framework determining not only the country's long-term strategic objectives but also the way in which those have to translate into shorter-term plans. That said, the country's strategic planning framework – in particular the national planning component – still faces considerable challenges that weaken its effectiveness.

On paper, the National Planning System provides flexibility to incorporate new priorities into the planning process through an annual review of the PEG. However, the formal attributes of the system do not in practice allow for effective implementation of this process. The Honduran institutions have an unclear prioritisation system that constrains the practical functioning of the strategic planning framework. Public resources have always been limited, but the COVID-19 crisis has especially contributed to eroding their sustainability by significantly reducing countries' fiscal spaces across the world. As Chapter 1 reveals, this is also the case for Honduras, whose public finances are in a delicate situation. In these circumstances, establishing clear public priorities becomes essential for the smooth allocation of a limited budget to the most pressing programmes and policies. In this vein, the country's key national planning documents (the Country Vision, the AN-ODS 2030, the PEG, and the National Plan) establish a clear set of long-term priorities to which shorter-term documents must later adjust. To operationalise such priorities, the Honduran RBM framework provides for the development of instruments derived from each national planning document. However, the RBM framework reveals that only two instruments from five, those for formulating and approving public development policies and for defining and updating the AN-ODS, were developed in practice. The others related to the Country Vision and the National Plan as well as to the National Planning System have yet to be developed.

The lack of a formalised method or framework for governing the process of “priority setting” opens a large window to pursue any public policy of interest as long as it is somehow aligned with the overarching priorities established in the Country Vision/AN-ODS 2030/PEG and the National Plan. To facilitate this process, the SCGG conducted a yearly capacity-building exercise for all public institutions to present the PEG and the policy priorities defined therein. However, during the fact-finding mission, public officials pointed out that secretariats were usually not able to identify the central priorities of the government. As a

consequence, secretariats often face a multiplicity of priorities (those set in the national and medium-term strategic documents); and that multiplicity tends to translate into the de facto absence of priorities at all (2016^[12]). The secretariats' institutional and operational plans are frequently referred to as the institution's roadmap towards the fulfilment of government priorities. However, even though these instruments consistently concretise broader plans and adapt them to the scope of the corresponding institution, they do not necessarily prioritise or reflect the priorities advanced by the government (and their potential evolution).

Finally, it should be noted that in 2018 an Office of Presidential Priorities was established (see Chapter 2). This institutional innovation reflected the perceived need to ensure greater focus on top presidential priorities. However, its operation was not later fully integrated into the strategic planning framework or the planning processes then led by SCGG, thus limiting its ability to effectively guide a cross-government prioritisation effort.

In line with Chapter 2 recommendations on creating a CoG performance framework, the CoG bodies could work to strengthen the prioritisation methodology in order to reduce and streamline the definition of government-wide priorities based on outcomes. These priorities can help translate and operationalise the government's programme into a clear roadmap for implementation across line ministries. In this regard, the prioritisation framework in the United Kingdom provides a relevant example for the Honduran government (see Box 3.3).

Box 3.3. Prioritisation in the United Kingdom: A focus on outcomes

In 2010, the UK Government wanted to signal the priorities they wished to focus on for both civil servants and the public sector frontline – as well as for citizens. To this end, they created a dedicated cabinet sub-committee to identify the top priorities for the whole of government. The committee began by asking each department to put forward their priorities, which resulted in siloed and numerous priorities. The committee came to realise that the change they wanted to effect to meet the needs of citizens would only be achieved by departments working together – not just focusing on what they could do on their own. For example, in order to raise employment levels, it was vital that the policies and programmes of the Department of Work and Pensions be aligned with those from the Department of Innovation, Universities and Skills; the Department for Education; the Department of Business; the Communities Department; and the Department of Health. From the departmental priorities the committee thus brokered a set of priorities that reflected the administration's vision for change – and at the same time changed the way in which government operated through the need for cross-departmental agreement on programmes to achieve the results desired, and how progress would be measured. By working collectively and focusing on results, the government had a stronger chance to achieve something in their time in office.

More recently in 2021, the government of the United Kingdom introduced “Outcome Delivery Plans”, building on and improving the previous Single Departmental Plans. These plans set out how each UK Government department is working towards the delivery of its priority outcomes. Outcome Delivery Plans place a greater emphasis on joint working between departments, enabling them to plan together to deliver shared outcomes. Outcome Delivery Plans also set out plans for delivering critical enabling activities that are crucial to the successful delivery of outcomes, including: attracting and investing in great people; embracing new ideas; and strengthening functional expertise to support the delivery of better outcomes.

Additionally, Outcome Delivery Plans set out how departments are working towards becoming more sustainable, and how work contributes to the delivery of the United Nations Sustainable Development

Goals (SDGs) and the government's equality objectives, to ensure government departments contribute to these overarching whole-of-government priorities.

Source: Internal report prepared by Ray Shostak in the context of the Centre-of-Government Review of Brazil.

The SCGG: A well-identified body but with limited capacity to co-ordinate the planning framework

As of November 2021, the SCGG was responsible for ensuring a co-ordinated approach to strategic and operational planning across government. The role of the SCGG did not limit itself to the identification of priorities and the design of strategic plans; it was also responsible for co-ordinating the formulation and implementation of those plans. Within the SCGG, the Presidential Directorate for Strategic Planning, Budgeting and Public Investment (DPPI) communicated strategic priorities within the government, socialising them in the annual training day for the formulation of the POAs (Diario Oficial de la República de Honduras, 2014_[11]). The DPPI was in charge of ensuring that the initiatives of the state secretariats were aligned with the government's strategic priorities; it additionally reallocated resources to meet strategic priorities, and helped other government institutions co-ordinate the implementation of strategic plans. Indeed, prior to approval by the President of the Republic, all these sectoral strategic and operational plans (including the goals, products and results foreseen in the PEG) needed to be authorised by the SCGG (Diario Oficial de la República de Honduras, 2014_[11]). This implies a number of things. First, there needs to be constant communication between the SCGG and each institution's UPEG (*Unidad de Planeación y Evaluación de la Gestión*), which constitutes the administrative unit in charge of designing and evaluating their respective POA. Second, all the programmes, plans and policies across all levels of government must be assessed by the SCGG to ensure compliance with the relevant strategic plans. And third, the SCGG is entitled to push back any initiative that is not appropriately aligned with the relevant strategic documents. With the new government, this secretariat was dissolved and replaced by the Secretariat for Strategic Planning and the Directorate for Results-Based Management (DIGER). Nevertheless, many of the challenges and opportunities identified below are common to most Latin American countries and are likely to remain regardless the new institutional arrangements.

Overall, the SCGG had a clear formal mandate as guarantor of the proper functioning of the system, responsible for overall co-ordination of the country's strategic priorities, as well as for providing the guidelines that allow the secretariats to develop their own (sectoral) strategic plans with a focus on results. It is worth noting the existing co-ordination between the SCGG itself and the UPEGs; that reinforced the former's role in examining and certifying the alignment of any investment with planning instruments and the RBM model. The existence of a widespread planning practice in the public administration on which programmes can be based, together with the current institutionalisation of a central planning function, constituted significant steps forward from the previous situation.

However, there was a divorce between planning theory and practice, which was boosted by the formally strong – but weak in practice – supervisory role of the SCGG. Priorities led by the presidency and policies adopted by state secretariats in recent years have frequently diverged from the objectives set in the mid-term planning documents. Therefore, the leadership role of the SCGG in the planning framework was often bypassed by emerging priorities or new initiatives outside its purview. Thus the ability to ensure coherent cross-government interventions, and to connect long-term outcomes with the day-to-day decision-making, was more limited than what the formal planning framework suggested.

The supervisory role conferred to the SCGG within the national planning framework induces some rigidity in the system, which is associated with the frequent “bypassing” of the framework. As mentioned above, the SCGG managed the National Planning System for the development of Honduras, not only by identifying and defining strategic priorities but also by co-ordinating the implementation of strategic plans, for which

the SCGG assessed secretariats' plans and programmes to ensure compliance with the main strategic documents. The role of the SCGG in ensuring the alignment of any policy with strategic priorities was key to guaranteeing implementation of the national planning; however, the fact that all programmes had to be overseen by the SCGG reduced some degree of flexibility while limiting the urgency with which certain priority decisions were made. This challenge becomes particularly relevant when the country is faced with an exogenous shock that requires rapid action from and mobilisation of resources by the public administration, a situation recently faced by Honduras given the outbreak of the COVID-19 crisis and the Iota and Eta hurricanes. In this case, the SCGG provided instructions to each secretariat to modify its respective POA and budget. However, the assessment process by the SCGG remained the same (i.e. lengthy and rigid), limiting the possibility of secretariats to adapt quickly in their responses to both crises.

In addition to slowing the policy-making process, the need for the SCGG to assess every public initiative was also a challenge in substantial terms. When assessing any programme or initiative, the SCGG had the mandate of ensuring the alignment of projects with the country's existing priorities set in the national and sectoral strategic plans. However, it had no power to assess new priorities that could diverge from those plans, and therefore it also lacked the power to give the green light to any proposal that necessarily deviated from those strategic plans with the objective of responding to an exogenous shock unexpected by the national planning framework.

This situation had given room for significant discordance between “theoretical” and “real” priorities and for a considerable gap between national/sectoral plans' theoretical content and their practical implementation. The development of the Sustainable Reconstruction Plan showed to some extent the disconnection between the planning system and the priority-setting process. The planning system's rigidity could be read not only as imposing the need for supervising and assessing every public programme's or policy's alignment with the relevant strategic documents, but also – and consequently – as preventing the SCGG integrating new priorities that emerged outside the current planning process. In this vein, despite each institution having its strategic and operational plans (which are necessarily aligned with the country's broader plans), a quick overview of the country's spending execution reveals that defence and military spending had sharply increased in comparison with other Country Vision/National Plan priority sectors (Secretaría de Finanzas (SEFIN), 2019^[13]). In fact, spending on defence programmes has tripled since 2009, when the Country Vision and the National Plan were approved, whereas spending in health programmes (central in these two plans and the AN-ODS 2030 itself) has grown less than a 40% in the same time frame. The implication of this working scheme is what some public officials identified as the divorce between the country's planning and the executed policies in practice. Ultimately, while the National Planning System is formally described as a comprehensive system, in practice it is not guiding decision making on policy priorities.

The creation of the Office for Presidential Priorities in 2018 revealed that the government itself perceived this disconnection. Several countries have adopted a “two-tier” approach: a planning institution leads the overall RBM framework (including the development of departmental and sectoral plans) while a smaller team (a delivery unit or similar) supports the implementation of top priorities within that framework. The creation of this Office could have led to a similar arrangement with the SCGG. However, insufficient engagement between those units contributed to the divorce between the formal planning processes and the priority objectives pursued by the president and other government leaders.

Moving forward, there is a need to strengthen the governance of the RBM framework and to increase compliance by entities. There are also vertical co-ordination challenges with subnational governments, which are addressed in Chapter 2. With regard to the governance side, the government should support the co-ordinating and leadership mandate of the Secretariat of Planning or any other CoG body designated to undertake this role for sound implementation. To that end, the government should define clear roles and responsibilities for the different pillars and components of the RBM framework and empower the CoG entities leading them. In addition, efforts should be made to widely communicate these roles and

responsibilities to line ministries and CoG institutions to raise awareness and to ensure clarity across public entities. The establishment of simple protocols to clarify the connections between the different CoG units could also help provide the guidance needed to effectively conduct their co-ordinating mandate of the RBM framework and provide a better articulation of the National Planning System.

In terms compliance of entities with the RBM framework obligations, the government could, as mentioned above, focus on a selection of well-defined goals to ensure that planning and priorities are aligned with the budget, and facilitate co-ordination from the CoG to help the ministries deliver. Ensuring systematic monitoring of obligations is key to measuring performance and could be used to motivate good performers to increase compliance by establishing incentives in the form of rewards, as highlighted in Chapter 4. For instance, the government of Chile has a monitoring system with incentives for performance (see Box 3.4). Moreover, publishing the performance information in an open format to use citizen monitoring is an additional incentive that can also motivate public bodies to improve compliance and increase transparency.

Box 3.4. The monitoring systems and accompanying incentives for performance in Chile

The Chilean monitoring system has three main actors: the Ministry of Finance, the Ministry of Social Development, and the line ministries. The system is comprised of four subsystems that monitor the following elements:

- The H Form (*Formulario H*): a document that accompanies the Budget Bill and comprises performance indicators that include qualitative information on public goods and services. This form is under the responsibility of the Ministry of Finance.
- Programme monitoring with the objective of following up on programme execution and measuring progress against targets, under the responsibility of the Ministry of Finance.
- Social programmes monitoring, under the responsibility of the Ministry of Social Development.
- Internal management indicators (*Indicadores de Gestión Interna*) that focus on internal processes and procedures.

In parallel, there are three main mechanisms to create incentives for performance:

- The Management Improvement Programme (*Programa de Mejoramiento de la Gestión*) that grants bonuses to public servants who reach specific targets.
- Collective performance agreements (*Convenios de desempeño colectivo*) that encourage teamwork within work units towards annual institutional targets.
- Individual performance agreements (*Convenios de desempeño individual*) that set strategic management targets for every civil servant.

Source: Irarrazaval and Ríos (2014^[14]), *Monitoreo y Evaluación de políticas Públicas*, https://www.researchgate.net/publication/267694798_Monitoreo_y_Evaluacion_de_politicas_Publicas.

Budgeting for Results: Formal references but without actual implementation

An important pillar of the RBM framework in Honduras is Budgeting for Results (BfR). According to the government, BfR constitutes the “bridge” linking strategic planning with the allocation of public resources (Secretaría de Coordinación General del Gobierno, 2019^[15]), and it was designed as a tool to achieve the country’s strategic goals. On the one hand, planning would determine the outcomes and targets to be achieved as well as the strategies and interventions to achieve them. On the other, the Medium-Term Fiscal Framework (MFMP) – a legal figure approved by Decree No. 25-2016 establishing the country’s new Fiscal Responsibility Law – would determine the overall level of revenues and expenditures possible

in a sustainable scenario (Government of Honduras, 2016^[16]). Based on such projections, the MFMP would likewise define the allocation of public resources by sector and institution according to the priorities established in the planning instruments. The MFMP is thus a management tool for making strategic decisions on fiscal policy for the central government, local governments and other entities. It includes multi-year fiscal projections of revenues, expenditures and financing that express overall indicative ceilings for these variables and must be updated annually, with four-year projections (Article 22 of Decree No.25-2016) (Government of Honduras, 2016^[16]). Within the framework of a fiscal responsibility law, a four-year fiscal framework is prepared and updated annually, in which both real macroeconomic variables and the corresponding financial flows are projected, so that the basic fiscal, payment and monetary balances can be made compatible. In addition, a multi-annual budget is formulated that articulates the projections with the calculation of revenues and expenditures of each of the entities that make up the public sector.

As the institution responsible for implementing the RBM framework, the SCGG was formally in charge of the regulation and co-ordination of the National Planning System and its link with the budget. The legal framework of the SCGG indeed provided it competencies not only in strategic planning and in the definition of public policies, but also – via the articulation of the Budget Subsystem and the Public Investment Programme – in the allocation of resources for the achievement of the objectives defined in the PEGs (Diario Oficial de la República de Honduras, 2013^[17]). More concretely, the DPPI was the institution legally responsible for ensuring that public expenditure policy has a development focus that guarantees achievement of the objectives of the PEG and the financing of government priorities. It did so by allocating sectoral spending based on the priorities established in the National Planning System, consistent with the annual and multi-annual fiscal framework, and by defining institutional budgets (through the POAs) based on strategic planning in co-ordination with the Ministry of Finance (SEFIN) (BCIE, 2020^[18]). The SCGG, and now the SEP, was therefore responsible for:

- proposing, in co-ordination with SEFIN, the allocation of resources for achieving the objectives defined by the President of the Republic within the Macroeconomic Framework in the Annual Strategic Plan and the Multiannual Strategic Plan
- analysing, and as appropriate proposing, amendments to the Budget for the president's approval
- commencing, guiding and co-ordinating with SEFIN the process of formulating the draft General Budget of Income and Expenditure of the Republic, the General Budget Provisions Law, and the Public Investment Programme (Diario Oficial de la República de Honduras, 2018^[19]).

To this end, and in compliance with Article 18 of the Organic Budget Law, the SCGG was responsible of preparing annually, for approval by the President of the Republic, the draft Annual Budget Policy to which the bodies and agencies of the public sector must adhere. In its preparation, it should co-ordinate with the SEFIN and the Central Bank of Honduras. The Annual Budget Policy shall establish the guidelines for the formulation of the draft General Budget of Revenues and Expenditures of the Republic by the SEFIN, and the Annual Budget Policy should include, among others, the objectives, priorities, orientations and estimates of the maximum amounts of allocable credits, globally and to each organ or agency of the state. To this end, the SEFIN shall provide the SCGG with the Macroeconomic Framework and the Annual and Medium-Term Expenditure Framework, both consistent with the fiscal, monetary and credit policies and goals. Likewise, the Annual Budget Policy shall contain the guidelines for the formulation of the General Budget Provisions and the Public Investment Programme, which will be prepared by the SEFIN in close co-ordination with the SCGG.

Honduras has made significant progress in creating a legal framework for budgetary governance. The relationship between planning and budgeting has been strengthened, for example, by giving the SCGG the task of certifying that the budget proposal prepared for approval by the National Congress is formulated in accordance with the guidelines and indicators of the National Plan and the Country Vision. Consequently, this has led the SEFIN and the SCGG to agree on methodologies. As mentioned above, the country has also passed a fiscal responsibility law in accordance with which a four-year fiscal

framework is prepared and updated annually. The framework projects real macroeconomic variables and the corresponding financial flows, so that the basic fiscal, expenditure and monetary balances can be made compatible. Similarly, a multi-annual budget is also formulated, articulating the projections with the calculation of revenues and expenditures of each of the entities composing the public sector (BCIE, 2020^[18]).

As with the strategic planning framework, even though the SCGG and the SEFIN had committed to take action to articulate the planning and budgeting processes so that resource allocation is oriented towards strategic development results and to promote higher-quality public spending, the actual budgeting practices differ from the formal dispositions. The SCGG had not been able to co-ordinate with SEFIN to establish a proper link between the plans' objectives and the budget. In practice, the role of the SCGG was limited to providing technical assistance to public institutions for the elaboration of their POAs, while SEFIN led the budget preparation independently from the planning instruments described above.

Moreover, the Honduran BfR framework in practice focuses on inputs, activities and products, and not on results per se. Among other things, this avoids agencies from working together to produce pertinent indicators. Indeed, to assess the effectiveness of spending, several indicators have been launched that measure the creation of products, but not outcomes. Thus, while the country's performance budgeting in past decades might have helped drive accountability, it has often concentrated on processes and activities. When considering large complex issues that demand an understanding of the dynamics of how the various agencies' actions can influence each other, inputs and outputs may present a constrained scope to deal with those issues, preventing opportunities for achieving greater impact in programmes (OECD, 2019^[20]). As a recent OECD study highlights, for complex challenges, "individual output targets fall short of addressing the underlying policy issues, which results in ministries having a narrower purview of what they can affect without considerations of systematic linkages across multiple sectors" (OECD, 2019^[20]). Furthermore, if misconceived, output targets can foster incentives around activities less than ideal to tackle these challenges. Ministries could thus conduct suboptimal activities to deliver on broader outcomes.

The OECD fact-finding mission revealed three main reasons that explain the current overreliance on inputs, activities and outputs, rather than on outcomes. First, there is a lack of methodology to define programme structures using a results-based management approach, which has led to the misidentification/non-identification of outcomes and the rather easier consideration of outputs – hence sometimes generating budgetary programme structures inadequate for the strategic results defined in the planning. Second, although the MFMP defines the allocation of public resources by sector and institution according to the established priorities, it does not necessarily do so through an outcomes-approach and tends to reinforce the prevailing output focus. Third, multi-sectoral co-ordination mechanisms are rare in the country, which often results in the generation of purely sectoral indicators that encourage an easy focus on sectoral outputs and products, rather than on multidimensional outcomes.

An initial effort in this area is the project led by the SEFIN in collaboration with the Inter-American Development Bank on "Strengthening the Budget for Results in the Public Sector of Honduras". This project aims to increase collaboration between the SEFIN and the then-SCGG in harmonising the current methodologies for planning and allocation of resources to strengthen implementation of the Budget for Results in the Republic of Honduras. However, at the time of preparing this report, the project was in preparation and its methodologies were still preliminary draft versions not yet implemented.

This challenge helps foster siloes, as assessed in Chapter 2. Lacking multi-sectoral co-ordination, many budgeting efforts have largely been focused at the state-secretariat level, where performance information is held to the ministry's objectives. The New Public Management model brought efforts to boost accountability by aligning structures with their own objectives and even measures for performance. While such a framework has helped many individual programmes comply with the targets established by the government, it has not facilitated cross-agency co-ordination or favoured a clear understanding of the complementarities of programmes or policies as a whole (OECD, 2019^[20]). Furthermore, goals at the

secretariat level often incentivise officials to concentrate on their individual targets, hence limiting willingness to collaborate across offices. This sectoral way of proceeding is indeed recurrent in Honduras, where officials, immersed within their own institutional structures, tend to work towards objectives against which they are measured (at their own secretariat/unit level). With little incentive for collaboration or comprehension of linkages with other public programmes, performance budgeting could increase risks of duplication of efforts across the public administration. For example, the “With a Job You Live Better” (*Con chamba vivís mejor*) and “Job Now” (*Chamba ahorita*) programmes are two related policies targeted at unemployed people with considerable overlapping objectives.

Another key challenge faced by the BfR framework in Honduras refers to public institutions’ lack of ownership of the framework, which has resulted in weak articulation of the RBM model as a whole. As the Honduran Association of Municipalities pointed out in a seminal document nearly a decade ago, one of the core principles of the BfR (and RBM) framework is ownership: for such a framework to work, “it is important that institutions understand and value why they are proceeding in a particular way, and that stakeholders make commitments, organising the community around what has been agreed” (Ochoa, 2020^[21]). However, as expressed by several public officials during the fact-finding mission, the BfR (and RBM) framework has not been sufficiently socialised across the different branches of government or, even more importantly, among those having a substantial say in budget formulation (i.e. the SEFIN).

This lack of socialisation of the BfR framework becomes particularly problematic when considering that in practice, actual leadership for the budgetary process remains with the SEFIN. Despite the powers formally vested in the SCGG to co-ordinate budgetary allocations with the SEFIN, critical operations have remained fragmented with the SEFIN guiding the process. There has not been sufficient agreement between the SEFIN and the SCGG to elaborate budget structures in accordance with strategic planning. In practice, this has translated into the SCGG (the DPPI specifically) having only the role of providing technical assistance to public institutions for the elaboration of their POAs, which falls very short of the competencies theoretically granted to the SCGG in budgetary terms. In sum, with a budget-wise pre-eminent institution that does not feel ownership of the BfR framework (SEFIN) and a budget-wise weak institution ensuring only procedural compliance with such a framework, the Honduran public administration lacked institutional figures that simultaneously had strong budgetary powers and actively drive the RBM system.

For all these reasons, despite the advancements in the creation of a legal framework to link budget with strategic planning, the budget process in Honduras remained comparatively weak. As discussed by Guess and Savage (2021^[22]), economic analysis is often replaced by formal legal reviews by SEFIN for compliance purposes, leading to the approval of cost-ineffective projects. A very large proportion of the expenditures are fixed and inertial – leaving insufficient room for aligning the budget to new priorities – and analysis of performance is usually based on information about inputs rather than outputs and outcomes. Thus, it does not effectively contribute to managing for results.

There is thus a need to increase the alignment and coherence of the strategic planning and the budgeting for results components of the Honduran RBM framework. The government could first redefine the roles and strengthen the interactions between the SEFIN and the current Secretariat for Strategic Planning, or any other institution in the CoG undertaking this role, to ensure co-ordination and collaboration between both processes. In addition, special focus should be placed on improving the quality of planning, by systematically linking the budget plans to strategic policy goals. As suggested in other sections, the government could consider commencing with a few well-defined priorities to avoid large-scale discussions of the overall budget that could complicate the exercise. To that end, Box 3.5 provides the relevant example of Mexico, which developed a results-based budgeting system, and of Austria, which links performance indicators in the budgeting processes to strategic planning.

Box 3.5. Result-based budgeting in Mexico

Result-based budgeting (RBB) attempts to link allocations to the achievement of specific results, such as outputs and outcomes of government services. In Mexico, the 2007 fiscal reform helped the government transition from an input-driven budget model to a result-based budget model. The law also stressed the need to develop a Performance Evaluation System (SED), defined as a set of methodological elements that allow an objective evaluation of programmes performance. The main co-ordinating actors of this RBB system include the CONEVAL and the Secretary of Finance and Public Credit (SHCP).

Several elements contribute to the implementation of an RBB process in Mexico. Firstly, budget programmes are linked to the achievement of the National Development Plan and the sectoral plan objectives. This is to ensure that public spending identifies the contribution to national priorities. The structure of the Plan and result-based budgeting policies have also facilitated identification of the strategies that drive the achievement of the SDGs, at the level of both sectoral and budgetary programmes.

Moreover, the federal government has an online Budget Transparency Portal that presents performance information in a way that can be easily interpreted by users. It also provides several open datasets that can be used by analysts and researchers. This contributes to greater transparency in the execution of public programmes. However, the articulation of performance results and actual budgeting remains an area for improvement. Indeed, performance information is mostly used as a tool for performance management and accountability, rather than as a tool for resource allocation. The 2019 OECD report on Budgeting and Public Expenditures highlights that “not having a formal mechanism to consider evaluation findings in the resource allocation process is a key limitation for using evaluation evidence in the budget process”.

Linkages in Austria between strategy and budget

The performance budgeting system in Austria requires that the outcome objectives of the budget chapters align with international strategies (e.g. EU 2020), the federal government’s programme and sectoral strategies (e.g. Strategy for Research, Technology and Innovation). In the annual budget, each outcome objective is described in detail. Line ministries must give reasons why they have chosen a certain objective and, where possible, describe links between the objective and overarching strategies. For example, in the chapter 20, “Labour market”, there are several objectives that aim to reduce specific forms of unemployment. The objectives and the indicators to measure performance are linked to the national targets of the EU 2020 Strategy.

During budget preparation, the Federal Performance Management Office in the Federal Ministry for Civil Service and Sport provides quality assurance of the proposed objectives and indicators, including checking the alignment of objectives with national and sectoral strategies. If the objectives and indicators do not fulfil the quality criteria, the Federal Performance Management Office will make recommendations to the line ministries to amend the draft during the drafting phase. In addition, it publishes evaluation results after the *ex post* evaluation phase of the performance information.

Source: Adapted from OECD (2019^[23]), *OECD Good Practices for Performance Budgeting*, <https://dx.doi.org/10.1787/c90b0305-en>; OECD (2019^[24]), *Budgeting and Public Expenditures in OECD Countries 2019*, <https://dx.doi.org/10.1787/9789264307957-en>; (Government of Mexico, n.d.^[25]), www.transparenciapresupuestaria.gob.mx/.

Conclusion

While Honduras has in put in place clear procedures for strategic planning and clear mandates for the implementation of the planning and budgetary system, multiple gaps still remain for the establishment of a coherent government performance framework focused on results. First, the complexity of the existing RBM framework hinders its effective implementation as well as its potential impact. As a consequence, the strategic planning and budgeting for results components often operate disjointedly, despite their interdependence. Second, the effective implementation of these components differs significantly from the formal prescriptions set by the RBM framework. In practice, key stakeholders seek to comply with the RBM formalities without substantively delivering on its purpose. Third, the RBM framework presents certain rigidities that limit the capacity to adaptively respond to emerging crosscutting priorities; thus the priority-setting, policy-making and budgeting processes are frequently divorced from RBM instruments. Hence, when new priorities emerge, they are usually disconnected from the RBM framework.

Recommendations

Strengthening the Honduran RBM framework for more effective implementation

- Streamline the existing RBM framework for better articulation of its components and a more effective implementation.
 - In the short term, define a selection of crosscutting policy priorities endorsed by the president and elaborate a specific action plan for their delivery while ensuring that sufficient resources, both human and financial, are designated to implement them.
 - In the long term, design and implement a two-tier RBM framework with the following elements: the first dedicated to top presidential priorities, with more in-depth instruments for planning, monitoring and implementation; and the second dedicated to overall government planning, to ensure basic standards throughout all government activity and the monitoring and achievement of sectoral goals.

Improving implementation of the strategic planning framework

- Strengthen the prioritisation methodology in order to reduce and streamline the definition of government-wide priorities based on outcomes for the performance framework recommended in Chapter 2. These priorities can help translate and operationalise the government's programme into a clear roadmap for implementation across line ministries.
 - Redefine a clear methodology to assess, discuss, set the scope for, prioritise and agree on the core issues for priorities.
 - Involve relevant stakeholders from line ministries ensure awareness and increase buy-in, including technical and administrative staff.
 - Involve beneficiaries, citizens and other key stakeholders outside government during the planning process, monitoring and the evaluation process. To this end, create detailed guidelines and toolkits to integrate stakeholder engagement and citizen participation within the planning cycle.
- Organise capacity-building workshops, targeted to senior management and other civil servants, in the different areas that constitute the RMB framework.

Supporting the governance of the RBM framework to increase compliance

- Support the co-ordinating and leadership mandate of the CoG body designated to undertake this role for sound implementation.

- Define clear roles and responsibilities for the different pillars and components of the RBM framework and empower the CoG entities leading them.
- Widely communicate these roles and responsibilities to line ministries and CoG institutions to raise awareness and to ensure clarity across public entities.
- Establish simple protocols to clarify the connections among the different CoG units to provide the guidance needed to effectively conduct their co-ordinating mandate of the RBM framework and offer a better articulation of the National Planning System.
- Focus on a selection of well-defined goals to ensure that planning and priorities are aligned with the budget and facilitate co-ordination from the CoG to help the ministries deliver.
 - Ensure systematic monitoring of obligations to measure performance and motivate good performers in order to increase compliance by establishing incentives in the form of rewards.
 - Publish the performance information in an open format to use citizen monitoring as an additional incentive that can also motivate public bodies to improve compliance and increase transparency.

Increasing the alignment and coherence of strategic planning and budgeting for results

- Redefine the roles of and strengthen the interactions between the SEFIN, the Secretariat of Planning, the DIGER or any other institution in the CoG undertaking this role, to ensure co-ordination and collaboration between both processes.
- Improve the quality of planning by systematically linking the budget plans to strategic policy goals, developing a results-based budgeting system that links performance indicators in the budgeting processes to strategic planning. Commencing with a few well-defined priorities could help facilitate the process.

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4

Strengthening Monitoring and Evaluation in Honduras

This chapter provides an analysis of the monitoring and evaluation system in Honduras in relation to OECD good practices. It analyses the legal framework for monitoring and evaluation; the mandates of different institutional actors and their competencies; the availability and quality of data; communication and dissemination strategy; and the impact of these on decision and policy making within and beyond the executive. The chapter concludes with policy recommendations for improving the quality and impact of monitoring and evaluation of policies in Honduras.

Introduction

Monitoring and evaluation are key functions of the state in all countries. These functions are normally carried out by centre-of-government (CoG) institutions, notably the institution serving the head of government (the presidency, prime minister's office or cabinet office) and the ministry of finance. Monitoring and evaluation help governments make better decisions, improve policy making, inform citizens about government's actions, and ensure accountability on the development and implementation of public policies and programmes (OECD, 2016^[1]).

Monitoring and evaluation are two complementary but distinct practices, with different dynamics and goals. Monitoring consists in following up on progress in implementing public policies and programmes through systematic data collection through specific indicators. It provides the government, parliament and citizens with information regarding the progress and achievements of ongoing initiatives and/or the use of allocated public resources. Evaluation refers to the structured and objective assessment of the design, implementation and/or results of a future, ongoing or completed initiative (OECD, 2021^[2]). Its aim is to analyse the final effects and causes of public interventions, determine the relevance and fulfilment of their objectives, and assess dimensions such as interventions' efficiency, effectiveness, impact and sustainability.

The monitoring set-up in Honduras is well developed, especially when compared to the country's evaluation framework. Honduras has been carrying out monitoring activities on the implementation of its national plans (Country Vision 2010-38, Nation Plan 2010-22 and Strategic Government Plan 2018-22) and institutional plans. These activities are mainly led by the Directorate for Results-Based Management (*Dirección de Gestión por Resultados*, DIGER), and previously by the Secretariat of General Co-ordination of the Government (*Secretaría General de Coordinación de Gobierno*, SCGG), and supported by the secretariats of state through special monitoring units. As part of the monitoring set-up, Honduras has developed the Presidential System for Results-Based Management (*Sistema Presidencial de Gestión por Resultados*, SGPR), an IT support tool developed and implemented by the SCGG to collect and save information regarding the follow-up and monitoring of the national and institutional planning. Additionally, the SCGG developed some guidelines and training courses to develop further the competencies of those carrying out monitoring activities, especially on the definition of key performance indicators. However, as also analysed in Chapter 2, the monitoring set-up in Honduras mainly served reporting and accountability goals rather than focusing on supporting the high-level decision-making process. Aiming at overcoming these challenges, in 2022 the incoming government replaced the Presidential System for Results-Based Management by the Public Management System for Results and Transparency (*Sistema de Gerencia Pública por Resultados y Transparencia*, SIGPRET), administered by DIGER.

In terms of evaluation, despite efforts from the SCGG to develop a culture of evaluation across government, Honduras lacks a sound and robust evaluation system both from a whole-of-government perspective, and for its national and institutional plans. First, there is little awareness of the importance of evaluation and its double objective of promoting public accountability and supporting the learning processes for improving policy outcomes. Second, few evaluations have been conducted by the SCGG or by other government institutions. Nevertheless, SIGPRET is aiming to change this and has produced three evaluations in 2022. Third, Honduras also faces challenges in using evaluation results in policy making, as there is no coherent whole-of-government approach in this area, and there is a lack of appropriate skills and capacities to carry out evaluation. However, the SCGG developed guidelines and training courses to raise awareness on the importance of evaluation and its different approaches and has implemented actions aiming at developing a legal framework for policy evaluation.

This chapter provides an overview of the monitoring and evaluation practices in Honduras, including comparisons with OECD countries' practices. It provides a description of the institutional framework for monitoring and evaluation, as well as the tools in place for promoting the quality and use of monitoring and evaluation results. It closes with a series of recommendations aimed at helping the Honduran Government

to strengthen its monitoring and evaluation culture and promoting the use of evidence and results in decision and policy making.

Building a sound institutional framework for monitoring and evaluation in Honduras

Having a robust monitoring and evaluation system requires first and foremost the existence of a sound institutional framework for monitoring and evaluation. Such a framework can help countries to co-ordinate isolated and unplanned monitoring and evaluation efforts into more formal and systematic approaches, as well as provide incentives to ensure that these activities are effectively conducted (OECD, 2020^[3]).

Although there is no one-size-fits-all approach, a solid institutional framework usually includes the following four components (OECD, 2020^[4]):

- clear and comprehensive definitions of monitoring and evaluation
- clearly mandated institutional actors with allocated resources to oversee or carry out monitoring and evaluation activities
- a legal or policy basis to guide and undertake monitoring and evaluation activities
- macro-level guidance on when and how to carry out monitoring and evaluation activities.

Honduras could improve its definitions of monitoring and evaluation

The first component of a sound institutional framework for monitoring and evaluation consists in having clear and comprehensive definitions of those activities, which could be included in legal or policy documents. Such definitions should allow identification of the characteristics of each type of practice and clearly state the objective of carrying out monitoring and evaluation activities. According to OECD data, most OECD countries (23 out of 35) have one or several definition(s) of evaluation (OECD, 2021^[2]). In some countries, this definition is embedded in a legal document, while other countries define evaluation in guidelines or manuals (Box 4.1).

Box 4.1. Country examples of definitions of evaluation

Definitions embedded in legal documents

- *Argentina* defines evaluation in the Decree 292/2018, which designates the body responsible for preparing and executing the annual monitoring and evaluation plan for social policies and programmes.
- *Japan* defines evaluation in the Government Policy Evaluations Act (Act No. 86 of 2001).

Definitions embedded in guidelines or manuals

- *Colombia* defines evaluation in the guide for monitoring and evaluation of public policies of the National Department of Planning.
- *Costa Rica* defines evaluation in the manual for evaluating public interventions.
- *Mexico* defines evaluation in the general guidelines for the evaluation of general public administration programmes.

Source: (OECD, 2021^[2])

In the case of Honduras, there are clear and distinct definitions for monitoring and evaluation, both embedded in government guidelines:

- The Guide for the Formulation of Indicators defines monitoring as an "independent verification of the progress of a policy, programme or project" (Secretaría Técnica de Planificación y Cooperación Externa, 2012^[5]).
- The Methodological Guide for Design Evaluation defines evaluation as "a systemic process of observation, measurement, analysis and interpretation aimed at understanding an action, in order to reach an evaluative judgment based on evidence in relation to its design, implementation, effects, results and impacts" (Secretaría de Coordinación General de Gobierno, 2017^[6]).

In addition to this general definition for evaluation, Honduras has several definitions of specific types of evaluation. Having a general definition for evaluation creates a shared understanding within the public sector of both the objective and features of evaluation, while having specific definitions corresponding to the different types of evaluation carried out throughout the policy cycle allows clarification of the different goals and methods of evaluation (Table 4.1).

Table 4.1. Definitions of evaluation in Honduras

Concept	Definition	Source
Design evaluation	"Systematic study of the conception and planning of an intervention in all the dimensions of its design: rationality (relevance, objectives, target population), internal coherence, assumptions and risks, results-based management, institutional coherence and external coherence, amongst others."	Methodological guide for design evaluation (2017)
Results evaluation	"Systematic study of the effects (changes in behaviour or quality on people or goods) of an intervention in all its dimensions: efficacy, sustainability, coverage, contribution."	Methodological guide for results evaluation (2020)
Impact evaluation	"It aims to measure the net effect of an intervention on a series of target variables. It seeks to establish a causal relationship between the programme and its results; this is to explain whether a programme is responsible for the changes observed in a target population."	Methodological guide for impact evaluation (2020)
Institutional performance evaluation	"It analyses the management of the organisation's programmes and processes, and the organisation's performance, both in terms of the results obtained and the efficiency in the use of resources."	Methodological guide for institutional performance evaluation (2020)

Source: Author's own elaboration based on responses to the OECD questionnaire of the OECD-EU project "Public Governance Review of Honduras" (2021)

Definitions of monitoring and evaluation in Honduras lack clarity on the main objectives of these practices. The definition of monitoring does not provide information on objectives. The OECD identifies the following objectives for monitoring: monitoring is expected to identify delays and bottlenecks in ongoing programmes and policies by providing descriptive information regarding their implementation. It also facilitates planning and operational decision making by providing evidence to measure performance (OECD, 2019^[7]). Monitoring can also strengthen accountability and transparency, as it encourages the continuous measurement and publication of information regarding the use of resources, the efficiency of internal processes, and the delivery of outputs and outcomes of a policy or programme (OECD, 2019^[7]).

In the case of evaluation, it is important to ultimately recognise the full objectives and potential value of this activity. According to the OECD, evaluation has the potential to improve public accountability and transparency by providing citizens and stakeholders with information on the results of governments' efforts. Moreover, it can facilitate learning by informing policy makers on the policies and programmes that were,

or have the potential to be, successful and the main reasons for their success or failure (OECD, 2018^[8]). In this sense, conducting evaluations could allow Honduras to pursue both accountability and learning.

Making the various objectives of monitoring and evaluation clear and communicating these objectives in a legal framework would help create a shared understanding among the main government actors and citizens of the importance and purpose of these activities. Having a clear and comprehensive definition of monitoring and evaluation in Honduras that includes information on the several objectives and advantages of these activities would also facilitate co-operation among the main government actors, both by eliminating any confusion regarding the roles of or differences between monitoring and evaluation, and by making stakeholders aware of the benefits of carrying out these exercises, in particular as they support decision-making processes.

The SCGG played a central role in the monitoring and evaluation framework

In Honduras, several actors located at the level of centre of government play an important role in co-ordinating and promoting monitoring and evaluation. Different decrees establish the mandates and main responsibilities of these institutional actors in terms of monitoring and evaluation; the following institutions and their mandates correspond to the institutional set-up as of November 2021:-

- The SCGG had the mandate to define mechanisms and procedures for monitoring and evaluating the government's management results, and to provide recommendations to the President of the Republic to improve the effectiveness and impact of government's policies and programmes (article 1 of Decree 266-2013). Most of the functions of the SCGG were assumed by DIGER, created in April 2022 by Decree PCM 05-2022.
 - The *Presidential Directorate for Monitoring and Evaluation*, one of the three directorates of the SCGG, had the mandate to monitor and evaluate the results of national and institutional plans, sustainable development objectives, public policies, programmes, and projects. It was also responsible for proposing and co-ordinating the annual agenda of evaluations of policies, programmes and projects and their corresponding processes (article 8 of Executive Decree PCM-025-2018).
- The *Office of Presidential Priorities*, established in 2020 to enhance the delivery of high-level government priorities, was responsible for monitoring strategies, goals, objectives, and action plans of the Presidency of the Republic as well as providing recommendations for the development of and compliance with the strategic priorities and goals of the Presidency of the Republic (article 1 of Executive Decree PCM-044-2020).
- The *sectoral cabinets* were responsible for monitoring and evaluating compliance with the objectives and goals of strategic, sectoral, and institutional plans. They were dissolved in 2022. As explained in Chapter 2, sectoral cabinets, which took the form of inter-ministerial committees, were created by Decree PCM-001-2014 with the aim of enhancing government co-ordination under the guidance of the SCGG. Sectoral cabinets also had the mandate to propose and follow up on the impact evaluation of priority sectoral policies and their contribution to the government's long-term objectives (article 9 of Executive Decree PCM-009-2018).
- The *Planning and Evaluation Management Units* (UPEGs) within each secretariat of state complemented these actors at the centre of government (Box 4.2). The UPEGs are responsible for monitoring and evaluating the secretariat's policies, programmes, and projects (article 31 of Decree 146-1986, General Law of Public Administration), and served as the main point of contact between the SCGG and the secretariat of state, particularly for issues related to planning, monitoring and evaluation.
- Finally, the *Secretariat of Finance* is responsible for the formulation, co-ordination, execution and evaluation of the General Budget of Revenues and Expenditure (article 45, Decree 83-2004, General Budget Law). It evaluates the execution of the General Budget of Revenues and Expenses

both during and at the end of the fiscal year, by using information contained in the Integrated System for Financial Administration (SIAFI). In many OECD countries, secretariats of finance play an important role in promoting the monitoring and evaluation of public policies and programmes by including performance and evaluation evidence in the budget cycle. This is not the case in Honduras, as there is not a strong or clear link among monitoring results, performance management, and budgeting.

Box 4.2. Planning and Evaluation Management Units in Honduras

The Planning and Evaluation Management Units (UPEGs) are located within each secretariat of state. Their mandates are defined in article 31 of Decree 146-1986 (General Law of Public Administration). The UPEGs have the mandate to carry out the analysis, design and evaluation of policies, programmes, and projects, and periodically evaluate the efficiency and effectiveness of the programmes of the secretariat and the corresponding sector's decentralised institutions.

In practice, the UPEGs served as the main point of contact for the SCGG within each secretariat of state and are in charge of collecting and reporting information on the implementation progress of national and institutional plans in the SGPR.

Source: Author's own elaboration based on responses to the OECD questionnaire of the OECD-EU project "Public Governance Review of Honduras" (2021)

Monitoring and evaluation activities are not sufficiently embedded in a whole-of-government legal framework

Another key component of a sound institutional framework for monitoring and evaluation is the existence of a legal or policy framework to guide and undertake monitoring and evaluation activities. According to OECD data, two-thirds of OECD countries (23 out of 35) have developed a legal framework that guides evaluation, and half of OECD countries (17 out of 35) have developed a policy framework for organising evaluation across government (OECD, 2020^[3]). This shows that having a legal basis for carrying out evaluation activities is a key element for the systematisation of these practices across government.

There are several paths for the institutionalisation of monitoring and evaluation practices. The need for evaluation, for instance, can be recognised at the highest level in the country's constitution, in primary and/or secondary legislation, or it can be developed in a policy framework¹ (Box 4.3).

Box 4.3. Country examples of legal and policy frameworks for evaluation

The legal framework for the evaluation of public policies in France

France developed a legal framework for policy evaluation embedded at three distinct levels:

- **Constitution:** Article 47-2 of the Constitution mandates the French Supreme Audit Institution (*Cour des Comptes*) to assist the Parliament and the Government in evaluating public policies. The evaluations are published, making results available to the government and citizens. Evaluative activities are also included in articles 39 and 48 of the Constitution.

- Primary legislation: Articles 8, 11 and 12 of the Organic Law 2009 requires legislative proposals to be subject to *ex ante* impact assessment. Assessment results are annexed to the legislative proposal as soon as they are sent to the Supreme Administrative Court (*Conseil d'État*).
- Secondary legislation: Article 8 of Decree No. 2015-510 states that all legal draft proposals affecting the missions and organisation of decentralised state services should be subject to an impact assessment. The main objective is to check the alignment between the objectives pursued by the proposal and the resources allocated to decentralised services.

Additionally, France has several circulars from the Prime Minister's Office that relate to evaluation, including the circular on the evaluation of norms (October 2015) and the circular on the impact evaluation of new law projects and regulatory texts (May 2016).

The policy framework for the evaluation of public policies in Canada

In July 2016 Canada launched the Policy on Results, which seeks to improve achievement of results across government and understanding of the desired results and resources used to achieve them. Responsibility for the implementation of this policy mainly falls on the Treasury Board of Canada, tasked with promoting the use of evaluation findings into policy making, as well as defining and updating the evaluation policy.

For the implementation of the policy, the Treasury Board:

- can require departments to undertake specific evaluations and participate in centrally led evaluations
- can initiate or undertake resource alignment reviews
- approves line ministries' departmental result frameworks and any changes to their organisations' core responsibilities.

Additionally, all government departments are expected to have an evaluation unit, while line ministries are responsible for establishing a departmental results framework.

Source: (OECD, 2020^[3]).

In the case of Honduras, there are general references to monitoring and evaluation in primary and secondary legislation (Box 4.4). However, there are a number of issues preventing the country from promoting the use of results from these activities for decision making and building a culture of monitoring and evaluation across government in the long term, including i) the lack of provisions to ensure the use of performance-monitoring results of priority public policies and national plans in the decision-making process, and ii) the lack of a general long-term framework for monitoring and evaluation.

Box 4.4. References to monitoring and evaluation in primary and secondary legislation in Honduras

The main references to monitoring and evaluation in primary and secondary legislation in Honduras are:

- Article 45 of Decree 83-2004 (General Budget Law) mandates the Secretariat of Finances, through the Budget Directorate, to evaluate the execution of the General Budget of Income and Expenses during and at the end of each fiscal year.
- Decree 286 of 2009 includes different references to the monitoring process of the national plans:
 - Article 10 establishes that the Council of the Nation Plan, which depends on the President of the Republic, is responsible for, among others, monitoring execution of the Nation Plan and formulating the appropriate recommendations and indications to improve it.
 - Article 31 empowers the National Convergence Forum (FONAC) to establish the system for monitoring and reporting progress in the execution of the National Plans.
 - Article 33 empowers the National Congress to permanently collaborate, monitor and participate in the execution of the Country Vision 2010-38 and the Nation Plan 2010-22.
- Article 1 of Decree 266-2013 mandated the SCGG to define mechanisms and procedures for monitoring and evaluating the government's management results.
- Executive Decree PCM-025-2018 stated that the Presidential Directorate for Monitoring and Evaluation of the SCGG was responsible for monitoring and evaluating the results of national and institutional plans, sustainable development objectives, public policies, programmes, and projects.

Regarding the lack of provisions to ensure the use of performance monitoring results of priority public policies and national plans for the decision-making process, it is necessary to start by analysing the different objectives that monitoring activities may have. Monitoring should strengthen reporting, accountability, and transparency, as information regarding the use of resources, internal management processes and outputs of initiatives is routinely measured and systematically publicised. It should also facilitate planning and operational decision making as it provides evidence to measure performance, allows identification of implementation delays, and facilitates drawing lessons from the execution of initiatives.

In the case of Honduras, monitoring is developed around the reporting, accountability and transparency objective. Indeed, there is a legal framework for monitoring the planning system established in Decree 286 of 2009 (Box 4.4), which until November 2021 was co-ordinated from the centre of government by the SCGG and the sectoral cabinets. However, the results derived from the monitoring activities – including the monitoring report of the Nation Plan – were not systematically discussed at meetings where those responsible for leading the decision-making process participate, limiting the impact that monitoring activities could have in Honduras. In this sense, as assessed in the previous chapters, Honduras lacks a framework that ensures that performance monitoring results of priority public policies and national plans are discussed at the decision-making level and analysed around lessons learned, bottlenecks and implementations delays informing the decision-making process.

Regarding the lack of a general long-term framework for monitoring and evaluation, it is necessary to consider recent reforms implemented in Honduras. Indeed, in 2020 Honduras made tangible efforts to institutionalise monitoring and evaluation practices by including specific mandates to make clear to institutional actors when and how to conduct monitoring and evaluation in Legislative Decree 182-2020

(the General Revenue and Expenditure Budget of the fiscal year 2021) (Table 4.2). As a result of that legal framework, during the first semester of 2021, 11 public institutions prepared and delivered design evaluations of one of their strategic programmes.

Table 4.2. Mandates on monitoring and evaluation contained in Legislative Decree 182-2020 (General Revenue and Expenditure Budget, fiscal year 2021)

Article	Mandate
Article 6	Mandated the SCGG, through the Presidential Directorate of Monitoring and Evaluation, to monitor the national plans and elaborate an annual report on the progress of the global results and the corresponding indicators established in the Strategic Government Plan. This report was expected to be published annually on the SCGG website and presented to the President of the Republic, the Superior Court of Accounts, the Institute for Access to Public Information and the National Congress through the Ordinary Budget Commission.
Article 7	Mandated the SCGG to monitor institutional planning on a monthly, quarterly, and annual basis, based on the information reported by public institutions in the SGPR. The monthly reports were expected to be sent to the head of each public institution, while the quarterly reports were expected to be sent to the Deputy Co-ordinators of the sectoral cabinets and the Secretariat of Finance.
Article 8	Mandated the SCGG, through the Presidential Directorate for Monitoring and Evaluation, to prepare a quarterly report containing the synthesis results of the <i>ex ante</i> evaluations conducted by 10 public institutions on one of its strategic programmes. The report was expected to be sent quarterly to the head of each public institution and the Deputy Coordinators of the sectoral cabinets.
Article 9	Mandated all public institutions to carry out a quarterly report on the physical and financial execution of their annual operating plan and budget. The report was expected to be sent quarterly to the Secretariat of Finance.

Source: Author's own elaboration based on (Congreso Nacional de Honduras, 2020^[9]).

Although these efforts are in the right direction towards implementing a legal framework for monitoring and evaluation and promoting a culture of evaluation across government, they have important limitations. First, the mandates included in the Legislative Decree ordered the SGCC to send a copy of the reports to a number of representatives across and outside government (e.g., the president, the Superior Court of Accounts, the National Congress, etc.). However, rather than send copies of long and generic monitoring reports to such authorities, it is important to create communication channels and instances with decision makers around priority public policies and key government areas to ensure that performance evidence is used to inform decision making. It is also important to prepare fit-for-purpose monitoring analyses that give users quick and easy access to clear monitoring results that can translate to better uptake of the outcomes in decision making. Second, the mandates are only valid for the short term (the fiscal year), as they are applicable for the current fiscal year only (2021). Third, and related to the second point, the mandates on monitoring and evaluation included in the General Revenue and Expenditure Budget Law are subject to changing political willingness, as renewal of the mandates depends on the political environment and a political consensus in each fiscal year.

The government of Honduras could benefit from integrating the monitoring and evaluation legal framework into the planning system/performance framework, rather than providing monitoring and evaluation mandates through the annual General Revenues and Expenditure Budget law. By setting the monitoring and evaluation legal framework and integrating it into long-term policies such as the planning system and performance framework, Honduras would ensure that there exist clear mandates for institutional actors on when and how to carry out these practices beyond the fiscal year, as well as political consensus on the importance of monitoring and evaluation activities for the country beyond electoral mandates (OECD, 2020^[3]). Additionally, this integration would ensure that evidence and results from monitoring and evaluation activities are used not only for reporting and accountability purposes but also as inputs for the decision-making process.

Macro-level guidance for monitoring and evaluation could be developed further

The existence of a legal framework for monitoring and evaluation is not sufficient to sustain a robust monitoring and evaluation system. It is also important to have macro-level guidelines to support the implementation of monitoring and evaluation across government. Such guidelines generally intend to assist all those participating in the implementation of a policy in better planning, commissioning and managing its monitoring and evaluation activities. For instance, guidelines for evaluation mostly refer to the reporting of evaluation results, followed by the identification and design of evaluation approaches, quality standards for evaluations, and use of evaluation evidence (OECD, 2020^[3]). Evidence shows that the majority of OECD countries (26 out of 35) have guidelines to support implementation evaluation across government (OECD, 2020^[3]).

Honduras has guidelines to assist public institutions in planning, implementing, and managing monitoring and evaluation, including the guidelines for the formulation and approval of public policies, and the methodological guides on design evaluation, impact evaluation and results evaluation. These guidelines are published in the evaluation repository of the SGPR and were communicated to public institutions in specific training courses designed by the SCGG working in tandem with the School for Senior Management in the Public Administration (*Escuela de Alta Gerencia Pública*). The existence of guidelines and manuals in Honduras shows that there is a general understanding of their importance to assist policy makers in conducting monitoring and evaluation successfully.

However, some essential plans are not included within these guidelines; examples include monitoring of the Country Vision 2010-38, Nation Plan 2010-22 and Strategic Government Plan 2018-22. In the case of Honduras, a robust monitoring and evaluation system may need additional guidelines on monitoring that clearly state the actors involved, their mandates, and the timeline, tools and methodology for monitoring. Guidelines on monitoring should also clarify the articulation of the monitoring activities for the different national plans as well as the institutional plans.

Additionally, detailed manuals on evaluation practices could be developed that involve sectoral stakeholders. Conscious of the limited competencies to carry out evaluation within the secretariats of state, the Presidential Directorate for Monitoring and Evaluation started developing more detailed manuals on evaluation practices. This process could have benefited from comments and suggestions of the secretariats of state, which could have provided insights into the main challenges for and weaknesses of implementing the guidelines in their specific sectors. Encouraging the co-production of these more detailed manuals between the CoG institution responsible for monitoring and evaluation and representatives from the secretariats of state may also be an opportunity to raise awareness about the importance of evaluation and create a sense of ownership across government.

Moreover, article 1 of Executive Decree PCM-025-2018 specified that the Presidential Directorate for Monitoring and Evaluation of the SGCC was expected to evaluate the results of the national and institutional plans, sustainable development objectives, public policies, programmes and projects. However, these are large activities that cannot be totally carried out within a single year. Conducting a proper evaluation requires time and significant resources, and – most importantly – needs to be supported by a clear methodology (OECD, 2021^[2]).

To that end, Honduras has already begun to implement a more focused approach to evaluation by selecting one programme to be evaluated each year. Defining a limited number of evaluations to be carried out in a given year is considered a good practice, taking into account that proper evaluation requires a more focused approach as evaluation activities demand time and significant resources. For instance, since 2018 the Presidential Directorate for Monitoring and Evaluation commissioned four external evaluations on specific strategic programmes and projects, including the programmes *CONVIVIENDA* (With House), *Con Chamba Vivís Mejor* (With Work you Live Better) and *Vida Mejor* (Better Life).

However, the CoG institution responsible for monitoring and evaluation could further develop this focused approach by clearly defining and communicating an annual evaluation agenda and developing a specific timeline for evaluations.

Promoting the quality of monitoring and evaluation processes

Performance indicators need to be improved as a first step towards producing robust monitoring evidence

Monitoring a policy, programme or project implies identifying indicators that are methodologically robust. For indicators to provide decision makers with information that can be used to define what course of action to take to achieve the intended policy objectives, they should be accompanied by information that allows for their appropriate interpretation (OECD, 2021^[2]). Regardless of their typology, all indicators should be presented in a way that provides the following information:

- description of the indicator: name, unit of measurement, data source and formula
- responsibility for the indicator: institution, department, or authority responsible for gathering and reporting the data
- frequency of data collection and update of the indicator
- baseline that serves as a starting point to measure progress
- target or expected result.

In the case of Honduras, the country could still improve the indicators of its national and institutional plans, by developing a mix of sound indicators that include process and outcome/impact indicators, allowing both monitoring the implementation of policies/programmes as well as measuring the real effect of the government's initiatives. Indeed, process indicators and output/outcome indicators are complementary, in the sense that they allow monitoring of different objectives. Process indicators are useful and recommended to track the implementation of the programmes and accountability purposes, since they provide regular flows of information on the implementation of a programme/plan. Output/outcome indicators, meanwhile, are useful to improve high-level decision-making processes by providing information on whether the programme is achieving its intended effects.

At the national level, indicators of Country Vision 2010-38, Nation Plan 2010-22 and the Strategic Government Plan 2018-22 fulfil practically all criteria of a sound indicator, but specific improvements could be considered:

- The indicators in the Country Vision 2010-38 and Nation Plan 2010-22 are explicitly stated and include information on the data source, the baseline, and the target values for 2013, 2017, 2022 and 2038, as well as on the institution responsible for collecting and updating the indicator. However, indicators could be improved by clearly stating the unit of measurement and formula for their calculation.
- The indicators in the Strategic Government Plan 2018-22 are explicitly stated, include information on the baseline and the target values for 2018, 2019, 2020, 2021 and 2022. However, indicators could be improved by explicitly stating the institution or person responsible for collecting the data and updating their information, and including the unit of measurement and formula for their calculation.

At the institutional level, secretariats of state struggle to set key performance indicators and mainly use process indicators (Box 4.5). However, Honduras could benefit from having a mix of process indicators, calculated based on the information collected monthly in the SGPR, and outcome/impact indicators, calculated on the basis of administrative data or even ad hoc perception survey data. Additionally,

institutional plans with key performance indicators should be public and communicated with key stakeholders, promoting both transparency and accountability.

Box 4.5. Typology of governance indicators

Policy makers must continuously decide what elements of a policy should be monitored and how these can be tracked through various indicators. A typology of governance indicators distinguishes between:

- *Input indicators* measure the quantity and type of resources, such as staff, money, time, equipment, etc., that the government invests to attain a specific public policy.
- *Process indicators* refer to actual processes employed, often with assessment of the effectiveness from individuals involved in the policy.
- *Output indicators* refer to the quantity, type and quality of goods or services produced by the government's policy. They can include operational goals such as the number of meetings held.
- *Outcome/Impact indicators* measure the strategic effect and change produced by the policy implemented. Outcome indicators commonly refer to short-term or immediate effect, while impact indicators refer to long-term effect.

Source: (OECD, 2020^[4]).

Additionally, Honduras could benefit from developing a systematic framework to link institutional indicators with national priority goals and the strategic lines of national plans. Developing performance indicators, their baseline and targets is an important stage in the institutional planning and identification of policy priorities (OECD, 2021^[2]). Article 1 of Decree 266-2013 established that the SCGG was responsible for defining mechanisms and procedures to monitor and evaluate government's management results. However, there still is not an explicit or systematic framework for the design of monitoring and evaluation indicators.

Indeed, as analysed in Chapter 3, there was a lack of systematic linkage between the national plans (Country Vision 2010-38, Nation Plan 2010-22, and Strategic Government Plan 2018-22) and the institutional plans. This makes it hard for stakeholders to monitor progress in terms of national priority goals and strategic lines, or to understand how institutional plans contribute to strategic plans. While secretariats of state have identified a set of indicators in their own plans, these are not presented in a way that clearly indicates their connection with elements of the Country Vision 2010-38 (national priority goals) and the Nation Plan 2010-22 (strategic lines).

Therefore, explicitly linking each indicator and national priority goals would be essential to clarify the monitoring structure of the national plans. This link could be done visually in the institutional planning documents. The exercise should be undertaken by the CoG institution responsible for monitoring and evaluation, together with the different UPEGs, to inform secretariats of state on the national priority goals and strategic lines they contribute to. Such analysis would also benefit from linking output indicators updated on a regular basis to inform the government on how their administration is performing to outcome-level objectives included in its Country Vision.

Honduras could consider implementing initiatives to overcome the lack of sufficient data and the difficulties in accessing information

A good monitoring and evaluation system relies on comprehensive, multi-source and high-quality data (Box 4.6), that are readily available and in a format easy to be used as part of the evaluation process. Indeed, implementation of an evidence-informed agenda implies leveraging the data that are available for analytical purposes as part of the monitoring and evaluation process (Mathot and Giannini, 2022^[10]). Policy evaluation, for instance, can be hindered by the lack of available adequate, easy to use data. In this sense, a high-quality national statistics system and up-to-date databases and registers that mutually communicate and disaggregate data at the desired level are an integral part of a robust monitoring and evaluation system.

Box 4.6. Potential sources of quality data for policy evaluation

Important quality data sources for policy evaluation are:

- *Administrative data* – This type of data is generally collected through administrative systems managed by government departments or ministries, and usually involves whole sets of individuals, communities and businesses that are concerned with a particular policy. Examples of administrative data include housing data and tax records.
- *Statistical data* – This type of data is commonly used in research and corresponds to census data or more generally to information on a given population collected through national or international surveys.
- *Big data* – This type of data is broadly defined as “a collection of large volumes of data” (UN Global Pulse, 2016^[11]). Mainly drawn from a variety of sources such as citizen inputs and the private sector, big data are most often digital and continuously generated. They have the advantage of coming in greater volume and variety, and thus represent a cost-effective method to ensure a large sample size and the collection of information on hard-to-reach groups.
- *Evaluation data* – This type of data is collected for the purpose of evaluation. It can take the form of qualitative questionnaires, on-site observations, focus groups, or experimental data.

Combining different data sources has the potential to unlock relevant insights for policy evaluation.

Source: (OECD, 2020^[3]; UN Global Pulse, 2016^[11]).

In Honduras, there is no integrated data infrastructure to facilitate access or sharing of administrative data horizontally among secretariats of states, a situation that creates data siloes and prevents evaluators from having access to relevant data or information for their own analytical purposes (a challenge highlighted in Chapter 3). As a result, secretariats of state that operate in similar and complementary sectors cannot easily share data and information between them or are not necessarily aware of all the data that exist and could be used in evaluation.

Aware of these limitations, Honduras may consider implementing initiatives to avoid fragmentation and duplication of efforts (e.g., by developing a separate data-sharing infrastructure) across secretariats of state and promoting public sector integration and cohesion. To do so, Honduras may consider starting by carrying out a comprehensive data inventory that accounts for all data assets created and collected by secretariats of state, and developing a strategy to encourage systematic access to, and use of,

administrative data. The United States, for example, has institutionalised and implemented a more systematic structural approach to facilitate evidence-informed policy making (Box 4.7).

Box 4.7. The Foundations for Evidence-Based Policymaking Act in the United States

The Foundations for Evidence-Based Policymaking Act of 2018 in the United States was signed and enacted into law on 14 January 2019. The Evidence Act aims to have federal agencies better acquire, access and use evidence to inform decision making, and to ensure that the necessary data quality and review structures are in place to support the use of administrative data in evaluations.

The Evidence Act incorporates the Open Government Data Act, which requires agencies to publish information on line as open data, using standardised and machine-readable data formats. The Evidence also emphasises co-ordination to advance agencies' data management and data access functions by mandating an open government approach to data. The website Data.gov, launched in 2009 and managed by the US General Services Administration, provides access to government datasets on a wide range of topics. The US General Services Administration must maintain a "Federal Data Catalogue" as an online point of entry dedicated to sharing agency data assets with the public. The Office of Management and Budget is preparing additional guidelines for open data access and management and for data access for statistical purposes.

Agencies are requested to develop and maintain a comprehensive data inventory that accounts for all data assets created and collected by them. The Office of Management and Budget has established an Advisory Committee on Data for Evidence Building at the federal level to review, analyse and make recommendations on how to promote the use of federal data for evidence building and how to facilitate data sharing and data linkage.

Source: (Mathot and Giannini, 2022_[10]).

Honduras moreover has several information systems, including the Integrated Financial Management System (*Sistema de Administración Financiera Integrada*, SIAFI), the Presidential System for Results-Based Management (SGPR), and the National Public Investment System (*Sistema Nacional de Inversión Pública*, SNIPH), among others. To ensure that relevant data can be compared and combined across sources to support better-informed decision making and public policies, Honduras could promote interoperability across existing and new information systems within the public sector. Interoperability refers to the ability of different information systems to connect, work together and communicate with one another in a co-ordinated way. By allowing system interoperability, Honduras ensures that information systems can communicate and share data in a more effective way, strengthening the decision and policy making and improving monitoring and evaluation activities. Such a recommendation is aligned with the 2021 OECD *Recommendation of the Council on Enhancing Access to and Sharing of Data*, which recommends that Adherents "foster where appropriate the findability, accessibility, interoperability and reusability of data across organisations, including within and across the public and private sectors" (OECD, 2021_[12]).

Additionally, although the country has a National Statistics System led by the National Institute of Statistics of Honduras, the system has been unable to generate the statistical data that secretariats of state need to carry out programme and policy evaluation. A strong national statistics system is fundamental to improve how the government collects, manages, shares and stores data to make them more useful for evidence-based policy making (Mathot and Giannini, 2022_[10]).

The creation of an office for statistical analysis and evaluation of indicators within DIGER, which works with the UPEGs in establishing indicators, represents a step in the right direction. In this sense, Honduras may also consider strengthening its national statistics system by having statistical officers within the UPEGs of the secretariats of state. The role of such statistical officers would be to advise on statistical policy, techniques and procedures throughout the policy cycle and to help guarantee that data needed in the evaluation process are systematically collected from the beginning of an intervention. Statistical officers would also regularly collaborate and consult with the National Institute of Statistics of Honduras to make sure that national statistical data meet the purpose and needs of secretariats of state to conduct evaluation. Considering that the skills of statistical officers are high level and specific, Honduras could also consider developing close co-operation between the National Statistics System and academia to guarantee that the right competencies in the statistical and economic domains are being developed in future graduates.

Quality assurance mechanisms and quality control mechanisms could be further developed

Quality assurance mechanisms seek to ensure that the findings of an evaluation are based on an objective and defensible interpretation of the results, and relate to the original objectives of the evaluation (HM Treasury, 2020_[13]). Quality control mechanisms seek to ensure that the evaluation design, planning and delivery have been properly conducted to meet predetermined quality criteria (OECD, 2021_[21]). Most OECD countries (24 out of 35) have in place one or several mechanisms in order to promote the quality of evaluations through various means (OECD, 2020_[3]).

In Honduras, the Presidential Directorate for Monitoring and Evaluation implemented actions to promote quality monitoring of reports and evaluations, including by developing methodological guidelines aimed at addressing both the technical quality and the good governance of monitoring and evaluation. These guidelines assist with design, impact, and results evaluation, and include advice on the formulation and approval of public policies.

Considering that quality assurance mechanisms are focused on evaluation practices rather than performance monitoring, Honduras could issue additional guidelines to clarify the working methods and tools that will support monitoring practices across government. These guidelines could also specify quality assurance processes in the context of the monitoring exercise that should be applied by every secretariat of state.

Additionally, Honduras does not have quality control mechanisms for its evaluations, such as peer reviews of the evaluation product, meta-evaluations, self-evaluation tools and checklists, or audits of the evaluation function. OECD data show that quality control mechanisms are much less common than quality assurance mechanisms, with only approximately one-third of countries surveyed using them (OECD, 2020_[3]). However, these mechanisms are fundamental to ensure that evaluation reports and evaluative evidence meet a high-quality standard. In this sense, Honduras could develop one or several control mechanisms among the ones presented below.

The most common quality control mechanism used by countries is the peer review process. Peer reviews consist of a panel or reference group, composed of external or internal experts, that subjects an evaluation to an analysis of its technical quality and substantive content (OECD, 2020_[3]). The peer review process helps determine whether the evaluation meets adequate quality standards and therefore can be published. In Honduras, the CoG institution responsible for monitoring and evaluation could consider submitting its evaluations for peer review by experts (for instance, academics and international experts) before they are published.

Countries have also developed tools aimed either at the evaluators themselves (i.e., self-evaluation) or at the managing and/or commissioning team (e.g., quality control checklists) to help them verify whether their work meets the appropriate quality criteria (OECD, 2020_[3]). Self-evaluation is a critical review of

project/programme performance by the operations team in charge of the intervention, as they serve to standardise practices when reviewing evaluation deliverables. Quality control checklists are aimed at standardising quality control practices of evaluation deliverables and as such can be useful to evaluation managers, commissioners, decision makers or other stakeholders to review evaluations against a set of predetermined criteria (Stufflebeam, 2001^[14]). The CoG institution responsible for monitoring and evaluation could consider designing such a checklist, to help the secretariats of state and itself control the quality of their work. Examples such as the Polish Ministry of Infrastructure and Development's self-assessment checklist (Box 4.8) show how self-evaluation checklist initiatives can be implemented to foster the technical quality of evaluations.

Box 4.8. The Polish Ministry of Infrastructure and Development's self-assessment checklist

This self-assessment checklist, presented in the national guidelines on evaluation of cohesion policy for 2014-20, aims to prevent recommendations from poor-quality evaluations from being implemented. The checklist, which is also used by evaluation units at the regional level, is one of the components of meta-evaluations, focusing on the skills and practices of the evaluators rather than the evaluation more broadly. It includes criteria such as the extent to which the objectives were achieved, the methodology used, and data reliability. Each criterion is given a numerical rating that can be supplemented with qualitative comments.

Source: (OECD, 2021^[15]).

Finally, OECD data show that Supreme Audit Institutions (SAI) may also take on an active part in the promotion of evaluation quality (OECD, 2020^[16]). SAIs may become key players in the national discourse concerning evaluation quality. Thanks to their particular expertise in performance auditing, they may give governments external insights on how to better manage performance evidence and improve the quality of their evaluation systems. Additionally, Supreme Audit Institutions may sometimes perform evaluations themselves, including on systems for managing information and on policy evaluation systems, employing their own standards for quality. In Honduras, although the Supreme Audit Court reported that it has also started to carry out performance audits to measure the impact of specific programmes – for instance, related to the Sustainable Development Goals – and *durante* audits on budget execution, its focus continues to be *ex post* compliance, procurement, and financial audits.

Considering that the Supreme Audit Court is just starting to conduct performance audits itself, Honduras could consider encouraging implementation of such audits that allow analysing the efficiency and effectiveness of key public policies and programmes. To that end, the Supreme Audit Court could consider including in its annual audit plan a minimum amount of performance audits of specific policies or programmes that the government considers strategic.

Competencies within the whole of government to strengthen the monitoring and evaluation processes in Honduras need to be further developed

To put in place a monitoring and evaluation system capable of producing credible and relevant data and analyses, the individuals carrying out these activities must have the appropriate skills, knowledge, experience, and abilities. OECD countries are aware of the crucial role of competencies in promoting quality evaluations: survey data show that 13 out of 35 OECD countries use mechanisms to support the development of competencies of evaluators (OECD, 2020^[3]).

In Honduras, the Presidential Directorate for Monitoring and Evaluation implemented actions to promote the competencies of individuals carrying out monitoring and evaluation. The SCGG together with the School for Senior Management in the Public Administration developed online and face-to-face training courses aimed at helping develop the competencies to carry out monitoring and policy evaluation across secretariats of state.

However, Honduras may consider further developing appropriate competencies for monitoring. Monitoring requires having sufficient resources and capacities to collect data on a regular basis, calculate indicators, analyse data, etc., all of which in turn require a critical mass of trained individuals. In Honduras, these resources were located in the UPEG and the Presidential Directorate for Monitoring and Evaluation in the Monitoring Division. Having units dedicated to this function in the secretariats of state is an important step in the mobilisation of resources towards monitoring activities. A further step consists in continuing to strengthen the appropriate competencies for the monitoring units within both the secretariats of state and the CoG institution responsible for monitoring and evaluation; key among these is the ability to define the particular performance indicators that allow collection of relevant data for different policy priorities and policy targets that link performance information across related single- and multi-sector policies.

In terms of evaluation, such activity requires having the relevant technical skills to conduct them. In Honduras, evaluation was mainly carried out by external evaluators from the private sector or academia due to the lack of technical skills and limited personnel within the secretariats of state and the Presidential Directorate for Monitoring and Evaluation in the Evaluation Division. Additionally, there are recurring difficulties in hiring personnel with the appropriate competencies for evaluation, mainly because civil service human resource rules make it difficult and time-consuming to hire specialised staff from outside the civil service.

To strengthen the competencies for monitoring and remedy the lack of skills and personnel to conduct high-quality evaluations, it is necessary to continue implementing mechanisms to support the development of appropriate competencies for both practices. Indeed, several interviewees stressed that Honduras was facing challenges in attracting and developing the appropriate competencies within the SCGG and secretariats of state needed to conduct in-house monitoring and evaluation activities. In order to ensure the technical quality of the results of these activities, the CoG institution responsible for monitoring and evaluation may wish to implement different complementary mechanisms, that include the following:

- First, Honduras could continue developing and implementing the online and face-to-face training courses that the School for Senior Management in the Public Administration began offering in 2018. These courses have made it possible to train hundreds of individuals across the different secretariats of state; create the basis for conducting in-house monitoring and evaluation; and start building a coherent understanding of the monitoring and evaluation system in Honduras.
- Second, Honduras may consider developing specific training courses that complement the existing general ones. Indeed, secretariats of state also require specific training courses that allow them to address the particular challenges that arise from the specificity of their sectors. In this sense, the CoG institution responsible for monitoring and evaluation and the School for Senior Management in the Public Administration could create evaluator-training curricula at the level of individual secretariats of state, allowing evaluators to deepen their knowledge of the evaluation of a specific policy topic relevant to their particular sector.
- Finally, another way to develop competencies of evaluators is to foster knowledge-sharing networks of evaluators. According to OECD data, a frequently used quality assurance mechanism that countries have implemented is the establishment of a network of evaluators for exchanging practical and technical experiences related to evaluation (OECD, 2021^[2]), such as the Cross-Government Evaluation Group in the United Kingdom (Box 4.9). The CoG institution responsible for monitoring and evaluation could consider strengthening its role as an evaluation champion in Honduras by creating a network of evaluators that connect people responsible for monitoring and

evaluation within the UPEG across the different secretariats of state with academics, the private sector and the international community.

Box 4.9. The Cross-Government Evaluation Group in the United Kingdom

In the United Kingdom, evaluators within government departments have created informal mechanisms to exchange information across government on monitoring and evaluation practices.

The Cross-Government Evaluation Group is a cross-departmental and cross-disciplinary group consisting of people responsible for evaluation within the different government departments. The objective of this Group is to improve the supply of, stimulate the demand for, and encourage the use of good-quality evaluation evidence in government decision making by sharing good practices and solutions for common problems, and working together on joint projects. For instance, the Group steered the rewriting of the Magenta Book in 2020, one of the main guidelines on what to consider when designing an evaluation. The Cross-Government Evaluation Group meets around five times per year and is currently chaired by the Head of Evaluation of the Department for Transport.

Source: Author's own elaboration.

In addition, the CoG institution responsible for monitoring and evaluation could consider developing quality standards for outsourcing and commissioning policy evaluations. Currently, Honduras mainly relies on external evaluators' competencies to conduct evaluations due to the lack of internal competencies. Considering this and considering that developing the appropriate competencies to conduct in-house evaluations requires time, the CoG institution responsible for monitoring and evaluation could define some quality standards to be included in the terms of reference (ToRs) for outsourcing for and commissioning policy evaluations to external stakeholders. The ToRs provide the guidelines for the work that will have to be carried out during the evaluation process and therefore constitute an essential tool for quality assurance (OECD, 2020^[3]). The CoG institution responsible for monitoring and evaluation could also develop additional guidelines to specify that ToRs should be drafted by the evaluation manager (OECD, 2020^[3]), and to make sure ToRs appropriately and clearly outline the purpose, objectives, criteria, and key questions for the evaluation.

Promoting the use of monitoring and evaluation results and evidence

One of the main goals of monitoring and evaluation is to support decision making with useful insights on public issues and evidence on the impact of policies and their underlying change mechanisms (OECD, 2020^[3]). Regardless of their many potential users, the use of monitoring and evaluation results remains a constant challenge and often fails to meet expectations.

As of November 2021, in Honduras, monitoring of national and institutional plans took place in the following scenarios:

- Monthly, the Planning and Evaluation Management Units of the different secretariats of state reported the progress of the implementation of their institutional plans and the corresponding indicators of the National Plan in the SGPR. This process was supported by the sectoral cabinets, which directly co-ordinated the reporting process of the different institutions of their corresponding sector. However, there were no discussions around policy performance.

- Twice a year, the Presidential Directorate for Monitoring and Evaluation, with the support of the sectoral cabinets, prepared a monitoring report of the National Plan, based on the information sent by the different institutions. As part of the report, the Presidential Directorate for Monitoring and Evaluation identified the main challenges regarding the implementation process of the Plan as well as those challenges that should be considered to improve management in the immediate future.

However, as highlighted in Chapter 3, there was an absence of connection between the planning system (monitoring for reporting and accountability) and the decision-making process carried out at the centre of government by the president, secretaries of state, heads of public institutions, etc. Although there was a system of monitoring presidential goals (*Monitoreo de Metas Presidenciales*), it was disconnected from the regular planning system (Country Vision 2010-38 and Nation Plan 2010-22), making it difficult to achieve the use of monitoring results beyond the reporting and accountability purpose in the decision-making process. These challenges need to be considered in the establishment of new planning, monitoring and evaluation structures.

Honduras could improve publicity surrounding and communication of monitoring and evaluation results

The SCGG communicated the different results of monitoring and evaluation activities both internally and externally by sharing its monitoring and evaluation reports with internal and external stakeholders. Communication of monitoring and evaluation results included the following:

- According to Legislative Decree 182-2020, the SCGG was expected to publish the report on the progress of the Country Vision 2010-38 and the Nation Plan 2010-22 on its website (since 2012, this report has been prepared and published every two years, not annually as initially established in the Legislative Decree). The SCGG was also expected to submit these reports to the President of the Republic, the Superior Court of Accounts, the Institute for Access to Public Information and the National Congress (through the Ordinary Budget Commission), to directly inform them on the implementation progress of the plans.
- The SCGG elaborated and published annual reports on the implementation of the corresponding Government Plan.
- The SCGG was expected to send quarterly reports containing the synthesis results of *ex ante* evaluations carried out by government departments to the Deputy Coordinators of the sectoral cabinets and the head of each government department.
- All the reports concerning the monitoring and evaluation of public policies were expected to be published by the SCGG in the Presidential System for Results-Based Management, accessible to the public and policy makers.

However, in order to promote the use of these results, evidence should not only be accessible to the public and policy makers, but also be presented in a strategic way and driven by the monitoring and evaluation's purposes as well as the needs of intended users (OECD, 2021^[2]). Evidence shows that tailored and contextualised syntheses, seminars and advice from knowledge brokers and researchers seem to be the most promising means of improving access to evidence (OECD, 2020^[17]).

To tailor evidence and results to different publics, the CoG institution responsible for monitoring and evaluation could consider developing a communication and dissemination strategy to adapt the way monitoring reports and evaluation findings are presented to their potential users (policy makers, civil servants, high-level decision makers, National Congress, citizens, academia, etc.). Such a strategy could include the use of infographics, tailored syntheses of evidence (e.g. in the form of policy briefs or executive summaries), seminars to present the main findings of evaluations, "information nuggets" and fragments of storytelling that can be disseminated through social media accounts, to spread the main messages of key policy and evaluation reports (OECD, 2020^[17]). This strategy could also cover recommendations arising

from the strategic evaluations conducted by the CoG institution responsible for monitoring and evaluation (presented in the section; macro-level guidance for monitoring and evaluation could be developed further). Indeed, setting a specific methodology to communicate the results of these evaluations could allow informing of the type of formal responses that are expected from public institutions, improve the implementation of the recommendations, and allow follow-up. Countries where such tailored communication and dissemination strategies, which increase access to clearly presented research findings, have been developed include Mexico, New Zealand, and the United Kingdom (Box 4.10).

Box 4.10. Country examples of tailored communication and dissemination strategies

- *Mexico* – The National Council for Evaluation of Social Policy (CONEVAL) regularly shares on its website different infographics that summarise, with brief texts and pictures, some evaluation initiatives undertaken by CONEVAL and their results for citizens, and executive summaries that include the main results of their evaluations.
- *New Zealand* – The Ministry of Foreign Affairs and Trade has invested efforts in condensing evaluation findings and varying the formats of presentations in order to make the information available for a number of purposes. Knowledge cafes and evaluation workshops are helping not only to share information but also to solicit support from colleagues in problem solving on specific projects or evaluations.
- *The United Kingdom* – The What Works Network, which includes the Education Endowment Foundation, Early Intervention, and the What Works Centre for Local Economic Growth, produces a range of policy briefs to disseminate key messages to its target audience. The What Work Network intends to support the government and other organisations in creating, sharing and using high-quality evidence to make better decisions for the improvement of public services.

Source: (OECD, 2021^[2]); (OECD, 2020^[17]); (OECD, 2016^[18]).

Embedding monitoring and evaluation results into the policy-making cycle could help Honduras improve the use of evaluation results

The use of evaluations is linked to the existence of organisational structures and systems that enable and encourage the production (supply) and use (demand) of evidence. These structures and systems can be found at the level of specific institutions, such as management response mechanisms, or within the wider policy cycle, such as through the incorporation of policy evaluation findings into the budget cycle or discussions of findings at the highest political level (OECD, 2021^[2]). Incorporation of evaluation findings in the budgetary cycle is one of the most commonly used mechanisms for promoting the use of evaluations. According to OECD data, 21 OECD countries incorporate findings from evaluations into the budgetary cycle (OECD, 2020^[3]).

In Honduras, the National Congress is responsible for approving the General Budget of the Republic, which is prepared every year by the Secretariat of Finance together with government institutions. Every year before 15 September, the Secretariat of Finance sends the budget proposal to the National Congress, where a series of technical discussions between the Budget Office and the Congress Budget Commission take place. Secretariats of state may also participate in these discussions, justifying exceptional changes to their specific budgets. One way of improving the use of evaluation results in Honduras would be to encourage the use of policy evaluations conducted by the centre of government and the different secretariats of state as part of budgetary discussions in Congress to inform budget decisions. For instance,

specific policy and programme evaluations could be included as an annex in the main budget document, when relevant.

Additionally, the centre of government could consider systematically holding discussions on evaluation results at the highest political level. The Council of Ministers was already carrying out six-monthly discussions on the progress reports of the Country Vision 2010-38 and the Nation Plan 2010-22. The Council of Ministers' function could be strengthened if the main findings of the evaluations of strategic programmes and public policies (those prioritised in the evaluation agenda annually set) were also discussed at this stage, together with the budget proposal or progress reports on the national plans.

Honduras could leverage the evaluation ecosystem that has developed beyond the executive to generate stronger demand for evidence-based decision making

In Honduras, there are institutions beyond the centre of government that can help convey a strong message related to the importance of evidence-based decision making. Firstly, parliaments have a particular role to play in promoting the use of evaluations. They rely on verifiable and sound data on which they can base their policy initiatives and can thus push for the establishment of a structured approach to gather this information (OECD, 2020^[3]). Most parliaments have research and information services that help members of parliament order, understand or request evaluation reports.

Honduras could therefore benefit from supporting and empowering members of Congress in their role as users of evidence as part of budget and general discussions. To do so, Honduras may wish to create a specialised unit within the National Congress aimed at providing technical support to members of the Congress as they analyse and use the results of evaluations carried out by the Executive on their main programmes and policies. Countries with specialised offices within congress/parliament that support the appropriate use of evidence by their members include Canada and the United Kingdom (Box 4.11).

Box 4.11. Country examples of specialised offices within parliament that promote the use of evaluation results

- In *Canada*, the Parliament is the recipient of all programme evaluations and results reports produced by government departments. To facilitate access by individual Parliamentarians to these reports, government departments and agencies must list all evaluations undertaken within their Departmental Performance Reports and include a list of all planned evaluations in their Reports on Plans and Priorities. Additionally, there is a Parliamentary Budget Office responsible for providing independent and non-partisan financial and economic analysis on government's actions, raising the quality of parliamentary debates, and promoting budget transparency and accountability.
- In the *United Kingdom*, the Scrutiny Unit within Parliament provides Members of Parliament and Select Committees with support and advice to enable them to better interpret, analyse and scrutinise financial information delivered and/or published by the government. The Scrutiny Unit also assists the House of Commons with the scrutiny of draft bills and co-ordination of the evidence collection of public bill committees.

Source: (Mathot and Giannini, 2022^[10]).

Secondly, the Supreme Audit Court of Honduras could contribute to the use of monitoring and evaluation information and results by assessing government entities' use of evidence in decision making as part of their mandate to audit the effective and efficient use of public assets and resources. For example, the US Government accountability office produces reports and recommendations targeted to both the executive and Congress on the implementation of the US Government Performance and Results Act, which gives the Office of Management and Budget an important role in disseminating and integrating a results- and performance-based approach to public administration (OECD, 2020^[3]).

Moreover, independent institutions responsible for monitoring and evaluating different aspects of the implementation of national plans in Honduras could contribute to the use of monitoring and evaluation results by including assessments of the use of evidence in decision making regarding the definition of the new plans. This includes the National Anticorruption Council, responsible for monitoring the transparent use of public resources allocated for implementation of the Nation Plan, and the National Forum of Convergence, a civil society body responsible for verifying and monitoring the execution of the Country Vision 2010-38 and the Nation Plan 2010-22 using an independent approach (Decree 286 of 2009). These institutions could play a key role in encouraging the government to formulate a new strategic plan based on evidence, lessons learned, and the results of previous evaluations.

Recommendations

This section lists the policy recommendations presented throughout the chapter aimed at helping the Honduran Government to strengthen its monitoring and evaluation culture and promoting the use of evidence and results in decision and policy making.

Building a sound institutional framework for monitoring and evaluation in Honduras

- Develop and adopt a sound and robust legal framework for the whole of government to guide and undertake monitoring and evaluation activities across government. Such a legal framework could be developed within the broader planning system/performance framework and should include:
 - Clear and comprehensive definitions of monitoring and evaluation, with information on the objectives and advantages of these activities.
 - Clear mandates for specific institutional actors on when and how to conduct monitoring and evaluation activities.
 - Clear mandates for the Secretariat of Finance in the promotion of monitoring and evaluation results as part of budget decision making.
- Define an annual evaluation agenda, communicate its findings widely and monitor its implementation. In particular:
 - Further develop a focused approach on evaluation by clearly defining and communicating an annual evaluation agenda, which specifies how many and which programmes and policies are going to be evaluated, the evaluators (what competencies they must have, whether the evaluations will be carried out by internal or external stakeholders), and when and how the evaluations should be conducted.
 - Define a specific methodology to communicate the recommendations arising from the evaluations conducted by the centre-of-government institution responsible for monitoring and evaluation, to inform the type of formal responses that are expected from public institutions and to allow follow-up on the implementation of such recommendations.
- Develop a detailed and tailor-made guidelines and manuals on evaluation practices. In particular:

- Develop guidance on monitoring that clearly articulates monitoring activities for the different national plans (Country Vision 2010-38, Nation Plan 2010-22 and Strategic Government Plan 2018-22) and the institutional plans, and that clearly states the actors involved and their mandates, the timeline, and the tools and methodology for monitoring.

Promoting the quality of monitoring and evaluation processes

- Secretariats of state should improve the quality of indicators used and data produced for monitoring and evaluation. In particular, secretariats of state should:
 - Explicitly link each institutional indicator (included in the institutional plan) to at least one national priority goal and strategy (included in the Nation Plan 2010-22 and the Strategic Government Plan 2018-22, respectively), and clarify the coherence between that institutional plan and the national plans.
 - Strengthen the robustness of the indicators of national and institutional plans by including key background information to facilitate their monitoring and evaluation. Background information should include a description of the indicator (with the formula for its calculations, the unit of measurement and the data source), the body responsible for the collection and reporting of the indicator, the frequency of data collection and update of the indicator, and the baseline and targets.
 - Carry out a comprehensive data inventory that accounts for all data assets secretariats of state created and collected, as a first step towards developing a strategy to encourage systematic access to, and use of, administrative data.
 - Hire statistical officers within the UPEGs, to advise on statistical policy, techniques and procedures throughout the policy cycle and to help guarantee that data needed in the evaluation process are systematically collected from the beginning of an intervention.
- Further strengthen methodologies and quality control for monitoring and evaluation across government. In particular:
 - Issue additional guidelines to clarify the working methods and tools that will support monitoring practices across government.
 - Develop explicit and systematic quality control mechanisms to ensure that the evaluation design, planning, delivery and reporting are properly conducted and meet predetermined quality criteria such as:
 - Submitting evaluations produced or commissioned by the CoG institution responsible for monitoring and evaluation to peer review by academic or international experts before they are published.
 - Designing self-evaluation checklists to help evaluators from the secretariats of state and the CoG institution responsible for monitoring and evaluation control the quality of their work.
- Strengthen the role of the Supreme Audit Court of Honduras in the promotion of evaluation quality by including in its annual audit plan a minimum amount of performance audits of specific policies or programmes that the government considers strategic, and by conducting evaluations of the country's policy evaluation systems.
- Further build capacity and strengthen competencies for monitoring and evaluation across government agencies. In particular:
 - Strengthen competencies in the monitoring units to develop key performance indicators.
 - Define quality standards to be included in the terms of reference for outsourcing and commissioning policy evaluations to external stakeholders, which allow secretariats of state

- and the CoG institution responsible for monitoring and evaluation to identify external evaluators with the right competencies for undertaking such evaluations.
- Develop competencies to conduct in-house evaluations by continuing to offer online and face-to-face training courses together with the School for Senior Management in the Public Administration, and by developing specific training courses at the level of individual secretariats of state.
 - Foster knowledge sharing through a network of evaluators that connect those responsible for monitoring and evaluation within the UPEG across the different secretariats of state with academics, the private sector, and the international community.

Promoting the use of monitoring and evaluation results and evidence

- Promote the use of monitoring and evaluation results and evidence in decision making, and in particular in the budget negotiation process, by for instance encouraging the use of policy evaluations conducted as part of budgetary discussions in the National Congress. In particular:
 - Develop a communication and dissemination strategy to adapt the way evaluation findings are presented to their potential users (policy makers, civil servants, National Congress, citizens, academia, etc.). Such a strategy may include the use of infographics, tailored syntheses of evidence (e.g. in the form of policy briefs or executive summaries), seminars to present the main findings of evaluations, “information nuggets” and fragments of storytelling that can be disseminated through social media accounts, to spread the main messages of key policy and evaluation reports (OECD, 2020_[17]).
- Other actors could also contribute to increasing the use of monitoring and evaluation results. In particular:
 - Incorporate evaluation results into the budgetary cycle by informing budget decisions with evidence arising from impact and performance evaluations carried out by the CoG institution responsible for monitoring and evaluation and the secretariats of state.
 - The National Congress could create a specialised unit aiming to provide technical support to members of the Congress to analyse and use the results of evaluations carried out by the CoG institution responsible for monitoring and evaluation and secretariats of state on their main programmes and policies.
 - The Council of Ministers could discuss evaluation results at the highest political level by systematically holding consultations on the main findings of evaluations conducted by the CoG institution responsible for monitoring and evaluation.

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Note

¹ A policy framework is a document or set of documents that provide strategic direction and guiding principles to the government on a specific sector or thematic area.

5 Open Government in Honduras: Towards Effective Implementation

This chapter analyses the open government agenda in Honduras within the broader context of ongoing public sector reforms, placing special emphasis on the government's ambition to increase public sector transparency. The chapter finds that Honduras has made important progress in establishing rules, governance and implementation frameworks. Notably, the country has been implementing Open Government Partnership (OGP) action plans for many years and its ambition to build an open state has been expressed through the adoption of an Open State Declaration. However, Honduras faces several challenges with regard to open government delivering its promise of a more transparent, accountable and participatory government, in particular relating to a lack of proper implementation and evaluation.

Introduction

Open government is a culture of governance that, if implemented correctly, has profound implications for the way citizens and the state interact. Open government touches upon every single aspect of public governance, and is based on the idea that citizens should be enabled to understand, influence, monitor and evaluate public decisions and actions. The OECD stresses that open government is critical to building citizen trust and is a key contributor to achieving policy outcomes in diverse domains, including transparency, accountability, integrity and public sector modernisation in general, as well as all major socio-economic targets within the framework of the 2030 Global Agenda for Sustainable Development Goals (OECD, 2017^[1]).

The Latin America and Caribbean (LAC) region has championed many initiatives to make the transition to an open state a reality. In particular, the OECD has gathered evidence showing that 70% of LAC countries were implementing initiatives to promote openness in the legislature, and 60% were doing so at the subnational level of government (OECD, 2016^[2]). Honduras is part of this trend, with a clear ambition to expand the open government agenda to the subnational level as well as to other branches of the state, such as the legislative and the judiciary. This ambition is reflected in the adoption of an Open State Declaration in 2018 and with an Open Government Partnership (OGP) Action Plan integrating other actors beyond the executive, such as the National Congress and independent institutions.

The purpose of this chapter is to analyse the open government agenda in Honduras within the broader context of the ongoing public sector reforms. It acknowledges that the country has made important progress in establishing governance and implementation frameworks for open government. Most notably, Honduras has been implementing OGP action plans for many years¹ and developed concrete steps to build an open state. In order to move towards an open government culture of governance, more efforts are needed to foster effective implementation of open government policies and practices at all levels of government. Acknowledging recent changes of government following the November 2021 elections, this chapter aims to provide Honduras with short-, medium- and long-term policy orientations and actions to strengthen the country's open government agenda.

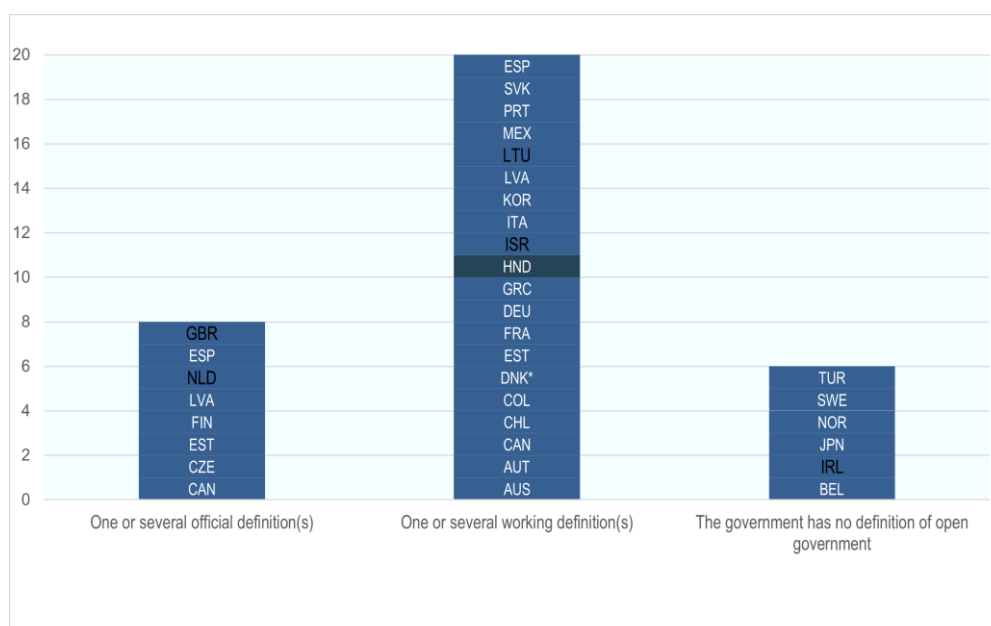
This chapter assesses Honduras against key provisions of the *OECD Recommendation of the Council on Open Government* (OECD, 2017^[1]). It benchmarks the country's efforts in the field against those of OECD members and partners, based on the data collected through the 2020 OECD Survey on Open Government to which Honduras contributed.

Developing a coherent and ambitious understanding of open government in Honduras

Establishing a definition – meaning an official or common understanding of what open government implies – is a fundamental first step towards building a coherent open government agenda, as it can help raise awareness in and outside government about the concept, its benefits and expected results.

According to preliminary results of the *2020 OECD Survey on Open Government*, 21 out of 27 OECD member countries that provided answers and Honduras have adopted either an official or a working definition of open government (Figure 5.1). Most of these definitions are inspired by the OECD definition (13) or the OGP definition (13) and they most commonly link open government with the concepts of transparency, accountability, citizen participation and collaboration (OECD, forthcoming).

Figure 5.1. Usage of open government definitions across OECD countries and Honduras



Note: Left axis represents the number of countries. N=33. Multiple selection possible. *Data for Denmark are preliminary.

Source: OECD (2021^[3]), 2020 OECD Survey on Open Government.

Honduras could benefit from a coherent and streamlined understanding of open government and its principles

Honduras has in fact established two definitions for open government (see Box 5.1). The most recent definition coined by the former Secretariat of Transparency (*Secretaría de Estado en el Despacho de Transparencia*, hereinafter SDT)² is in line with the *OECD Recommendation of the Council on Open Government*. It includes references to the principles of transparency, accountability and citizen participation, with the aim of making open government a culture of governance. According to the definition, citizens shall be at the centre of public decision making with the ultimate goal of improving democracy and collective welfare.

Nevertheless, this definition has not yet been mainstreamed across all relevant stakeholders involved in the open government agenda. Most interviewed stakeholders associated open government primarily with the fight against corruption, the release of open government data and/or with the concept of transparency, which is – at the same time – understood as a synonym for the fight against corruption. Policies and practices relating to citizen and stakeholder participation and accountability were less commonly seen as an integral part of the open government agenda.

Box 5.1. Definitions of open government in Honduras

The main documents describing the open government agenda in Honduras, such as the OGP Action Plans, the Open State Declaration and the Country Vision, among others, refer to open government as a means of fighting corruption, improving probity and integrity, and supporting the country's development agenda.

Open State Declaration (2018)

The Declaration for an Open State in Honduras describes open government as “the efforts based on the pillars of transparency, participation and accountability, with the goal of fighting corruption, **build** trust in public institutions and promote the efficient use of public resources”.

Secretariat of Transparency (Secretaría de Transparencia) (2020)

The SDT, the co-ordinating entity of the open government agenda in Honduras, defines open government as: “the set of mechanisms and strategies that contribute to public governance and good governance, based on the pillars of transparency, citizen participation, accountability, collaboration and innovation, focusing and including citizens in the decision-making process, as well as in the formulation and implementation of public policies, to strengthen democracy, the legitimacy of public action and collective welfare.”

Source: Author's own elaboration.

Furthermore, there seems to be a lack of harmonised understanding of the principles of open government and an overlap between the concepts of transparency and open government. Honduras has several definitions of transparency, ranging from access to information to citizen participation and good governance (see Table 5.1). The existence of different definitions or understandings can constitute an obstacle to the harmonious implementation of open government reforms (OECD, 2016^[2]). The main policy documents related to open government (such as the Public Policy on Transparency and Access to Public Information) use transparency as the overarching concept that takes in participation, accountability and the fight against corruption (IAIP, 2015^[4]). However, the framework for this set of practices would ideally be “open government” (or an open state) and not a “transparent government”, as transparency itself does not cover the interactive and responsive side of open government (i.e. participation and social accountability).

Table 5.1. Definitions of the concept of Transparency in Honduras

Public institution	Transparency definition / description	Source
State of Honduras	The set of provisions and measures that guarantee the publicity of information on the acts of the competent Institutions and the public's access to this information.	Article 3(1) of Law of Transparency and Access to Public Information
Institute for Access to Public Information (<i>Instituto de Acceso a la Información Pública</i> - IAIP)	Transparency in itself is a public policy. Public transparency is and should be a public policy in any state, as it is associated with the deepening of democracy, good governance and the prevention and fight against corruption. <i>(Not a definition per se, rather a</i>	Public Policy on Transparency and Access to Public Information.

Public institution	Transparency definition / description <i>description of the IAIP understanding).</i>	Source
Supreme Court of Accounts (<i>Tribunal Superior de Cuentas - TSC</i>)	Clear, truthful and objective public management through the implementation and development of systems of control, oversight, probity, ethics, and the promotion of citizen participation.	Article 2 of Law on the Supreme Court of Accounts

Source: Author's own elaboration.

Honduras could consider co-creating (i.e. by designing a new definition) or adopting (i.e. by selecting one of the existing definitions) a single definition of open government that is accepted by the whole public sector and external stakeholders alike. This definition should aim to differentiate the concepts of open government and transparency by establishing open government as the umbrella for the different principles of transparency, accountability, integrity and participation. It could also link the open government agenda to broader policy objectives such as the fight against corruption and modernisation of the public sector. To support compliance and uptake of the new definition, Honduras could consider launching a participatory process to develop the official definition of open government with all relevant stakeholders from government, academia and civil society.

The new definition of open government could be communicated widely to ensure that all public officials and non-public stakeholders are aware of it. The institution leading the open government agenda in Honduras could consider organising a dedicated communications campaign to promote a revised definition. For example, in Colombia, the open government definition is anchored in high-level public policies such as the National Development Plan, and is regularly included in speeches from high-level authorities such as the vice president.

Box 5.2. Milestones of the open government agenda in Honduras (2011-21)

The inception of open government agenda in Honduras can be traced back to its adhesion to the Open Government Partnership (OGP) in 2011, even if some practices linked to an open government were already in place. The list below summarises some of the key milestones of the agenda:

- 2006: Law on Access to Public Information (as part of the country's engagement in the Stockholm Pact in 1998)
- 2006: Law on Citizen Participation
- 2011: Honduras joins the Open Government Partnership
- 2012: First OGP Action Plan
- 2013: Unified Transparency Portal (Portal Único de Transparencia) (as part of the implementation of the Law on Access to Public Information)
- 2014: Second OGP Action Plan
- 2016: Third OGP Action Plan
- 2018: Open State Declaration
- 2018: Fourth OGP Action Plan
- 2018: Adoption of National Policy of Transparency, Integrity and Prevention of Corruption (*Política Nacional de Transparencia, Integridad y Prevención de la Corrupción*)

Source: Author's own elaboration based on information provided by the Secretariat of Transparency.

Honduras could integrate protection of the civic space as part of its understanding of open government

The OECD understands a healthy civic space as an essential precondition for and facilitator of open government initiatives. The OECD defines civic space as “the set of legal, policy, institutional and practical conditions necessary for non-governmental actors to access information, express themselves, associate, organise and participate in public life” (OECD, 2021^[5]). The approach to assessing civic space is based on a framework that looks at four key thematic areas (OECD, 2021^[5]):

- civic rights and freedoms (i.e. freedom of expression, freedom of assembly and freedom of association, access to information, and protection for activists and human rights defenders)
- media and digital rights and freedoms (i.e. the right to a free press, an open Internet, privacy and data protection, and issues related to emerging technologies)
- the enabling operational environment created by the government for civil society organisations (CSOs) to operate in and flourish
- civic and CSO participation in policy making and decision making.

This chapter does not aim to provide an exhaustive analysis Honduran civic space. Rather, it aims to point out certain challenges that can hinder overall implementation of the open government agenda and that the government of Honduras could take into consideration.

Information gathered by non-governmental and human rights organisations, and by the OECD Secretariat during the fact-finding mission, point to a restricted environment for civil society organisations to operate. CIVICUS (2021^[6]), Amnesty International (2020^[7]) and interviewed stakeholders highlight that civil society organisations, human right activists and environmental defenders face financial, legal and political challenges to operating in Honduras, with effects on their personal safety. Interviewees also stressed the lack of resources for CSOs, the dependence on development agencies and international funds, and a complex relationship *vis-à-vis* certain public authorities as their main barriers. For example, changes to the Special Law against Asset Laundering adopted in 2021 (*Ley Especial contra el Lavado de Activos*) include civil society organisations and its members as “politically exposed persons” (*Personas Expuestas Políticamente*, PEP³). This juridical change puts CSOs and their members at the same level as politically responsible individuals, which in turn allows for scrutiny and certain legal obligations that can be used to pressure activists and hinder the work of CSOs (Swissinfo, 2021^[8]). This goes against international recommendations, such as those of the United Nations Convention against Corruption, and makes CSOs and the individuals working in those organisations vulnerable to harassment, oppression and unjustified legal and judicial actions.

In addition to a challenging operational environment for CSOs, the Inter-American Commission of Human Rights (2019^[9]) highlighted alarming levels of violence as one of the main challenges for civic space in Honduras. Despite a recent downward trend, Human Rights Watch (2020^[10]) observed that the murder rate in Honduras remains among the highest in the world and reported “unjustified lethal force and other excessive use of force by security forces during a police and military crackdown on public protests between March and July 2019”. Furthermore, several international organisations and human rights organisations – including the Inter-American Commission of Human Rights (2019^[9]), the United Nations Special Rapporteur on Human Rights and CIVICUS⁴ – noted that certain groups and minorities are under threat in Honduras. Particularly affected groups include women, sexual minorities, children, human rights defenders, indigenous communities and migrants. This is illustrated by the levels of violence based on gender identity or sexual orientation, with 299 women killed in 2019 and at least 26 LGBTI individuals killed between January and August of the same year (CEPAL, 2020^[11]). Honduras has the highest rate of femicides in Latin America, with 6.2 women killed per 100 000 inhabitants. The United Nations, through its Special Rapporteur on Human Rights (2019^[12]), and the Universal Periodic Review (2020^[13]) adopted by the Human Rights Council, have highlighted that corruption, lack of access to justice and high levels of

impunity in Honduras are contributing factors to serious human rights abuses in the country. The newly elected government has already taken steps in the right direction by working with women's rights groups to draft a law to address impunity in cases of violence against women (The Guardian, 2022^[14]).

Box 5.3. Participatory practices to foster inclusion of minorities

Canada - Aboriginal consultations

The government of Canada consults with Aboriginal Canadians on matters of interest and concern to them as an important part of good governance, sound policy development and decision making. The government seeks to strengthen relationships and partnerships with Aboriginal peoples and thereby achieve reconciliation objectives. Specific guidance supports departments and agencies in the fulfilment of consultation and accommodation obligations with Aboriginals to support departmental and overarching government policy objectives. Regional Consultation Co-ordinators act as liaison between federal departments, provincial and territorial governments and Aboriginal organisations and communities, to facilitate relationships on key consultation files and to ensure that the interests of Canada are addressed. Initiatives to better integrate Aboriginal consultation with environmental assessments and regulatory processes have also been undertaken, particularly in relation to major natural resources and infrastructure projects.

Brazil – Youth councils and conferences

In Brazil, young people and youth organisations and associations can participate in the National Youth Council (CONJUVE) and the National Youth Conference (CNJ). The CONJUVE is a youth advisory council established by Law 11.129 of 2005 and Decree 10.069 of 2019, and is composed of one-third government representatives and two-thirds representatives from civil society. The Council's mandate is to formulate and propose guidelines for governmental action and policies targeting young people as well as to articulate and promote exchange between governmental and non-public stakeholders working with and for young people. The Youth Conferences aim at gathering governmental and non-public stakeholders to deliberate and co-produce guidelines for public policies addressing young people in Brazil. The first National Youth Conference was organised in 2008, bringing together more than 400 000 individuals – a number that reached almost 550 000 participants in the second Conference of 2011.

Source: OECD (2022^[15]), *Open Government Review of Brazil*; OECD (2021^[16]), *Handbook on Open Government for Peruvian Public Servants*, <https://www.oecd.org/gov/open-government/guia-de-la-ocde-sobre-gobierno-abierto-para-funcionarios-publicos-peruanos.htm> (accessed 31 October 2022).

The above-mentioned challenges could undermine the outcomes of open government reforms in Honduras. This is particularly the case with the violence suffered by certain groups of society, especially underrepresented groups, as it prevents inclusive, safe and representative participation in public life. In addition, the environment in which CSOs operate needs to be protected to ensure a constructive relationship with government, and to create spaces for participation and accountability. Civil society can be an ally to increase the impact of open government initiatives and the fight against corruption, by making use of public information published by the government or by ensuring that public authorities are accountable and open (see Box 5.4). Lastly, impunity and lack of access to justice can decrease the overall trust in public institutions and democracy.

Honduras could consider prioritising the protection and promotion of civic space as a core objective of open government and as a precondition for an open state. For example, when developing a new definition

of open government, Honduras could include a healthy civic space as a prerequisite; the Open State Declaration could be updated to include civic space commitments; and future OGP action plans could include commitments to support the workings of CSOs, and improve the overall health of the civic space. In addition, Honduras could increase the representation of minorities and ensure equality and inclusion in policy making, in particular in the design and implementation of its open government agenda, by putting in place dedicated mechanisms for underrepresented communities such as youth, indigenous communities and LGBTI. In this regard, Honduras could follow the example of Costa Rica and Canada and implement dedicated instances for indigenous communities to participate in policy making or draw inspiration from initiatives in Brazil that aim at providing communities such as Youth and LGBTI a voice in the decision-making process.

Box 5.4. Good practices of open government initiatives led by civil society in Honduras

Laboratory of Citizen Innovation

NuupLab is a citizen innovation laboratory established in 2018 by citizens and non-governmental stakeholders. Its objective is to provide an open, inclusive, collaborative and experimental space for civil society to influence public policy in Honduras. Among its projects, NuupLab has developed a collaborative map to support the government answer to COVID 19, social innovations to promote the Sustainable Development Goals, and training for youth organisations on collaborative methodologies.

Building transparency during COVID-19

The Honduras Chapter of Transparency International (Asociación para una Sociedad más Justa - ASJ) promotes fight against corruption by evaluating human resources, procurement and performance of key government institutions, and is a key player in the open government movement. In 2021, ASJ implemented the project Building transparency during COVID19 aimed at fighting corruption in emergency procurement during the pandemic, using an innovative methodology to audit USD 80 million in emergency state procurement for COVID-19 tests, ventilators, biosafety equipment and mobile hospitals. This project was awarded the 2021 World Justice Project Award.

Legislative transparency

Observatorio del Poder is a transparency initiative based on a web and mobile platform that supports monitoring of the National Congress with information, data, visualisations and analysis of the elected representatives and their legislative activity. In addition, it provides an interaction channel to give citizens the opportunity to communicate, question and provide input to the MPs. This civil society-led initiative aims at supporting an Open Parliament in Honduras.

Source: NuupLab, <https://www.nuuplab.org/>; Asociación para una Sociedad más Justa, <https://asjhonduras.com/webhn/asj-gana-world-justice-challenge-2021-en-categoria-anticorruccion-y-gobierno-abierto/>; Observatorio del Poder, <http://elobservatoriodelpoder.com/> (links accessed 31 October 2022).

Honduras could consider issuing a decree on open state to provide a legal basis for its open state and open government agendas

The Honduran legal framework already includes several elements relating to the implementation of open government policies and practices, including in the Law on Transparency and Access to Public Information and in the Law on Citizen Participation. However, the legal framework setting the governance of the open government agenda could be more detailed.

Following the example of OECD members and non-members such as Canada and Brazil, Honduras could adopt a decree on open state, as an integrated legal basis for its open government agenda. This Decree could also be a tool to implement the suggested recommendations of this chapter and support the country's move towards an integrated open government and open state agenda. The suggested decree is detailed in the recommendations section of this chapter.

Strengthening the frameworks for transparency and participation to increase the impact of open government

In most countries, the enabling environment for open government is the result of a combination of different layers of laws, policies and institutions. The legal and regulatory framework sets the preconditions for governments to put the open government principles into practice (OECD, forthcoming). It defines the rules and determines rights and obligations for citizens, stakeholders and the government. Traditionally, the legal framework for open government is composed of laws that contain provisions on different open government policies (e.g. citizen participation, open data, accountability, etc.), as well as references to fundamental democratic rights (e.g. freedom of expression, association and assembly) (OECD, 2020^[17])

Honduras does not have a law on open government and could enshrine the right to information in the Constitution

Like most OECD countries, Honduras does not have any dedicated legislation on open government. Instead, its legal framework for open government is composed of a variety of laws and regulations, each addressing elements of transparency, participation, accountability and the protection of civic space. When the legal framework is coherent and implemented in a consistent and integrated manner, this patchwork of legislations is not per se a problem.

The Political Constitution of the Republic of Honduras (*Constitución Política de la República de Honduras*) was adopted in January 1982. Like the constitutions of most OECD member countries, the Constitution of Honduras does not include any specific references to the concept of open government. However, it contains a number of provisions concerning the principles of participation, integrity and accountability, as well as numerous provisions relating to the protection and promotion of civic space (see Table 5.2 for a detailed overview).

Unlike many OECD members, such as Greece and Portugal (Box 5.5), Honduras does not have the right to access information enshrined in the Constitution. While the Constitution recognises *habeas data* (the right to access personal data) in Article 182, access to information (ATI) is not explicitly mentioned (Government of Honduras, 1982^[18]). Notwithstanding, Honduras has adhered to relevant international treaties and regional conventions that recognise the right to information, such as the International Covenant on Civil and Political Rights and the Inter-American Convention on Human Rights. In the long-term, Honduras could consider enshrining the right to information in the Constitution to provide the necessary high-level recognition of ATI as a fundamental human right and to preserve and protect it throughout changing political cycles. The new government has taken steps in the right direction by introducing a draft bill to that end.

Box 5.5. Constitutions recognising the right to access information

Greek Constitution

Article 5(A): “1. All persons have the right to information, as specified by law. Restrictions to this right may be imposed by law only insofar as they are absolutely necessary and justified for reasons of national security, of combating crime or of protecting rights and interests of third parties. 2. All persons have the right to participate in the Information Society. Facilitation of access to electronically transmitted information, as well as of the production, exchange and diffusion thereof, constitutes an obligation of the State, always in observance of the guarantees of articles 9, 9A and 19.”

Portuguese Constitution

Article 268: “1. Citizens have the right to be informed by the Administration, whenever they so request, as to the progress of the procedures and cases in which they are directly interested, together with the right to be made aware of the definitive decisions that are taken in relation to them. 2. Without prejudice to the law governing matters concerning internal and external security, criminal investigation and personal privacy, citizens also have the right of access to administrative files and records.”

Source: Constitution of Greece, <https://www.hellenicparliament.gr/UserFiles/f3c70a23-7696-49db-9148-f24dce6a27c8/001-156%20aggliko.pdf>; Constitution of Portugal, <https://www.wipo.int/edocs/lexdocs/laws/en/pt/pt045en.pdf>.

Table 5.2. Laws and regulations regarding open government principles in Honduras

Year	Name	Description	Relevant OG principle(s)
1982	Political Constitution of the Republic of Honduras (<i>Constitución Política de la República de Honduras</i>)	The Constitution creates a framework of rights, obligations and principles that enable an open government. Article 5 details mechanisms for citizen and stakeholder participation, such as the referendum, the plebiscite, citizen consultations and the citizen legislative initiative. Article 45 ensures that the participation of citizens in public life is protected by the Constitution. Article 80 establishes the right for any individual to send petitions to any public authority and receive a response under a limit time specified by law. This right ensures a responsive government and promotes citizen participation in public life. Several articles refer to the protection of individual and collective rights, which are essential for a healthy civic space (Article 72 on Freedom of expression, Article 75 on Freedom of press, Article 78 and 79 on Freedom of assembly and association) Article 222 establishes the Superior Tribunal of Accounts (<i>Tribunal Superior de Cuentas</i>) as the main entity in charge of accountability of the State, especially in terms of fiscal audits and oversight of budget execution.	Participation Accountability Civic Space
1990	Law on Municipalities (<i>Ley de Municipalidades</i>)	The law mandates municipal authorities to organise participatory processes such as town hall meetings (<i>cabildos abiertos</i>) and plebiscites, and creates the Citizen Commissions on Transparency (<i>Comisiones Ciudadanas de Transparencia</i>) as participatory bodies to act as social accountability mechanisms to oversee and monitor the use of public resources.	Participation
2003	Law establishing the Superior Tribunal of Accounts (<i>Ley Orgánica del Tribunal Superior de Cuentas</i>)	This law creates the Superior Tribunal of Accounts as an independent institution in charge of the accountability of the State and public officials. It mandates this institution to oversee and monitor the use of public resources, ensure integrity in the public sector, and promote result-based monitoring.	Accountability Integrity

Year	Name	Description	Relevant OG principle(s)
2006	Law on Transparency and Access to Public Information (<i>Ley de Transparencia y Acceso a la Información Pública</i>)	The law recognises the right to access information and provides provisions for proactive and reactive disclosure, the exemptions and denials to grant information to the public, the possibility to file appeals, and the institutional responsibilities for oversight and implementation.	Transparency Integrity Participation
2006	Law on Citizen Participation (<i>Ley de Participación Ciudadana</i>)	The law defines citizen participation in Honduras and establishes a list of mechanisms for its practical implementation, including plebiscite; referendum; local town hall meetings (<i>cabildos abiertos</i>); citizen initiative (which in this context is understood as public consultations and the inclusion of citizens and/or stakeholders in the implementation and management of public services or infrastructure).	Participation
2016	Law on Decentralisation (<i>Ley de Descentralización del Estado</i>)	The law aims at “making public management more democratic, efficient, transparent and participatory” and puts a strong emphasis on the importance of citizen participation throughout the decision-making process at the local level including planning, monitoring and evaluation. In particular, this law mandates the Secretariat of Governance, Justice and Decentralisation to oversee participation at the local level.	Participation

Source: Author’s own elaboration.

The ATI law is aligned with OECD standards but further efforts are needed to improve its implementation

The right to access public information is at the core of an open government. It is understood as the ability for an individual to seek, receive, impart, and use information (UNESCO, n.d.^[19]). At a country level, enforcement of the access to information (ATI) right is mostly made operational through ATI laws, which are present in 134 countries, including 37 OECD members (RTI Rating, n.d.^[20]). Honduras approved in 2006 the Transparency and Access to Information Law (*Ley de Transparencia y Acceso a la Información Pública*, hereinafter ATI Law). The law defines the ATI right as “the right that every citizen has to access information generated, managed or held by obliged institutions provided for in this law” (Government of Honduras, 2006^[21]). According to the Global Right to Information Rating (RTI), which measures the quality of the legal provisions of ATI laws, as of February 2022, the Honduran ATI law score (84) ranks slightly above OECD average (81) but lower than the LAC region (93) (RTI Rating, n.d.^[22]).

The Honduran ATI law has a wide scope of application, covering all branches and levels of government, as well as any legal or natural person that receives or manages public funds, including non-governmental organisations (NGOs) and political parties (article 3 of the Honduran ATI law). This accounts for 428 public institutions in Honduras (IAIP, 2021^[23]). Furthermore, article 13 defines the information that needs to be proactively published,⁵ including: the organigram, functions and services of the public bodies; audit reports of the institutions; annual activity reports; salaries of public officials; legislations (e.g. constitution, organic laws, decrees, regulations); budgeting documents (e.g. approved budget); calls for tenders (public procurement); mechanisms allowing stakeholder participation; as well as the name and information of public officials in charge of ATI requests. Most of this information is published in the Central Transparency Portal (*Portal Único de Transparencia*).⁶ In addition to the Transparency Portal, an Open Data Portal was also developed, which centralises open data sets relative to public procurement and contracting⁷ (IAIP, n.d.^[24]). This voluntary disclosure of information favours transparency and reduces costs and administrative burdens associated with filling requests for information.

According to the 2021 report of the Institute for Access to Public Information (*Instituto de Acceso a la Información Pública*, hereinafter IAIP) that assesses the compliance of proactive obligations, 63% of public institutions published all the required information for the 1st semester 2021. According to the same report, the 37% that did not fully comply with the disclosure provisions mostly failed to publicly disclose information

regarding budget, planning and audit (IAIP, 2021^[23]). Despite progress in the quantity of information and data published, results from the fact-finding mission showed that the quality of the information was not always up to OECD standards. This is partly due to the lack of capacities and resources from public officials and the limited awareness of the benefits of a culture of transparency (see section below). As a result, proactive disclosure often ends up being a tick-the-box exercise. The fact-finding mission revealed that another factor hindering the quality of information is related to inadequate technology and management systems in the public sector.

At the subnational level, the IAIP has also developed, in collaboration with international partners and the Municipal Association of Honduras, a Municipal Transparency Index (*Índice de Transparencia Municipal*) and a Municipal Transparency Management Model (EUROsociAL+, 2020^[25]). According to stakeholders interviewed during the fact-finding mission, both initiatives have facilitated access and monitoring of proactive disclosure obligations in municipalities. However, further efforts are needed to increase the usability and interoperability of these mechanisms. To that end, the government could consider conducting consultations with stakeholders to prioritise the information that is most useful, and where and how it could be proactively disclosed. This can help ensure the relevance and usability of the information published proactively as well as the user-friendliness of the mechanisms for providing it.

A request for information in Honduras can be submitted by written or electronic means, clearly indicating the information requested, without the need to explain the motivation or any other reason to justify the request (article 34 of the ATI law bylaws in relation to article 20). However, anonymity is not provided: when submitting a request, nationals, legal residents of the country, residents without legal status, CSOs, and national and foreign businesses must present a document proving their identity (article 36 of the ATI law bylaws). The possibility of being identified may discourage stakeholders from requesting information, as they may fear reprisals. For this reason, the OECD and partner countries are increasingly allowing for anonymous requests – either *de jure*, with legislation explicitly protecting the integrity and privacy of individuals and parties that file a request for information, such as Mexico, Estonia and Norway; or *de facto*, where countries do not require proof of identity and only ask for an email or contact address to send the requested information, as in Chile and Brazil (at the federal level).

To ease the process of requesting information, Honduras put in place the Electronic Information System of Honduras (*Sistema de Información Electrónico de Honduras - SIELHO*).⁸ The SIELHO is an online platform where stakeholders can make requests for information and file appeals. The system redirects requests of information to the relevant public information officers (*Oficiales de Información Pública – OIP*) of each institution and provides information regarding the status of a request. It also gathers statistics on the type of information requested, the status of the requests or the reason for not providing the information.

ATI laws usually also specify the waiting period for a response. Article 21 of the Honduran ATI Law and article 39 of its bylaws provide for a maximum of 10 days to respond the request, compared to an average of 20 working days in OECD countries (OECD, 2016^[21]). Public institutions subject to the ATI law may deny access to information that falls under a list of exceptions, including national security, international relations, personal data and public health and safety, among others (article 25 of the ATI law bylaws). An important step forward in this regard is the repeal of the Law of Secrets in March 2022. Approved in 2013, the law was often used to classify information and justify the denial of information requests (France24, 2022^[26]). If a request for information is denied, a justification must be provided to the requester. Once the requester has been notified of the denial of the request, an appeal can be lodged to the IAIP. Then, the IAIP has 10 days to review the appeal. As a last resort, requesters may appeal the IAIP decision through an *amparo*, which will be resolved by the Supreme Court of Justice.

While the overall legal process for reactive disclosure is aligned with OECD standards, the implementation is lagging behind. The Institutional Strategic Plan of the IAIP identified an overall lack of accessibility and credibility of information due, among other reasons, to an ineffective communication strategy of the existing mechanisms to request information, the limited methods for accessing information and the lack of

responses to certain requests for information (IAIP, 2018^[27]). This challenge was confirmed during the fact-finding mission, where stakeholders mentioned a general lack of trust in the information provided by the government. Although the requester can also file a request in person, stakeholders pointed to the limitations of the SIELHO for electronic requests, in particular in rural areas where there are limited digital skills and ICT literacy. In fact, the World Bank suggests that only 32% of individuals use the Internet in Honduras (World Bank, n.d.^[28]). This implies that the effectiveness of the existing ATI mechanisms remains limited. Similar to the initiatives taken in Colombia and Mexico (see Box 5.6), Honduras could consider multichannel mechanisms to raise awareness of the right to ATI and to foster both proactive and reactive disclosure measures to counter the existing digital divide and ensure inclusive and equitable access to information.

Box 5.6. Increasing inclusiveness of access to information in Colombia and Mexico

Colombia

The *Procuraduría general de la Nación* developed a series of tools to guide public officials in providing public information access to people who are in situations of disability as well as members of the indigenous communities and other minorities in the country. That Office also created specific booklets for these members of society, to ensure that they are aware of their ATI right and how to use it. These materials, directed to public officials, were created following a number of criteria, among them: 1) their language had to be simple, avoiding legal technicalities; 2) the text had to be understood by people without knowledge of the subject; 3) they had to be short; and 4) theoretical and technical aspects were to be included only when strictly necessary. Colombia also developed an explanatory video in sign language for citizens with disabilities or hearing impairment in order to present the Transparency and Access to Public Information law. The Colombian ATI law was transformed into Braille and made available in large print for the use of visually impaired citizens. Finally, Colombia has an indigenous population of 2 million; the ATI law has been translated into six indigenous languages *Arhuaco*, *Chamí*, *Koreguaje*, *Katío*, *Nasa* and *Wayuu*.

Mexico

The National Institute of Transparency, Access to Information and Protection of Personal Data in Mexico (INAI) regularly hosts workshops and engages in outreach with vulnerable groups facing structural barriers that can impede access to information. One outcome of these workshops was the production of guides on digital literacy for senior citizens and women in rural areas. The INAI also uses communitarian radios in indigenous languages to promote the use of and access to information.

Sources: *Handbook on Open Government for Peruvian Public Servants*, <https://www.oecd.org/gov/open-government/guia-de-la-ocde-sobre-gobierno-abierto-para-funcionarios-publicos-peruanos.htm> (accessed 31 October 2022); <https://home.inai.org.mx/> (accessed 1 November 2022.)

The institutional capacities to conduct oversight of the ATI law could be strengthened

An important factor for effective implementation of ATI laws is the existence of robust institutional arrangements to ensure their application. The role of these bodies vary widely among OECD member and partner countries, but can be grouped into: 1) enforcement, such as consolidating proactively disclosed information, handling complaints, and sanctioning non-compliance; 2) monitoring, such as the internal appeals process and compliance with the law itself; and 3) promotion of the law, such as advising public

institutions and providing training, among other measures. The Honduran ATI law provides three bodies with different obligations: the Institute for Access to Public Information (IAIP); the ATI officers (OIPs); and the National Council for Anticorruption (CNA).

The IAIP is responsible for promoting and facilitating access to public information for stakeholders, as well as regulating and supervising the procedures of the institutions subject to the law concerning the protection, classification and custody of public information. The IAIP is an autonomous, with operational, decision-making and budgetary independence. It is composed of three commissioners, elected by the National Congress for a period of five years (IAIP, n.d.^[29]). The IAIP has, among others, the following functions and powers:

- track and resolve appeals
- establish the manuals and instructions for classifying, archiving, safekeeping and protecting public information, which public institutions must apply
- establish the criteria and recommendations for the operation of the National Public Information System (Sistema Nacional de Información Pública)
- apply sanctions for non-compliance with the ATI law and verification guidelines
- carry out the administrative procedures necessary to guarantee the right to ATI by citizens
- present a biannual activity report to the Presidency of the Republic and the National Congress
- carry out promotional and outreach activities regarding exercise of the right to ATI
- guarantee the disclosure of proactive information according to article 13 of the ATI law.

According to the IAIP 2019-23 Institutional Strategic Plan, a relevant challenge is the lack of a transparency culture in the public sector (IAIP, 2018^[27]). This is caused by a variety of factors including politicised public institutions, limited civic values, a weak fight against corruption, and a lack of interest from civil society. During the fact-finding mission, stakeholders recognised the mandate and the efforts of the IAIP in promoting the right to ATI and in ensuring legal implementation. However, concerns were raised about the Institute's limited human and financial resources, which hinder its capacity to effectively deliver on its mandate. There is thus a need to further strengthen the capacities of the IAIP to increase its enforcement capabilities, including the promotion and oversight obligations of the ATI law, by ensuring an adequate level of human and financial resources. In terms of enforcement, this would allow the IAIP to increase the oversight to the 428 public institutions subject to the ATI law.

In addition to the IAIP, the CNA plays a crucial role in ensuring the correct implementation of the ATI Law by receiving from the IAIP updated figures on appeals and sanctions, and the biannual activity report to monitor application of the ATI law. The CNA is an independent organism with legal personality composed of civil society stakeholders, created by Legislative Decree No. 07-2005 with the aim of supporting the policies and actions undertaken in the fight against corruption by the government of the Republic of Honduras (CNA, n.d.^[30]).

Finally, the ATI Officers or OIPs are the person(s) designated by each of the 428 institutions subject to the law as responsible for effective management of the proactive and reactive disclosure obligations, a role existing in 50% of OECD countries. Designating ATI officers in all public institutions with adequate resources is essential to effectively implement an access to information law. However, according to the fact-finding mission, OIPs often lack capacities and resources, both human and financial, to adequately conduct their functions. This hinders the quality of information provided to requesters, both proactively and reactively. The IAIP does provide training for the OIPs to build their capacities, for instance with a certification programme, and has built an informal network of officials in each department. However, the lack of continuity of the officers, in particular at the local level due to the changes during political transitions, is another relevant challenge. In terms of capacities, the IAIP could build on the existing certification programme and the informal network to expand the training and establish a formal network among OIP public officials to conduct capacity building and promote co-operation and exchange of knowledge and

experience. In Brazil, the Citizen Information Service (*Serviço de Informação ao Cidadão – SIC*) Network (RedeSIC) is a relevant example of a formal network that provides training for ATI officers at all levels and branches of government, including members of the media and academic experts.

Honduras adopted a legal framework on citizen and stakeholder participation, the ambition of which could be increased

Honduras adopted its Citizen Participation Law in 2006 (*Ley de Participación Ciudadana*) as a “mean to modernise the way citizens can participate in public life as part of the participatory democracy principle that enshrines the national unity”. The law defines citizen participation as “the inclusion of citizens in the formulation, execution and evaluation of all policies and actions of the State”, and introduces four mechanisms (Government of Honduras, 2006^[31]):

- plebiscite
- referendum
- local town hall meetings (*cabildos abiertos*)
- citizen initiative.

In addition, the country’s legal framework for citizen participation (see Table 5.2.) includes the 1990 Municipal Law (*Ley de Municipalidades*) which created the Citizen Commissions on Transparency (*Comisiones Ciudadanas de Transparencia*) as participatory bodies to act as a social accountability mechanism to oversee and monitor the use of public resources and ensure the efficient delivery of public services at the municipal level (Government of Honduras, 1990^[32]). The 2016 Law on Decentralisation (*Ley de Descentralización del Estado*) mandated the Secretariat of Governance, Justice and Decentralisation (*Secretaría de Estado en los Despachos de Gobernación, Justicia y Descentralización*) to “promote local governance through strengthening citizen participation and social accountability in order to achieve a sustainable and transparent decentralization process” (Government of Honduras, 2016^[33]).

The adoption of a legal framework on citizen and stakeholder participation helps clarify the responsibilities of public authorities, and supports the institutionalisation of participation. Honduras has adopted three major pieces of legislation on participation. Nevertheless, certain challenges remain to ensure this framework is effectively contributing to the development of a culture of participation in Honduras. Evidence collected by the OECD suggests that the existing legal framework on participation is not properly implemented and lacks monitoring mechanisms. For example, the National Forum on Citizen Participation was never actually established, and the different mechanisms listed in the legislation are rarely organised or have minimum impact on decision making (LATINNO, 2017^[34]).

The country’s legal framework could be enriched with additional and more ambitious forms of citizen and stakeholder participation. The Law on Citizen Participation (2006) could be revised to include more engaging and impactful mechanisms such as participatory budgets, citizen consultations⁹ or deliberative processes¹⁰. Honduras could get inspiration from OECD member and partner countries, such as Mexico, Colombia or Brazil that have included a diverse set of participatory mechanisms in their legislation (See Box 5.7).

Given the context of Honduras, certain practices from other Latin American countries could provide inspiration. For example, participatory budgets in Brazil have proved to be an effective tool to involve citizens and stakeholders in public decisions, with concrete and tangible impacts on inclusion, democratic quality and reduction of corruption.

Box 5.7. Legislation on citizen and stakeholder participation in OECD member and partner countries

Law 1757 from 2015 on the Promotion and Protection of the Right to Democratic Participation in Colombia

The purpose of Law 1757 of 2015 on the promotion and protection of the right to democratic participation is to promote, protect and guarantee the right to participate in political, administrative, economic, social and cultural life, and also to control political power. Article 2 stipulates that any development plan must include specific measures to involve people in decisions that affect them and to support different ways of organising society. Similarly, the management plans of public institutions should explicitly state how they will facilitate and promote the participation of citizens in their areas of responsibility. Law 1757 of 2015 created the National Council of Citizen Participation, which advises the National Government on the definition, development, design, monitoring and evaluation of public policy on citizen participation in Colombia.

Law on Citizen Participation of 2019 in Mexico City (Mexico)

This law establishes the different mechanisms that citizens and stakeholders have to participate in public decisions. The law frames citizen participation and establishes twenty mechanisms and instruments for its implementation, organised by type of democracy: six mechanisms of direct democracy, six mechanisms for participatory democracy and eight mechanisms for representative democracy. The instruments established by the law are diverse, involving public consultations, participatory budgeting, citizen assemblies and citizen initiatives. The law also establishes governance and institutional mechanisms to ensure the effective participation of citizens with an open state approach, by involving representatives from the executive, legislative, the judicial and independent institutions.

Law 10.257 of 2001 on the Statute of the City (Estatuto da Cidade) in Brazil

This legislation mandates that all urban policies in Brazil should ensure a “democratic management through the participation of citizens and associations representing diverse segments of the community, in the formulation, implementation and monitoring of plans, programmes and projects”. This law includes a chapter on the “democratic governance of the city”, with provisions establishing the mechanisms for citizens and stakeholders to influence and monitor urban policies and management, including participatory budgeting, collegial bodies, public consultations and mechanisms of direct democracy. It establishes that it is mandatory to involve citizens and stakeholders in the preparation of the multiannual plans, fiscal guidelines and budget proposals. Article 44 details the mechanisms for a participatory budget, including public debates, hearings and consultations.

Source: OECD (2021), *Guía OCDE para diseñar e implementar estrategias territoriales de Gobierno Abierto en Colombia*, <https://www.oecd.org/colombia/Guia-ocde-para-disenar-e-implementar-estrategias-territoriales-de-gobierno-abierto-en-colombia.pdf> (accessed 1 November 2022); Instituto Electoral de la Ciudad de México (2019), “Nueva Ley de Participación Ciudadana”, <https://www.iecm.mx/wp-content/uploads/2019/09/InfografialPCCM.pdf> (accessed 1 November 2022); OECD (2022), *Open Government Review of Brazil*.

The institutional architecture for citizen and stakeholder participation in Honduras could be improved to support implementation

The legal framework in Honduras mandates two public authorities to oversee the citizen participation agenda. On the one hand, the Secretariat of Transparency (*Secretaría de Estado en el Despacho de Transparencia – SDT*)¹¹ is in charge of promoting citizen participation in the areas of transparency,

accountability and the fight against corruption. On the other hand, the Secretariat of Governance, Justice and Decentralisation (*Secretaría de Estado en los Despachos de Gobernación, Justicia y Descentralización – SGJD*) is in charge of designing and implementing national policy on citizen participation at the subnational level, and ensuring the involvement of civil society. In addition to these bodies, the legislation creates different mechanisms for co-ordination within government and with non-governmental stakeholders, namely the National Forum on Citizen Participation¹² (*Foro Nacional de Participación Ciudadana*), the Municipal and Regional Development Councils (*Consejos de Desarrollo Municipal y Departamental*) and the Community Roundtables for Citizen Participation (*Mesas Comunitarias de la Participación Ciudadana*).

Evidence collected by the OECD during the fact-finding mission suggests that this institutional architecture at the central level of government could be strengthened. First, Honduras could clarify the institutional leadership for the participation agenda at the national level by establishing this mandate in a dedicated office – whether in the institution in charge of the open government agenda, or the SGJD. A dedicated Unit on Citizen Participation (*Unidad de Participación Ciudadana*) could follow the examples of OECD countries (see Box 5.8) and be charged with the implementation of participatory processes and co-ordination with other national authorities, and could work as a centre of expertise providing technical support on citizen participation to all public institutions. This support function could be strengthened in conjunction with the relevant institution in charge of training civil servants.¹³ Sufficient resources should support this mandate, as interviews revealed that the SDT did not have dedicated human resources or mechanisms in place to steer the participation agenda. Alternatively, adding to its subnational and civic space responsibilities, the Secretariat of Governance, Justice and Decentralisation could broaden its role and cover the national citizen participation agenda.

Second, the proposed National Forum on Citizen Participation (*Foro Nacional de Participación Ciudadana*) was never created, and there is no clear understanding of the role/responsibilities of the Municipal and Regional Development Councils (*Consejos de Desarrollo Municipal y Departamental*) or the Community Roundtables for Citizen Participation (*Mesas Comunitarias de la Participación Ciudadana*). These collegial and deliberative bodies could support the mandated institution in its role to steer and promote citizen participation across the country. The National Forum on Citizen Participation (NFPC) could be implemented as a space for collaboration among public and non-public stakeholders on participatory practices at both the local and national levels. Honduras could implement this Forum as a space for dialogue, co-ordination, monitoring and exchange of good practices. The Forum could take inspiration from the Brazilian National Policy Councils, where public authorities and representatives from civil society collectively shape the policies and services in specific policy areas. As part of these bodies, Honduras should encourage collaboration with key actors from civil society, such as the FONAC (*Foro Nacional de Convergencia*).

Box 5.8. Institutional settings for citizen participation in OECD countries

Colombia

In Colombia, the citizen participation agenda is co-ordinated at the national level by the department in charge of public management (Department of Public Service). This Department oversees implementation of the National Citizen Participation Policy and has the mandate to promote participatory approaches to public service and public management. Line ministries (e.g. health or education) have are responsible for implementing an institutional citizen participation roadmap and co-ordinating with the Department of Public Service to ensure coherence and harmonisation.

France

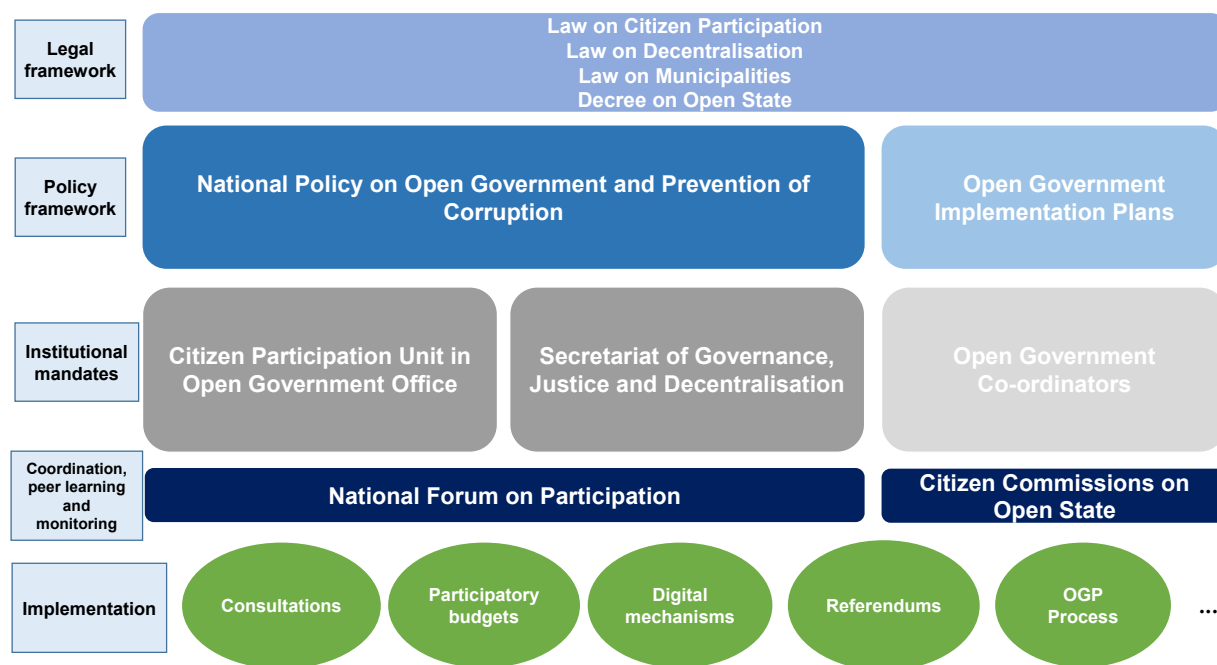
The citizen participation agenda has a political lead, administrative co-ordination and an independent evaluation. The agenda is led by a dedicated minister (Minister of Relations with Parliament and Citizen Participation), co-ordinated by the Inter-Ministerial Direction for Public Transformation (DITP) and overseen by an independent body (National Commission for Public Debate – CNDP). The DITP is also in charge of the open government agenda and the OGP process in France, and works as a centre of expertise providing technical support on citizen participation to all public institutions.

Mexico

Mexico has two offices co-ordinating and leading implementation of the participation agenda, one located in the centre of government in charge of the coordination between the government and non-public stakeholders such as the Under-Secretariat for Democratic Development, Social Participation and Religious Matters). The other office is the open government lead in charge of guidance and support to other federal entities (Secretariat for Public Management).

Source: Author's own elaboration based on OECD (2021), Survey on Open Government.

Figure 5.2. Suggested enabling environment for citizen participation in Honduras



Source: Author's own elaboration.

Translating high-level objectives into concrete and measurable actions in Honduras' first National Open Government Policy

The enabling environment for open government includes policies that provide guidance to the government for the medium and/or long term. The policy framework sets the roadmap for open government reforms defining the “what” and the “how” (OECD, 2016^[2]). The policy framework usually consists of policy documents (e.g. strategies, action plans) that detail initiatives, commitments and projects that aim to foster open government principles.

In Honduras, the most important policy document in the area of open government is the Open Government Partnership (OGP) Action Plan. However, references to the promotion of open government principles are also included in other policy documents such as the Country Vision 2010-38 (*Visión de País*) and the National Policy of Transparency, Integrity and Prevention of Corruption (*Política Nacional de Transparencia, Integridad y Prevención de la Corrupción*) published in 2018. The most relevant policy documents for open government in Honduras are presented in Table 5.3.

Table 5.3. Overview of the main existing policy documents relating to open government in Honduras

Name	Main objective	Open Government Principles	Validity	Leading institution (as of Nov 2021)
4th Action Plan for Open State Honduras 2018-2020	Includes commitments from public authorities in the executive, legislative and judicial branches as well as independent institutions to promote the principles of transparency, participation and accountability.	All	2018-2020	Secretariat of Transparency
National Policy of Transparency, Integrity and Prevention of Corruption	Consolidate an open, transparent, agile, accountable and efficient State that promotes the development of Honduras in a participatory and deliberative democracy, while promoting greater co-responsibility among all social forces in the country in the cultural and ethical transformation of society; in the development of greater harmonious collaboration between all State entities; in the greater commitment to a frontal, total and radical fight against corruption, impunity and abuse of public office in all its forms.	All	2018 - 2030	Secretariat of Transparency
National Policy and Action Plan on Transparency and Access to Public Information	Provide a strategic framework that guides actions and encourages co-operation between State entities, society and the private sector, in view of generalising the exercise of the right of access to public information in public institutions and consolidating a culture of transparency in public and private institutions.	Transparency	2015 - 2030	IAIP
National Policy on Open Data	Promote the use of open data as a tool for transparency.	Transparency		Secretariat of Transparency
Open State Declaration	Establishes high-level objectives from all branches of the State and independent institutions to consolidate an open state focusing on the principles of an open government.	All		Presidency of the Republic
The Country Vision 2010-38	Provides a long-term vision for the development of the country, including key policy areas such as economic development, social policies and regional decentralisation. This document establishes guidelines inspired by the principles of an open government.	Transparency Participation	2010 - 2038	Presidency of the Republic

Note: This table only includes policy documents currently being implemented.

Source: Author's own elaboration.

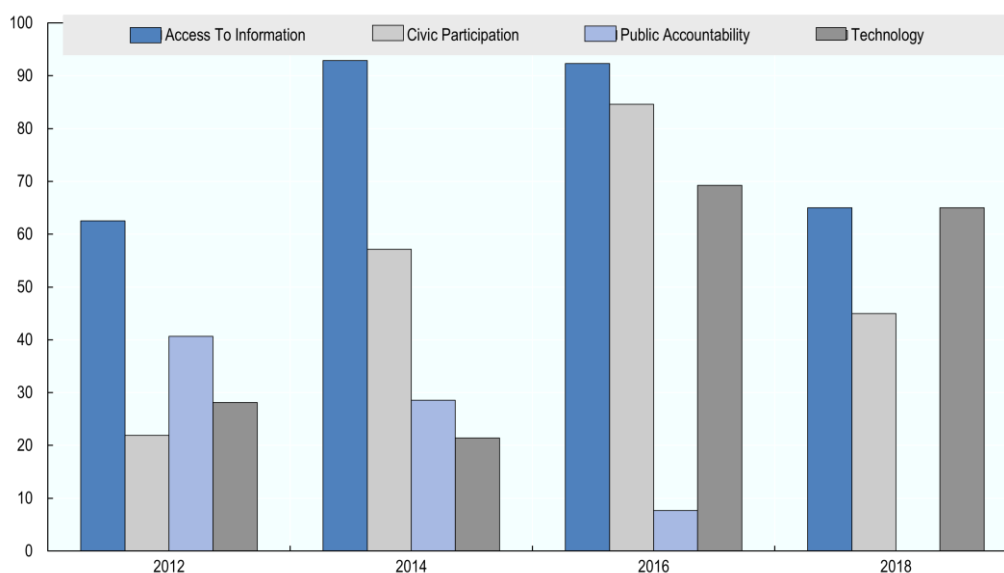
The OGP action plan constitutes the platform to operationalise the open government agenda in Honduras

Honduras joined the Open Government Partnership (OGP) in 2011. In line with OGP rules, members have to develop biannual action plans. These plans have to be the product of a co-creation process in which government institutions and civil society work together to design commitments that aim to foster open government principles (OECD, 2020^[17]). Across the OECD area, OGP action plans have become the most common form of action-oriented policy frameworks for the promotion of openness. At the time of writing, 29 out of 38 OECD countries were members of the OGP (OGP, 2021^[35]).

The Honduran 2011-13 OGP action plan marked the country's first attempt to group a series of open government initiatives under one policy document. Between 2011 and 2021, Honduras elaborated four action plans, including 67 commitments in different areas of open government. The OGP action plans have constituted the cornerstone of the open government agenda in Honduras and the OGP process has served as a point of departure for the development of policy agendas in a range of open government areas. For example, the second action plan served as a platform to create the country's Policy on Transparency, and the National Policy on Open Data resulted from the third OGP action plan. The OGP process was also the foundation on which the Open State Declaration was adopted.

An analysis of the four OGP Action Plans of Honduras reveals that these plans have had a strong focus on the informational side of openness,¹⁴ i.e. actions regarding access to information, transparency and open data (Figure 5.3.). As in many OECD countries, commitments that relate to a more engaged citizenry have been less frequent. More precisely, access to information has been the most prominent category throughout all four action plans. More than 90% of commitments of the second and third plans are related to access to information. While citizen participation features in approximately half (52.2%) of commitments on average, public accountability does so for only one in five commitments (19.2%). The latest action plan does not include any commitment related to accountability. Moreover, technology has become increasingly important over time. While slightly more than one-quarter of the first action plan (28.1%) related to technology, this value has more than doubled for the latest two action plans. Now accounting for 65% of commitments, it has been as prominent as Access to Information in the 2018 version. Honduras could consider including more commitments on the other areas of openness beyond access to information, especially citizen participation and accountability, to ensure the Action Plans that follow contribute to a more ambitious understanding of open government.

Figure 5.3. OGP Action Plans in Honduras have a strong focus on Access to Information

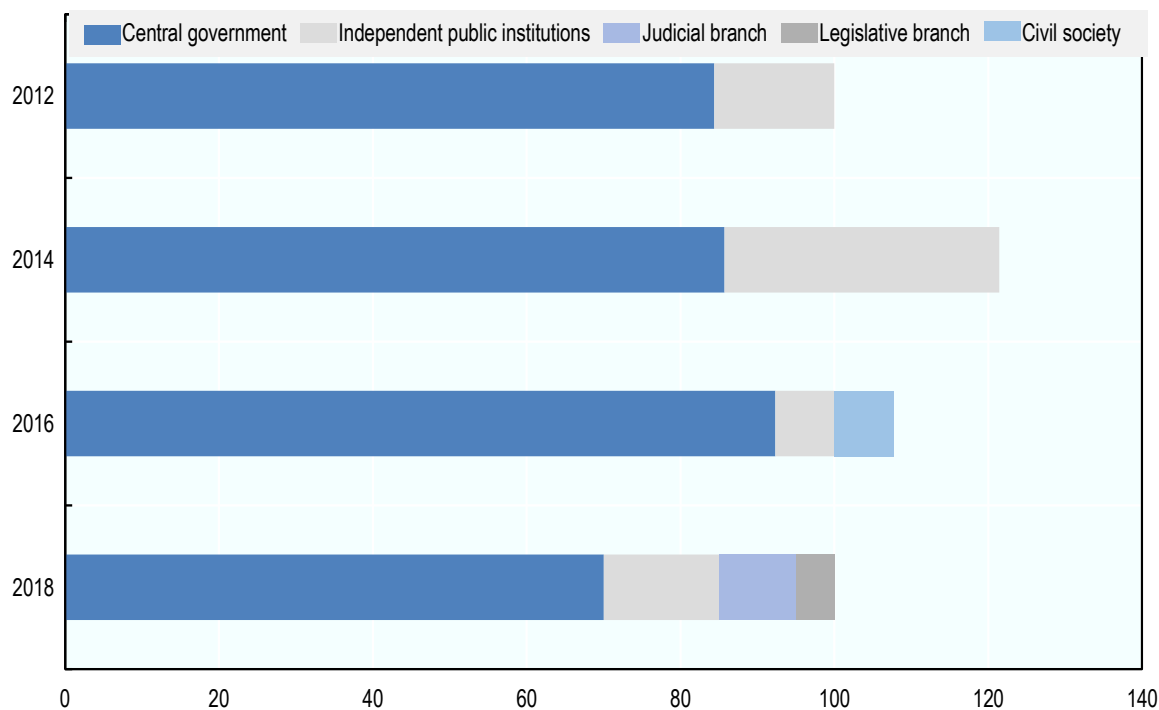


Note: In percentage of total OGP commitments. Multiple categories per commitment possible. The OGP database subdivides some of the commitments of the first Action Plan into multiple commitments, leading to 32 initiatives for that document.

Source: Author's illustration based on Open Government Partnership (n.d.), OGP Commitment Database, <https://www.opengovpartnership.org/open-data/> (accessed 1 November 2022).

The ambition to move towards an open state is reflected in the gradual increase in different actors beyond the executive branch involved in designing and implementing OGP commitments. Honduras could continue its efforts to increase the diversity of the actors involved in the OGP process. Recognising their autonomy, the central level could reach out to more subnational governments to integrate the OGP process. In this sense, Honduras could align the commitments taken by the different stakeholders in the Open State Declaration with the OGP commitments, to use this action plans as a tool to operationalise high-level commitments, increase evaluation, and support a coherent move towards an open state.

Figure 5.4. The OGP Action Plans in Honduras are becoming more diverse but remain dominated by central government institutions

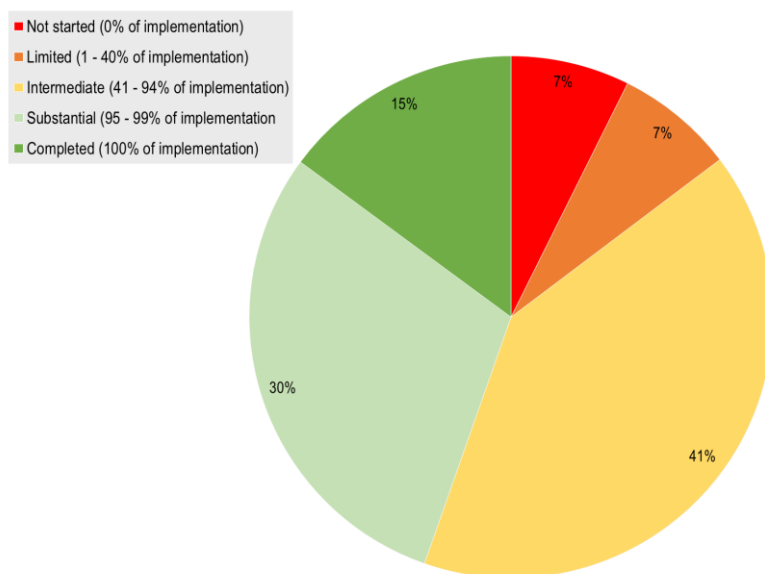


Note: Percentage of OGP commitments. Considers only the lead institution per commitment. Multiple categories per commitment possible, if more than one institution designated as lead institution.

Source: Author's illustration based on Open Government Partnership (n.d.), OGP Commitment Database, <https://www.opengovpartnership.org/open-data/> (accessed 1 November 2022).

Evidence collected points to the fact that the implementation of Honduras OGP Action Plans should be improved. Data from the Monitoring System for the Open Government Partnership (*Sistema de Monitoreo y Seguimiento de la Alianza Gobierno Abierto Honduras - SIMAGAH*) show that for the third OGP Action Plan, not a single commitment was completed and 61.54% were partially implemented (less than 40% of completion). As for the fourth OGP Action Plan (2018-21), only 14.51% of commitments have been completed (see Figure 5.5), although it should be noted that COVID-19-related restrictions impacted the implementation of this and other policies. Insufficient implementation is not solely a problem of OGP Action Plans in Honduras, as it echoes the main challenge for open government in the country overall.

Figure 5.5. Rate of implementation of the Honduras 4th OGP Action Plan



Source: Author's own elaboration based on Sistema Presidencial de Gestion de Resultados (SGPR), Sistema de Monitoreo y Seguimiento de la Alianza Gobierno Abierto Honduras (SIMAGAH).

Including open government and open state in high-level strategic policy documents

As discussed in Chapter 3, Honduras has adopted high-level strategic policy documents to define a long-term vision for the country and aspirations in the social, economic and political areas such as the Country Vision (*Visión de País*) and the Nation Plan (*Plan de Nación*). Experience from OECD countries shows that the inclusion of open government elements in the main strategic policy documents is beneficial as it gives a long-term vision to the open government agenda.

Honduras could consider including high-level objectives of its open government and open state agendas in such documents, opening an opportunity to align the open government agenda with other policy objectives such as the fight against corruption, a stronger democracy, a healthy civic space and a more efficient public administration. For example, Honduras could include the objective of an open state, or tangible actions such as the design of a whole-of-government Open Government Policy, as well as a set of indicators to measure its implementation as an objective. Honduras could also include concrete open government initiatives to support broader objectives, such as participatory processes to enhance citizen control of public spending, or open data to combat corruption through public procurement. OECD members, such as Colombia, could provide inspiration in this regard (Box 5.9).¹⁵

Box 5.9. Open State Policy and Guidelines in Colombia (CONPES)

In December 2021, Colombia approved its Policy and Guidelines for the Implementation of an Open State (*Lineamientos de Política para la Implementación de un Modelo de Estado Abierto*). The objective of this document is to promote trust in public institutions and to improve the relationship between the State and the public. It establishes a model for an open state, meaning a more transparent, participatory and collaborative public action. This document was established through a participatory methodology and is part of an objective of the Colombia National Development Plan 2018-22.

The Open State Policy has five strategic objectives that will be implemented from 2022 to 2025:

- Transparency:
 - promote the right to access public information
 - promote initiatives of targeted transparency
- Public integrity:
 - foster the culture of integrity in the management of human resources
 - articulate and diffuse tools to manage and prevent conflict of interest
- Legality:
 - promote an integrated approach to risk management
 - improve management of reports and complaints of corruption and the protection of whistleblowers
 - develop tools and useful information for the investigation and sanction of corruption practices
- Co-responsibility (citizen participation):
 - foster social accountability mechanisms in the formulation and evaluation of public policies
 - promote co-responsibility to generate trust among citizens
- Innovation:
 - promote public innovation initiatives as a transversal tool to support the consolidation of an Open State.

Source: Government of Colombia (2018), *National Development Plan 2018-2022 – Pact for Colombia, Pact for Equity*, <https://colaboracion.dnp.gov.co/CDT/Prensa/Resumen-PND2018-2022-final.pdf> (accessed 1 November 2022); Government of Colombia (2021), *Documento CONPES 4070 Lineamientos de política para la implementación de un modelo de Estado abierto*, <https://colaboracion.dnp.gov.co/CDT/Conpes/Econ%C3%B3micos/4070.pdf> (accessed 1 November 2022)

The Open State Declaration tries to spread the benefits of open government to all branches and all levels of government but is lagging behind on implementation

Following the steps of OECD members such as Costa Rica in 2015 and Colombia in 2017 (see Box 5.10), Honduras adopted the Declaration to Consolidate Honduras as an Open State (*Declaración para Consolidar a Honduras como un Estado Abierto*, hereinafter The Declaration) in 2018 as a high-level statement signed by all branches of power and the subnational level of government (see Box 5.11 for more details).

Box 5.10. Open State initiatives in Latin America and the Caribbean

- *Costa Rica* was the open state pioneer in the region. The 2015 *Declaration for the Creation of an Open State*, signed by the President of the Republic, the President of the Legislative Assembly, the President of the Supreme Court of Justice and the President of the Supreme Court of Elections, formed the basis of the 2017 Framework Agreement to promote an Open State in the Republic of Costa Rica between the Executive Branch, the Legislative Branch, the Judiciary and the Supreme Court of Elections. The Framework establishes policies for building an open state through joint commitments to ensuring transparency, access to information, citizen participation and the fight against corruption in the four branches of the state. It was the first agreement in the world on Open State, and it was developed using a multi-sector process with substantial technical support from the OECD.
- *Colombia* – The country’s Commitment Declaration for an Open State was signed by representatives of every branch of the State in 2017. Guided by this Declaration, institutions, including national electoral and supervisory bodies, are developing approaches to their work and structure based on the pillars of transparency and accountability, in order to prevent corruption and guarantee rights. At the same time, systematic efforts have been made to include subnational levels of government in this process.

Source: OECD (2016), *Open Government in Costa Rica*, OECD Public Governance Reviews, OECD Publishing, Paris, <https://doi.org/10.1787/9789264265424-en>; OECD (2019), “Public Governance Scan Colombia”, OECD Public Governance Reviews, OECD Publishing, Paris, <https://www.oecd.org/gov/Colombia-Scan-Final-Spanish.pdf> (accessed 1 November 2022).

Box 5.11. The Honduran Declaration on Open State

Honduras adopted in 2018 a whole-of-state high-level document to establish a vision and guidelines to build an open state. The Declaration is signed by all branches of the state:

- the President of the Republic, representing the executive branch
- the President of the National Congress, representing the legislative branch
- the President of the Supreme Court of Justice, representing the judicial branch
- the General Attorney of the Republic, the President of the Supreme Court of Accounts and the President of the Access to Public Information Institute, representing independent public institutions
- the President of the National Association of Municipalities, representing the subnational level of government.

This high-level document aims at supporting implementation of the 2018 National Policy of Transparency, Integrity and Prevention of Corruption across the State as a way to build an open state in Honduras. Its main objective is to “consolidate an open, transparent, agile, responsible and efficient state to strengthen Honduras participatory and deliberative democracy”. To do so, it includes 11 commitments that are common to all branches and levels of government, as well as 11 commitments for the executive branch, 5 for the legislative, 7 for the judiciary, 5 for the independent institutions, 3 for the IAIP and 3 for the Association of Municipalities.

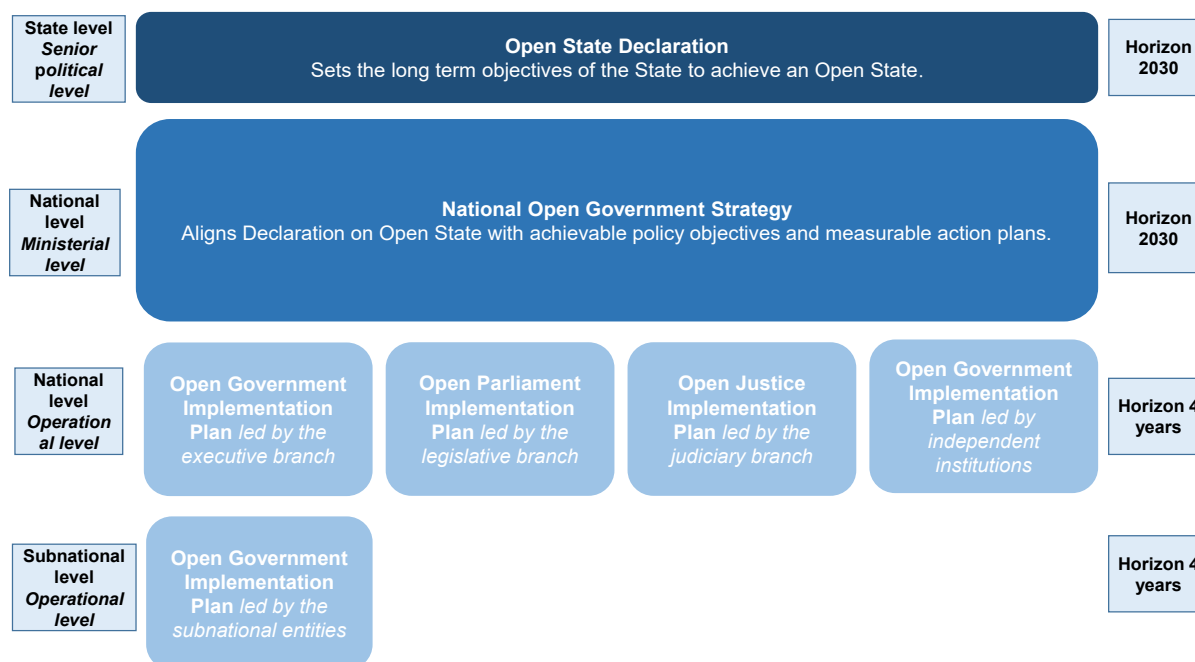
Source: Government of Honduras (2018), *Declaration to Consolidate Honduras as an Open State (Declaración para Consolidar a Honduras como un Estado Abierto)*.

In addition to establishing a vision and objectives for each branch, such as increasing the transparency and participation of central government and developing a policy on open parliament by the legislative power, the Declaration creates the Inter-agency Roundtable for Transparency and Anti-corruption (*Mesa Interagencial de Transparencia y Anticorrupción – MITA*) to co-ordinate implementation of the commitments and to ensure collaboration among the different branches and levels of government. This Roundtable is also responsible for the co-ordination and implementation of the National Policy of Transparency, Integrity and Prevention of Corruption.

The OECD acknowledges the level of ambition of the Declaration. However, evidence collected during the OECD fact-finding mission shows there is a good understanding of the concept of an open state across branches of power, but the level of practical implementation is still uneven. This is partially due to the fact that many of the commitments included in the Declaration are not measurable and lack of metrics for their evaluation. For example, Honduras has taken positive steps towards an Open Justice with commitments in its latest OGP Action Plan and initiatives to increase transparency (open data, communication and plain language), foster open government literacy (courses and use of traditional media) and citizen participation (community leaders, participatory processes to select judges). While the judiciary seems to have advanced, evidence shows that the legislative power is lagging behind in terms of transparency and participation. For example, the 2020 Latin-American Index on Legislative Transparency gave Honduras the lowest ranking score in the region and highlighted the absence of information on budget and citizen participation (Red Latinoamericana por la Transparencia Legislativa, 2020^[36]).

For Honduras to effectively move towards an open state, the Declaration needs to be operationalised. Honduras could consider integrating the commitments included in the Declaration within the suggested Open Government Policy and its subsequent action plans. As part of this whole-of-state ambition, all the branches and levels of government could develop their own action plan to implement the objectives of the Declaration through concrete actions and milestones. The recently adopted Open State Policy in Colombia could be an inspiration to operationalise the high-level Declaration (see Box 5.9).

Figure 5.6. Suggested operationalisation of the Open State Declaration



Source: Author's own elaboration.

Moving from scattered initiatives towards an integrated open government agenda through an Open Government Strategy

While the OGP action plan constitutes the cornerstone of the Honduran open government agenda, different stakeholders acknowledged during the OECD fact-finding mission that the OGP action plan does not allow for an integrated vision of how all public institutions, in all branches of power, can contribute to transforming Honduras to become more transparent, participatory and accountable.

With regard to the nature of the OGP action plan (short term and commitment-based), it is a tool to build a community of open government champions and set the environment for broader reforms, but it does not promote a culture change or provide a long-term vision for the country. In order to pursue a truly holistic approach to the promotion of openness, the OECD invites countries to consider adopting an integrated Open Government Strategy. The OECD Recommendation of the Council on Open Government (2017^[1]) defines an Open Government Policy/Strategy as:

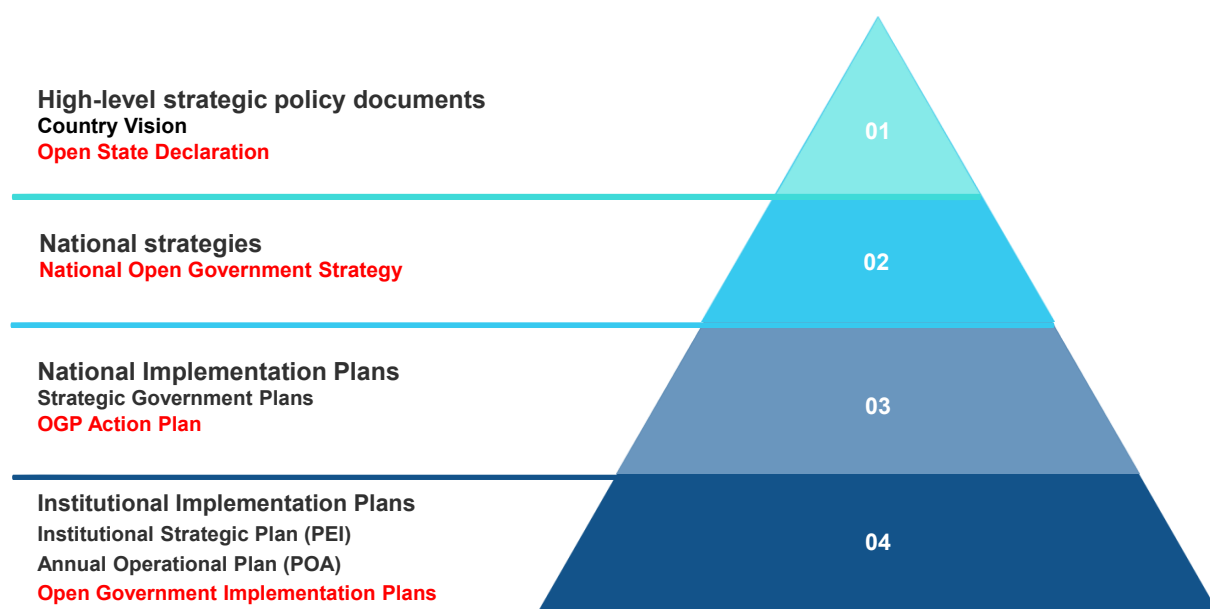
“A document that defines the open government agenda of the central government and/or of any of its sub-national levels, as well as that of a single public institution or thematic area, and that includes key open government initiatives, together with short, medium and long-term goals and indicators.”

An Open Government Strategy provides an umbrella to align all policy documents that are linked to openness (e.g. the OGP Action Plan, the Open Data Policy, Access to Information Plans, etc.) and bring them together under a coherent medium- to long-term narrative. Recognising the benefits of having an umbrella policy framework for open government, an increasing number of OECD members and non-members, including Canada, Colombia, Italy and Argentina, have started designing and implementing Federal/Central Open Government Strategies/Policies (OECD, 2020^[17]). Ultimately, each country’s Open Government Policy/Strategy has to be adapted to its specific context and priorities.

To move towards a more integrated open government agenda, and as a mechanism to improve the implementation of high-level objectives, Honduras could consider adopting its first whole-of-government Open Government Strategy. The suggested document could focus on implementation of the open government principles (transparency, participation, accountability) across the state. It could be the opportunity to align the high-level objectives set in the Open State Declaration with actionable and measurable initiatives. The suggested Open Government Strategy could create synergies between open government and key priority areas of the government such as the fight against corruption.

In addition to the Open Government Policy, Honduras could also consider adopting a dedicated policy framework on public integrity, including all the elements that go beyond the realm of open government, such as probity, codes of conducts, ethics and electoral integrity. This Policy could follow the principles and guidance of the OECD Recommendation of the Council on Public Integrity (2017^[37]), which defines public integrity as the consistent alignment of, and adherence to, shared ethical values, principles and norms for upholding and prioritising the public interest over private interests in the public sector. See Box 5.A1.2 in the Annex for more guidance on the OECD approach to public integrity.

Figure 5.7. Suggested alignment of policy documents to promote an open government in Honduras



Source: Author's own elaboration

Streamlining the institutional architecture to reduce overlaps and increase co-ordination

The institutional framework for open government consists of all those public institutions that have responsibilities related to the co-ordination, promotion, oversight and implementation of different open government initiatives across government. In any country, various institutions and entities from all branches of the state and levels of government have mandates and functions contributing to open government (Table 5.4).

Table 5.4. Institutional responsibilities for open government in Honduras

Name	Mandate	Legal basis
Secretariat of Transparency (Secretaría de Estado en el Despacho de Transparencia - SDT)	Co-ordination of the OGP process and serves as point of contact for the OGP in Honduras. Implementation of the Open State Declaration for the Executive and co-ordination with other entities. Responsible for implementation of the National Policy on Transparency, Integrity and Prevention of Corruption.	Decree PCM-111-2020 Decree PCM-021-2021
Institute for Access to Public Information (Instituto de Acceso a la Información Pública)	Promotion and implementation of National Policy on Transparency, and to ensure the right to access public information as part of broader efforts to strengthen the rule of law and increase democratic standards through citizen participation. Regulate and supervise the procedures of the institutions subject to the access to information law concerning the protection, classification and custody of public information.	Law on Transparency and Access to Public Information
Supreme Court of Accounts (Tribunal Superior de Cuentas - TSC)	Ensure accountability of public institutions, regarding the use of public funds and the execution of programmes. Promote integrity and a culture of accountability across the public sector.	Law on Superior Tribunal of Accounts

Name	Mandate	Legal basis
Secretariat of Governance, Justice and Decentralisation (Secretaría de Estado en los Despachos de Gobernación, Justicia y Descentralización)	Design and implementation of the national policy on citizen and stakeholder participation at the national and subnational level. Coordination with civil society organisations to promote participation and social accountability.	Decree PCM-055-2017
Secretariat of Human Rights	Protect and promote human rights in Honduras. Implement international recommendations to improve civic space.	N/A
National Commissioner on Human Rights (Comisionado Nacional de los Derechos Humanos - CONADEH)	Protect civic space and human rights.	Law on National Commissioner on Human Rights and Decree PCM 153-95
National Anti-corruption Council (Consejo Nacional Anticorrupción - CNA)	Prevent and fight corruption practices (only civil society members).	Law of the National Anti-corruption Council (Decree 7-20)

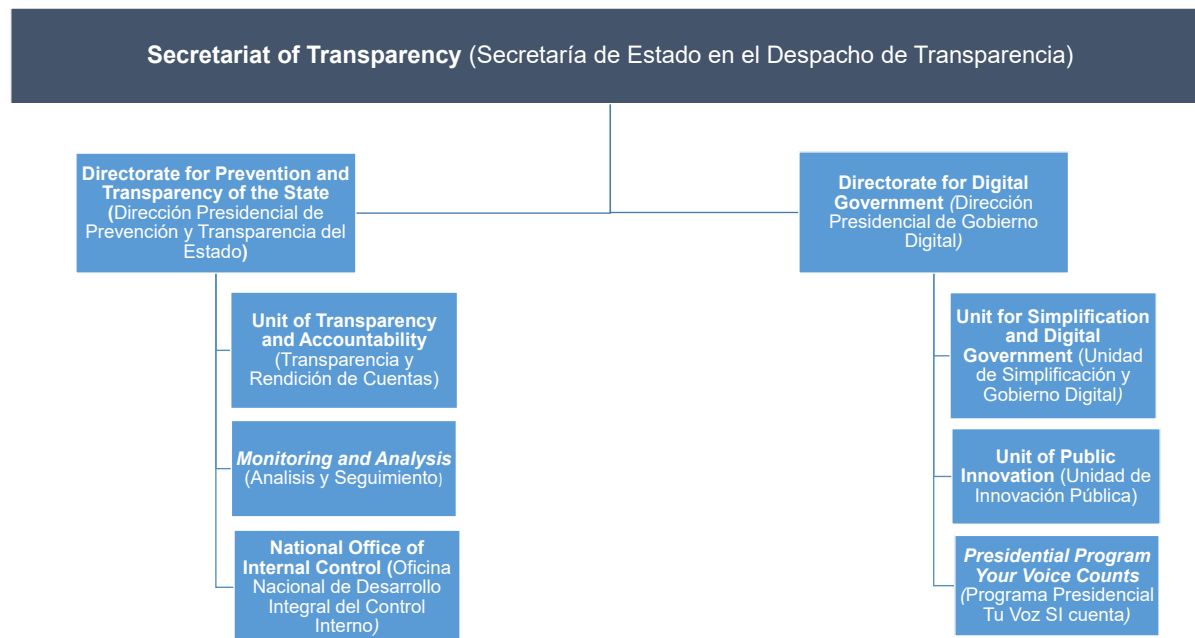
Note: This table is based on the evidence gathered from July 2021 to November 2021. It does not take into account the changes undertaken by the administration elected in December 2021.

Source: Author's own elaboration.

Honduras could create a dedicated Open Government Office

As discussed, the open government agenda in Honduras is strongly linked to the Open Government Partnership (OGP). As of November 2021, the Secretariat of Transparency was Honduran OGP point of contact and was in charge of co-ordinating the OGP process. The SDT was first set in the Presidency of the Republic and gained a ministerial rank in November 2020. The SDT was divided into three Directorates and seven Units, with the main responsibilities for open government covered by the Presidential Directorate for Prevention and Transparency of the State (*Dirección Presidencial de Prevención y Transparencia del Estado*) and the Unit of Transparency and Accountability (*Transparencia y Rendición de Cuentas*). The current administration (2022-26) recently announced the organigram of the government, which as of June 2022 mandates the Secretariat of State in Charge of Transparency and the Fight against Corruption (*Secretaría de Estado en los Despachos de Transparencia y Lucha Contra la Corrupción*) as the open government lead.

Figure 5.8. Organigram of the Secretariat of Transparency as of November 2021



Source: Author's own elaboration based on Decree PCM-021-2021, <https://www.tsc.gob.hn/web/leyes/PCM-021-2021.pdf> (accessed 1 November 2022).

The legal mandate of the SDT, established through Decree PCM-111-2020 and amended by Decree PCM-021-2021, did not make explicit mention of the concept of open government, but it did enumerate a list of responsibilities regarding the pillars of transparency, participation, accountability and the move towards an Open State (Government of Honduras, 2020^[38]), including:

- Advise and assist the President and their Cabinet in the formulation of policies of transparency, the fight against corruption, digital government and the modernisation of the State.
- Co-ordinate the entities involved in the implementation of the Open State Policy at the national and subnational level.
- Design, co-ordinate and implement guidelines and mechanisms to strengthen citizen participation, social accountability, access to information, integrity and transparency.
- Formulate indicators to measure the level of transparency of all public institutions.
- Implement the National Index on Transparency and facilitate co-ordination with academia for the establishment of the National Observatory of Transparency.
- Advise the President and their Cabinet in the implementation of mechanisms to foster accountability of public institutions and public officials.
- Advise the President and their Cabinet in the implementation of mechanisms to foster citizen participation.
- Promote the National Policy on Transparency, Integrity and Prevention of Corruption.
- Implement and oversee the National System of Transparency, as a mechanism for citizens to file complaints regarding corruption of public authorities.

The current Secretariat of State in charge of Transparency and the Fight against Corruption (*Secretaría de Estado en los Despachos de Transparencia y Lucha Contra la Corrupción*) is framed under Decree PCM 05-2022, which mandates this authority to oversee and implement the government's action

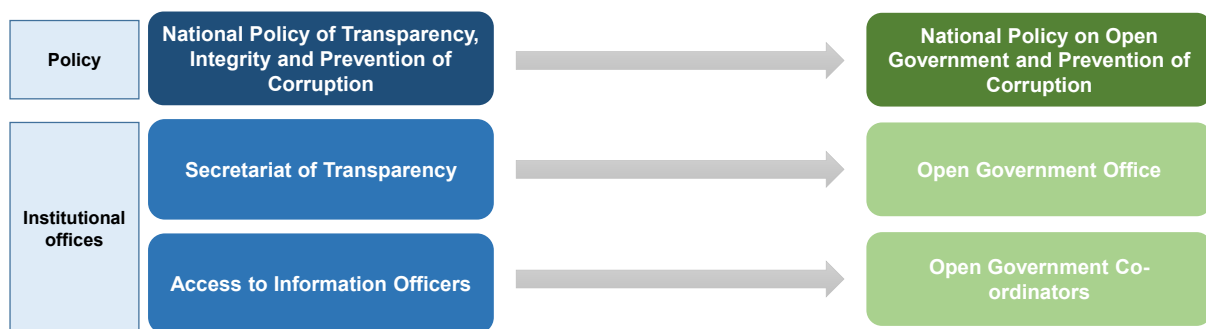
on transparency, anti-corruption and good government. However, Decree PCM 05-2022 does not mention open government or open state as part its responsibilities.

The creation of a dedicated entity in charge of the open government agenda is a good practice among OECD countries, and is in line with the OECD Recommendation of the Council on Open Government. If Honduras decides to pursue an integrated vision for its open government agenda, the country could consider establishing an Open Government Office in charge of overseeing the implementation of the National Policy on Open Government for the central government, and supporting the subnational level and other branches of the State – in co-ordination with other entities such as the Secretariat of Governance, Justice and Decentralisation. This office could take into account additional relevant responsibilities such as the digital transformation of the State, the promotion of a culture of integrity, and the fight against corruption. Honduras could integrate the Open Government Office in an existing institution such as the Secretariat of State in charge of Transparency and the Fight against Corruption (*Secretaría de Estado en los Despachos de Transparencia y Lucha Contra la Corrupción*), or create a dedicated institution such as a Ministry for Public Management.

This change would require a revision of the legal framework. In this regard, Honduras could review existing Decrees PCM-111-2020, PCM-021-2021 and PCM-05-2022, to include the creation of the Open Government Office in the suggested Open State Decree or adopt a dedicated Decree. This can also be an opportunity to clarify this Office’s mandate *vis-à-vis* other institutions of relevance to the open government agenda, to explicitly integrate the concept of open government and open state in its legal mandate and include the steering of the Honduras National Open Government Strategy as part of its core responsibilities.

In addition to establishing an Open Government Office, Honduras could consider creating dedicated Institutional Open Government Co-ordinators (*Coordinadores Institucionales de Gobierno/Estado Abierto*) in all public institutions, as a means of fostering co-ordination and translating high-level objectives into institutional realities. The Institutional Open Government Co-ordinators could ensure that the open government agenda is translated into institutional practice, and would co-ordinate with the Open Government Office and all the relevant offices (OIP, TSC, internal audit offices, etc.) to ensure the implementation of the National Policy on Open Government and Anti-Corruption (*Política Nacional de Gobierno Abierto y Anti-Corrupción*). Honduras could consider building on the existing ATI Officers (OIPs) and integrate further responsibilities such as co-ordination of participation, social accountability and coordination with other branches and actors.

Figure 5.9. Suggested policy and institutional changes to move towards an integrated open government approach in Honduras



Source: Author’s own elaboration.

The mandate of the Open Government Office should avoid overlaps with other entities in charge of the implementation of the transparency, accountability and anti-corruption agendas

The creation of a dedicated institution in the central government¹⁶ to steer the transparency and anti-corruption agendas has showed the willingness of Honduras to put transparency and ATI at the forefront of the government's priorities. However, evidence collected by the OECD during the fact-finding mission suggests that the now-extinct Secretary of Transparency (SDT) created an initial misunderstanding, and duplication of functions with regard to other authorities such as the Institute for Access to Public Information (*Instituto de Acceso a la Información Pública – IAIP*), the Supreme Court of Accounts (*Tribunal Superior de Cuentas – TSC*) and the National Anti-corruption Council (*Consejo Nacional Anticorrupción – CNA*). Interviewed stakeholders pointed out a lack of proper communication and co-ordination in avoiding duplication and overlap in terms of mandate and resources between the above-mentioned authorities. Decree PCM-021-2021, which modified the original mandate of the SDT, acknowledged the importance of co-operation and co-ordination across bodies in charge of the ATI and transparency agendas:

- Article 9 of Decree PCM-021-2021: *“The SDT will provide the support required by the IAIP, the TSC, or the Prosecutor's Office in order to ensure due compliance with current regulations on prevention of corruption and transparency. The provisions of this decree do not diminish, misrepresent, restrict or contradict existing laws, especially the Law on Transparency and Access to Public Information.”*

With regard to transparency obligations, the SDT had the mandate to oversee and ensure compliance with the proactive disclosure of information, such as the elaboration of transparency indicators of the public administration (article 7, Decree PCM-111-2020). While the Decree highlights the need to co-ordinate with the public entities related to the topic, it failed to recognise the mandate of the IAIP to implement the National System for Access to Information and of guaranteeing the disclosure of proactive information. Moreover, the fact-finding mission revealed a lack of co-ordination between both bodies in terms of planning and implementation of the aforementioned transparency measures and responsibilities. A similar challenge exists with regard to the TSC and the CNA, where the mandate given to the SDT in the areas of accountability and anti-corruption created overlaps and reduces clarity on the actors involved. Besides a legal overlap, the creation of a new entity can undermine the budget and resources available for independent institutions such as the IAIP and the TSC. This challenge was highlighted by key actors in Honduras such as the Private Sector Council (*Consejo Hondureño de la Empresa Privada – COHEP*) (2020^[39]), the CNA (2020^[40]), and non-governmental organisations, which also regretted the lack of prior co-ordination and consultation. Honduras has the opportunity to address this as part of the new institutional arrangements, which will be detailed in forthcoming decrees.

The mandate of the suggested Open Government Office should avoid overlaps and duplications with existing public institutions having relevant responsibilities in the area of open government, such as the IAIP and the TSC. In terms of access to information, the Open Government Office could help ensure high-level support to transparency policies, while respecting the IAIP mandate for implementing the ATI law. This is also the case for the accountability and anti-corruption legal framework and the role played by civil society in the National Anti-corruption Council (*Consejo Nacional Anticorrupción – CNA*), and the responsibilities of public authorities such as the TSC.

Honduras could consider taking a collaborative approach to design the mandate of the Open Government Office by consulting and ensuring dialogue with relevant authorities such as the CNA, the TSC, the IAIP and civil society. These efforts could foster a constructive relationship between the institutions, and increase communication and co-ordination between all the public institutions involved with the open government agenda.

Honduras could streamline its co-ordination mechanisms to support coherence and more efficient implementation

Open government is transversal by nature. The success of initiatives such as those focusing on increasing transparency or involving stakeholders in decision making therefore often depends on effective co-operation and co-ordination (see Chapter 2 for an analysis of co-ordination at the centre of government). Accordingly, Provision 4 of the OECD Recommendation (2017^[1]) highlights the importance of effective horizontal co-ordination (among entities at the same level of government) and vertical co-ordination (among different levels of government) of open government policies “through the necessary institutional mechanisms (...) to ensure that they are aligned with and contribute to all relevant socioeconomic objectives”.

Co-ordination among the different branches of the state and the different levels of government is needed to support an effective transition towards an open state. While it is clear that the different branches of the state are and must be independent of each other, in a country with an open state approach the whole of society works together to develop a common understanding and a commitment to greater openness (OECD, 2019^[41]).

From 2018 to 2022, Honduras had established two mechanisms to co-ordinate its transparency agenda and the Open State Declaration. These mechanisms included governmental and non-governmental stakeholders:

- the Inter-agency Roundtable for Transparency and Anti-corruption (*Mesa Interagencial de Transparencia y Anticorrupción – MITA*) and
- the National Council for Transparency and Accountability (*Consejo Nacional de Transparencia y Rendición de Cuentas*).

However, evidence gathered during the OECD fact-finding mission reveals that there were overlaps between the objectives and the mandates of these bodies, and that their roles in the overall open government agenda were not always clear for all relevant stakeholders. For example, interviewed stakeholders raised concerns about the duplication between the MITA and the National Council for Transparency and Accountability created by Decree PCM-111-2020. In addition to these bodies, Honduras established a number of others to co-ordinate and implement the OGP process:

- the Inter-institutional Council for the Open Government Partnership (*Consejo Interinstitucional de la Alianza por un Gobierno Abierto de Honduras*)
- the OGP Technical Committee (*Comité Técnico de Seguimiento de la Alianza de Gobierno Abierto*)
- the Technical Liaison Tables (*Mesas de Enlace Técnicos*)
- the OGP Academic Roundtable (*Mesa Académica*)
- the OGP Youth Council (*Consejo Juvenil*).

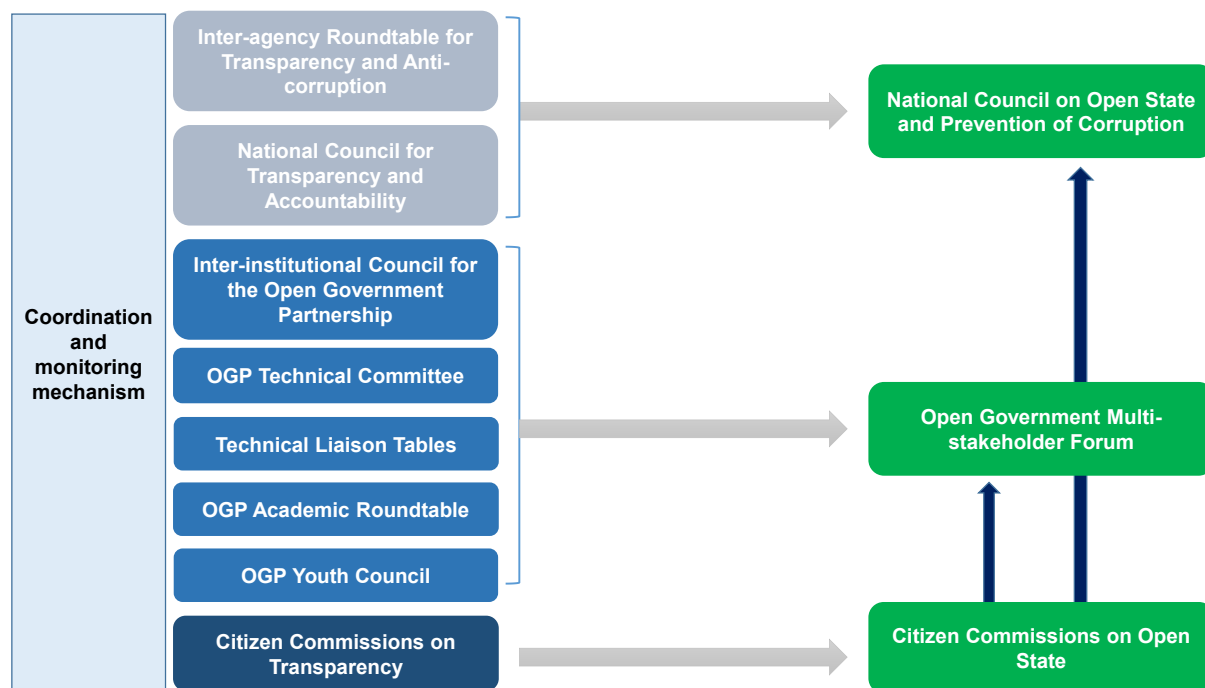
As part of the restructuration of the institutional architecture, Honduras could establish a set of mechanisms to improve the co-ordination, implementation and monitoring of the open government agenda.

This new structure could include:

- The National Council on Open State and Prevention of Corruption: a high-level body to ensure co-ordination and implementation of the Open State Declaration and the suggested National Open Government Strategy. This body could be integrated by high-level representatives of the executive branch and the legislative and judicial powers, as well as independent institutions and the subnational level of government, and could be presided over by the President of the Republic, and its Secretariat co-ordinated by the suggested Open Government Office.
- Open Government Multi-stakeholder Forum: a technical body in charge of co-ordinating the OGP process.

- Citizen Commissions on Open State: building on the existing Citizen Commissions on Transparency, these bodies could expand the social accountability scope, and allow citizens and stakeholders to oversee and evaluate policies beyond transparency, including open government and open state.

Figure 5.10. Suggested approach to streamline Honduras open government co-ordination mechanisms



Source: Author's own elaboration.

Improving implementation of the open government agenda in Honduras through open government literacy, monitoring and evaluation

Over the past years Honduras has begun creating different mechanisms to facilitate effective implementation of its open government agenda. These include the design of training, toolkits and communication activities. As discussed throughout this chapter, one of the weaknesses of the open government agenda in Honduras is the level of implementation of its policy documents (i.e. as the OGP Action Plan), of the legal framework (i.e. ATI Law), institutional mechanisms (i.e. the National Forum on Citizen Participation) and of practices such as participation mechanisms (i.e. citizen innovation labs).

To improve implementation and increase the impact of open government reforms, OECD Recommendation (2017) invites adherents to promote open government literacy (Provision 3) and foster monitoring and evaluation (Provision 5).

Honduras could increase open government literacy across the public sector and society at large to facilitate the implementation of open government initiatives

The OECD defines open government literacy as “the combination of awareness, knowledge, and skills that public officials and stakeholders require to engage successfully in open government strategies and

initiatives” (OECD, 2017^[1]). Developing and implementing successful open government initiatives, at any level, requires capable public officials. Public officials need resources and training to work in partnership with civil society stakeholders and be able to respond to their needs.

Honduras has implemented some initiatives that go in this direction, such as the Virtual Course on Open Government (*Diplomado Virtual de Gobierno Abierto*), which aims at empowering the relevant actors in the field, including public servants and civil society. This course has provided certification and awareness of open government to more than 50 individuals, and – coupled with the Open Government Events (*Ferias de Gobierno Abierto*), organised at the subnational level – the government has taken steps towards increasing open government literacy across the public sector. Honduras could consider expanding this course to become mandatory for all public servants as part of the curriculum of the National School of High Management (*Escuela de Alta Gerencia Pública – EAGP*). This could be accompanied by the organisation of regular Open Government Events across the country.

The vast majority of OECD countries include specific skills relating to open government in public officials’ competency frameworks. Competency frameworks are essential to ensure that public officials have the skills required to put open government principles into practice. As data from the 2020 OECD Survey on Open Government show (OECD, 2021^[3]), 20 out of 23 OECD countries (87%) allude to central themes of open government in these frameworks. In the law regulating the public administration, Honduras has included elements regarding transparency as part of the general principles of the public administration (1986^[42]) and in the guiding principles for all public officials, the general statute of the civil service (1999^[43]), and the ethics code of conduct (2007^[44]). However, the competency framework is lacking elements that relate to the interaction with citizens or to the broader open government concept. Honduras could consider updating these frameworks to include open government, or citizen participation.

In addition, public servants need practical support to implement open government initiatives. Most governments across the OECD membership have elaborated guidelines, toolkits and manuals on open government policies and practices (OECD, forthcoming). The IAIP published a comprehensive manual to support the uptake and implementation of the ATI law but Honduras could consider developing a toolkit for public officials with concrete guidance on other areas of open government, such as participation or social accountability. The OECD Toolkit and Case Navigator for Open Government, the OECD Guide on Open Government for Peruvian Public Officials, or the forthcoming OECD Citizen Participation Guidelines could be inspiring for the Honduran Government.

In addition to strengthening literacy among civil servants, the OECD Recommendation on Open Government suggests communicating and raising awareness about open government among citizens and civil society to increase the impact of the different initiatives. Honduras communicates on social media about the OGP process but the reach of these efforts are limited and the official website for the open government agenda has been inaccessible since October 2021.¹⁷ To increase that literacy among society, the government could collaborate with civil society organisations, or launch dedicated public communication campaigns. For example, Brazil has established a civic education programme directed to young audiences in partnership with CSOs and the Ministry of Education. The “Communicating Open Government: A How-to Guide”¹⁸ developed jointly by the OECD and OGP provides a step-by-step process to developing a communications plan for an open government strategy or initiative, and could be a reference for the Honduran Government.

The open government literacy of non-governmental stakeholders such as civil society organisations and journalists is strongly linked to the promotion and protection of civic space. Honduras could consider investing in capacity building and awareness campaigns directed to civil society organisations, journalists, community organisations, etc., to ensure that the practices of open government are spread throughout society.

Fostering monitoring and evaluation of the open government agenda

Given their multidimensional and crosscutting nature, open government initiatives are difficult to monitor and evaluate. Evidence collected by the OECD suggests that – for the time being – few countries have integrated monitoring and evaluation systems for their open government agendas. Most countries also currently lack a maturity model for open government that establishes clear indicators, targets and benchmarks for public institutions, allowing them to assess their openness, and identify where they are situated in relation to national good practice.

Honduras has put in place monitoring mechanisms for its OGP Action Plans through the Integrated System to Monitor the Open Government Partnership (*Sistema Integrado de Monitoreo Alianza Gobierno Abierto Honduras – SIMAGAH*). In addition, the Declaration of Open State mandates the creation of the Open State Index and the National Policy on Transparency, Integrity and Prevention of Corruption cites as milestone the creation of a Citizen Participation Index. However, as of November 2021, none of these sets of indicators has been developed.

If Honduras decides to adopt the recommendation to design a National Open Government Policy and subsequent Institutional Open Government Plans, their implementation needs to be systematically monitored and, eventually, evaluated. This could be an opportunity for Honduras to develop a unique set of indicators to measure the implementation of the open government agenda throughout the state by integrating the Citizen Participation Index and the Transparency Index into one Open State Index.

Conclusion

In Honduras, the open government agenda is anchored in the OGP process and the four consecutive action plans adopted by the government. The principles of open government have been included in other policy documents and legislations as well as in the Open State Declaration adopted in 2018 as a sign of a high-level commitment to this agenda. However, Honduras faces several challenges for open government to deliver its full potential.

Honduras could benefit from strengthening its transparency agenda; increasing the ambition of its participatory elements; and translating the objective of the Open State Declaration into action. Moreover, Honduras should address the health of its civic space to ensure that citizens and CSOs can build a relationship with public authorities based on trust. In particular, Honduras should aim at reducing violence against women and minorities, protecting journalists and activists, and improving the enabling environment for CSOs to operate. In addition, Honduras faces an insufficient level of implementation of its legal obligations, policy objectives and high-level commitments. The institutional architecture to support the open government agenda has been put in place; however, evidence suggests that the overlaps between institutions and co-ordination mechanisms are creating confusion and preventing effective implementation. Honduras could increase the ambition and strengthen the implementation of its open government agenda, to ensure it delivers the promise of a more transparent, accountable and participatory government, and contributes to high-level objectives such as the fight against corruption.

Recommendations

- Develop a common and streamlined understanding of open government and its principles
 - Adopt an official definition of open government to establish a common understanding of the term open government, that goes beyond the OGP process, and that is accepted by the whole public sector and external stakeholders alike. This definition, which could be co-created with

all relevant stakeholders inside and outside of government, could work as the umbrella for transparency, accountability, integrity and participation.

- Include the protection and promotion of the civic space in the definition's conceptual understanding of open government and as a precondition for an open state.
- Use the new definition to create synergies between the open government agenda and other government priorities such as the fight against corruption and the strengthening of democracy. This could be done by developing a theory of change, where the implementation of open government principles (i.e. transparency in public spending and citizen-oriented public services) contribute to achieving broader policy objectives and foster participatory democracy.
- Strengthen the legal framework for open government and its principles
 - Provide a legal basis to the open state and open government agendas, for instance through issuing a Decree on Open State. The Decree could include the following elements based on the recommendations of this chapter:
 - introduction of a new definition of open government
 - translation of high-level commitments included in the Declaration on Open State into legal obligations
 - adoption of the National Open Government Strategy and the Institutional Open Government Plans
 - creation of the country's Open Government Office, and coordination with existing bodies such as the IAIP
 - creation of Open Government Co-ordinators as institutional points of contact and co-ordinators of the Institutional Open Government Plans
 - list of all institutions with relevant mandates for the open government agenda, such as the Secretariat of Governance, Justice and Decentralisation (*Secretaría de Estado en los Despachos de Gobernación, Justicia y Descentralización* – SGJD) in terms of citizen participation and civic space
 - creation of the National Council on Open State and Prevention of Corruption: a high-level body to ensure co-ordination and implementation of the Open State Declaration and the suggested National Open Government Strategy
 - adoption of the National Open Government Multi-stakeholder Forum, including the necessary changes to articulate the bodies co-ordinating the OGP process
 - creation of the National Forum on Citizen Participation, as the entity in charge of overseeing the citizen participation agenda
 - creation of the Citizen Commissions on Open State, building on the existing Citizen Commissions on Transparency, as a citizen mechanism to monitor implementation of the open government agenda
 - In the long term, consider enshrining the right to information in the Constitution to provide the necessary high-level recognition of ATI as a fundamental human right.
 - Enrich the legal framework for citizen and stakeholder participation with more engaging and impactful opportunities for citizens to influence, shape and monitor public policies and services such as participatory budgets, citizen consultations or civic monitoring.
- Improve the implementation of the OGP process
 - Work on increasing implementation of the commitments included in the Open Government Partnership Action Plans by providing the adequate resources, both human and financial.

- Pursue the diversification of actors involved in the design of these action plans, by broadening beyond the executive branch and increasing the number of civil society stakeholders throughout the design process.
- Increase the impact of the open government agenda and its principles
 - Increase the IAIP enforcement capabilities by ensuring an adequate level of human and financial resources, including the promotion and oversight obligations of the ATI law.
 - Increase the quality of information published by all public authorities, ensuring that it is complete, timely, reliable, relevant, and easy to find, comprehend, use and reuse by stakeholders. To this end, the government could consider conducting consultations with stakeholders to prioritise which information is most useful and where and how it could be proactively disclosed.
 - Make use of multi-channel mechanisms that are digital and non-digital, such as community radios, television, social media, government websites and newspapers, to raise awareness of the right to ATI and to foster both proactive and reactive disclosure measures to counter the existing digital divide and ensure inclusive and equitable access to information.
 - Ensure effective implementation of the legal framework for citizen participation at the national and subnational levels – through for example the National Forum on Citizen Participation.
- Move towards an integrated open government agenda and a coherent policy environment to transform high-level objectives into measurable initiatives
 - Adopt the first National Open Government Strategy in Honduras.
 - Make use of this policy to promote open government principles (i.e. transparency, accountability, integrity and participation) as a way to operationalise another major policy objective in Honduras, which is to reduce and prevent corruption in the public sector.
 - Take advantage of the upcoming update of Honduras' main strategic policy documents (i.e. the Nation Plan and Strategic Government Plan) to include more ambitious links to the open government and open state agendas.
 - Include open government milestones in upcoming planning instruments, such as the Institutional Strategic Plans (PEI) and the Annual Operations Plan (POA).
- Build an institutional architecture that ensures implementation, co-ordination and collaboration of open government policies and practices
 - Clarify the institutional responsibilities and leadership in the areas of transparency, integrity, accountability and participation. To this end, consider establishing a dedicated Open Government Office in charge of co-ordinating the OGP process, implementing the National Open Government Strategy for the central government, and co-ordinating the Open State Declaration. This Office could be part of an existing institution such as the Secretariat of State in charge of Transparency and the Fight against Corruption (*Secretaría de Estado en los Despachos de Transparencia y Lucha Contra la Corrupción*), or part of a dedicated institution such as a Ministry for Public Management.
 - Consider creating the National Council on Open State, as a high-level body to ensure co-ordination and implementation of the Open State Declaration and to lead the government's efforts on open government and its principles.
 - Clarify the mandate of the different bodies co-ordinating the OGP process and merge them into one Open Government Multi-stakeholder Forum with a technical Secretariat hosted by the suggested Open Government Office and with sectoral working groups including a Working Group on Youth and a Working Group on Academia.

- Create dedicated Institutional Open Government Co-ordinators (*Coordinadores Institucionales de Gobierno/Estado Abierto*) in all public institutions, to foster co-ordination and translate high-level objectives into institutional realities. Consider building on the existing ATI Officers (OIPs) and Technical Liaison Tables, and integrate further responsibilities such as co-ordination of participation, accountability and articulation with other branches and actors.
- Increase open government literacy across the public sector to facilitate implementation and a cultural change
 - Create a mandatory course on open government for all public servants as part of the curriculum of the National School of High Management, building on the existing Virtual Course on Open Government. This course should reflect the definition of open government coined by Honduras.
 - Develop a toolkit for public officials with concrete guidance and support to implement open government initiatives. The OECD Toolkit and Case Navigator for Open Government, the OECD Guide on Open Government for Peruvian Public Officials or the OECD Guidelines for Citizen Participation Processes could serve as models for the Honduran Government.
 - Organise training and publish guidance such as toolkits or manuals on open government directed to civil society organisations, journalists, community organisations, etc. to build capacity and awareness, and ensure that the practices of open government are spread throughout society.
- Fostering monitoring and evaluation of the open government agenda
 - Support the monitoring and evaluation of the suggested National Open Government Policy and Institutional Open Government Plans, by including measurable milestones and metrics to track progress.
 - Continue developing metrics and indicators by combining the Open State Index, the Citizen Participation Index and the Transparency Index.
 - Foster citizen monitoring of the open government agenda by working with the subnational authorities to empower the suggested Citizen Commissions on Open State with a mandate and resources to oversee implementation of the Open State Declaration, the National Open Government Policy, and Institutional Open Government Plans.

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Notes

1 The institutional website of the open government agenda and OGP Process in Honduras was not accessible during the drafting process (November 2021 - January 2022).

2 The Secretariat of Transparency (Secretaría de Estado en el Despacho de Transparencia) is no longer part of the government's organigram as of February 2022.

3 Article 3(9) of European Union Directive 2015/849 defines a PEP as: "an individual exposed to particular risks on account of the political, jurisdictional or administrative functions he/she performs or has performed or of those that immediate family members or individuals known to be closely associated with him/her or who become closely associated during the business relationship perform or have performed". In Honduras, this legal category is defined in the Law as individuals that perform a public function, or that through business or personal connections can influence public decisions.

4 CIVICUS, a leading analyst on the status of civic space globally, considers civic space to be "Repressed" in Honduras as of 2021, <https://monitor.civicus.org/country/honduras/> (accessed 31 October 2022).

5 Proactively published information refers to information that needs to be disclosed publicly without a prior request from the public

6 <https://portalunico.iaip.gob.hn/> (accessed 1 November 2022)

7 <https://portalunico.iaip.gob.hn/datosabierto/> (accessed 1 November 2022).

8 <https://sielho.iaip.gob.hn/inicio/> (accessed 1 November 2022).

9 The OECD understands consultation as a more advanced level of participation that entails a two-way relationship in which the public provide feedback to the government and vice versa (comments, perceptions, information, advice, experiences and ideas). It is based on the prior definition of the issue for which views are being sought and requires the provision of relevant information, in addition to feedback on the outcomes of the process. In most cases, there is no obligation to take the views of the audience into consideration when amending plans, making decisions or setting directions. In most consultation meetings, decision makers commit only to receiving the testimony of participants and considering their views in their own deliberations.

10 The OECD defines a representative deliberative process as “when randomly selected citizens, making up a microcosm of a community, spend significant time learning and collaborating through facilitated deliberation to develop informed collective recommendations for public authorities.”

11 As of February 2022, the newly appointed government has replaced the Secretariat of Transparency (Secretaría de Estado en el Despacho de Transparencia - SDT) for a special Ministerial Advisor on Transparency and the Fight against Corruption (Ministro asesor en materia de Transparencia y Combate a la Corrupción).

12 This Forum is not active as of November 2021.

13 The government recently published Decree PCM-05-2022, creating the School of Good Government (Escuela de Buen Gobierno)

14 The priorities reflected in the OGP Action Plans have been co-constructed with non-governmental stakeholders including citizens and civil society organisations.

15 For more information on the Colombia National Development Plan as a vehicle to foster an open government, see OECD (2021), OECD Guide to Design and Implement Territorial Open Government Strategies in Colombia, <https://www.oecd.org/gov/open-government/guia-ocde-para-disenar-e-implementar-estrategias-territoriales-de-gobierno-abierto-en-colombia.htm> (accessed 1 November 2022).

16 This institution was the Secretary of Transparency (2018-22) and currently the Secretariat of State in Charge of Transparency and the Fight against Corruption (Secretaría de Estado en los Despachos de Transparencia y Lucha Contra la Corrupción).

17 gobiernoabierto.honduras.org

18 <https://www.oecd.org/gov/Open-Government-Guide.pdf> (accessed 2 November 2022).

Annex 5.A. The OECD Approach to Open Government

What is open government? The OECD approach to open government

The OECD and its members have been at the forefront of the global open government movement for more than 20 years. The OECD Recommendation of the Council on Open Government adopted in 2017 (henceforth “the Recommendation”) is the first and only international legal instrument in this area. It is the outcome of years of international collaboration and the exchange of experiences, research and data collection, and analysis of national policies. The Recommendation defines open government as: “a culture of governance that promotes the principles of transparency, integrity, accountability and stakeholder participation in support of democracy and inclusive growth” (OECD, 2017^[1]).

Annex Box 5.A.1. The ten provisions of the OECD Recommendation of the Council on Open Government (2017)

1. Take measures, in all branches and at all levels of government, to develop and implement open government strategies and initiatives in collaboration with stakeholders and to foster commitment from politicians, members of parliaments, senior public managers and civil servants, to ensure successful implementation and prevent or overcome obstacles related to resistance to change.
2. Ensure the existence and implementation of the necessary open government legal and regulatory framework, including through the provision of supporting documents such as guidelines and manuals, while establishing adequate oversight mechanisms to ensure compliance.
3. Ensure the successful operationalisation and take-up of open government strategies and initiatives by:
 4. providing civil servants with the mandate to design and implement successful open government strategies and initiatives, as well as with the adequate human, financial, and technical resources, while promoting a supportive organisational culture
 5. promoting open government literacy in the administration, at all levels of government, and among stakeholders.
6. Co-ordinate, through the necessary institutional mechanisms, open government strategies and initiatives – horizontally and vertically – across all levels of government, to ensure that they are aligned with and contribute to all relevant socio-economic objectives.
7. Develop and implement monitoring, evaluation and learning mechanisms for open government strategies and initiatives by:
 - identifying institutional actors to be in charge of collecting and disseminating up-to-date and reliable information and data in an open format

- developing comparable indicators to measure processes, outputs, outcomes, and impact in collaboration with stakeholders
 - fostering a culture of monitoring, evaluation and learning among civil servants by increasing their capacity to regularly conduct exercises for these purposes in collaboration with relevant stakeholders.
8. Actively communicate on open government strategies and initiatives, as well as on their outputs, outcomes and impacts, in order to ensure that they are well known within and outside government, to favour their uptake, as well as to stimulate stakeholder buy-in.
 9. Proactively make available clear, complete, timely, reliable and relevant public sector data and information that is free of cost, available in an open and non-proprietary machine-readable format, and easy to find, understand, use and reuse, and disseminated through a multi-channel approach, to be prioritised in consultation with stakeholders.
 10. Grant all stakeholders equal and fair opportunities to be informed and consulted and actively engage them in all phases of the policy cycle and service design and delivery. This should be done with adequate time and at minimal cost, while avoiding duplication to minimise consultation fatigue. Further, specific efforts should be dedicated to reaching out to the most relevant, vulnerable, underrepresented or marginalised groups in society, while avoiding undue influence and policy capture.
 11. Promote innovative ways to effectively engage with stakeholders to source ideas and co-create solutions and seize the opportunities provided by digital government tools, including through the use of open government data, to support the achievement of the objectives of open government strategies and initiatives.
 12. While recognising the roles, prerogatives, and overall independence of all concerned parties and according to their existing legal and institutional frameworks, explore the potential of moving from the concept of open government toward that of open state.

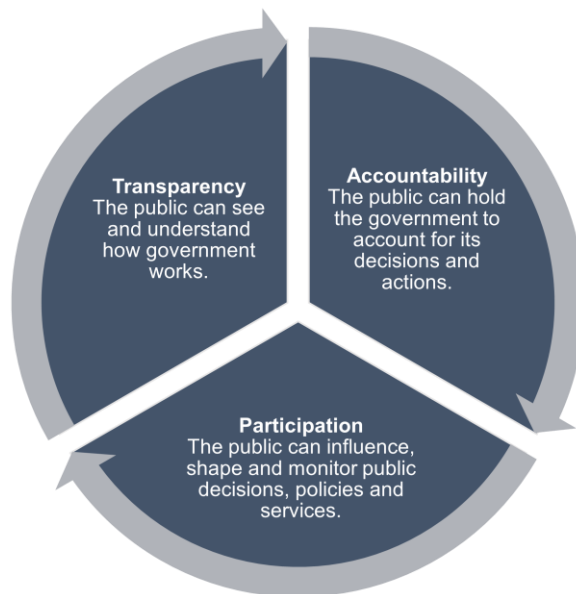
Source: OECD (2017), Recommendation of the Council on Open Government, OECD Publishing, Paris, <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0438> (accessed 2 November 2022).

The OECD definition refers to the four principles of open government, which can be defined as follows:

- Transparency refers to stakeholder access to public information and data, which can be both proactively and reactively disclosed, as well as openness throughout the entire public decision-making process (OECD, n.d.^[45]).
- Public integrity refers to the consistent alignment of, and adherence to, shared ethical values, principles and norms for upholding and prioritising the public interest over private interests (OECD, 2017^[37]).
- Accountability is a relationship referring to the responsibility and duty of government, public entities, public officials and decision makers to provide transparent information on, and be responsible for, their actions, activities and performance. It also includes the right and responsibility of citizens and stakeholders to have access to this information and have the ability to question the government and to reward/sanction performance through electoral, institutional, administrative and social channels (OECD, n.d.^[45]).
- Citizen and stakeholder participation includes all the ways in which stakeholders¹ can be involved in the public policy cycle, or in the design and provision of services. Participation can be implemented through information, consultation and engagement mechanisms (OECD, 2017^[11]).

In practice, the four principles are closely intertwined (OECD, 2020^[17]). They all contribute to making governments more open and ensuring that citizens are at the centre of public decision and action. To achieve this, the principles of an open government need to be implemented in an interconnected manner.

Annex Figure 5.A.1. The interconnection of the open government principles



Source: Author's own elaboration based on OECD (2017), Recommendation of the Council on Open Government, OECD Publishing, Paris, <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0438> (accessed 2 November 2022).

Moving towards an open state

The global open government movement has centred for many years on reforms developed and executed by central/federal governments. However, a growing number of countries are starting to recognise that open government reforms should not be implemented by the central/federal level of government in isolation. Citizens expect the same level of transparency, accountability and participation from all branches of the state and all levels of government (OECD, 2020^[17]).

Accordingly, more and more countries are taking steps to move from the concept of open government towards that of open state. The Recommendation also includes the first international definition of an open state:

When the executive, legislature, judiciary, independent public institutions, and all levels of government – recognising their respective roles, prerogatives, and overall independence according to their existing legal and institutional frameworks – collaborate, exploit synergies, and share good practices and lessons learned among themselves and with other stakeholders to promote transparency, integrity, accountability, and stakeholder participation, in support of democracy and inclusive growth. (OECD, 2017^[1])

Annex Box 5.A.2. The OECD approach to public integrity

The concepts of open government and of public sector integrity are strongly linked. Consequently, integrity is one of the core principles that are included in the OECD definition of open government. The OECD Recommendation on Public Integrity emphasises that “enhancing public integrity is a shared mission and responsibility for all levels of government through their different mandates and levels of autonomy in line with national legal and institutional frameworks...for fostering public trust” and promotes a whole-of-government approach towards public integrity, which includes the national and subnational level. It provides national and subnational governments with a vision for a public integrity strategy, based on a context-dependent, behavioural, risk-based approach with an emphasis on cultivating a culture of integrity.

The thirteen principles of the OECD Recommendation on Public Integrity are organised according to three pillars:

1. *A coherent and comprehensive integrity system* – To establish a comprehensive integrity system, it is crucial to promote political and senior management commitment to integrity; clear institutional responsibilities across the public sector, including mechanisms for horizontal and vertical co-operation; an evidence-based, strategic approach to mitigate public integrity risks, most notably corruption; and high standards of conduct that prioritise the public interest and adherence to public sector values.
2. *A culture of public integrity* – Governments could aim to engage the private sector, civil society and individuals to promote a whole-of-society culture of integrity. This could involve investing in integrity leadership; promoting a merit-based, professional, public sector dedicated to public service values and good governance; and supporting an open organisational culture responsive to integrity concerns, where employees feel confident to speak up and an effective whistleblower protection system is in place, with a particular focus on ensuring that clear rules, procedures and channels are in place to report suspected integrity violations.
3. *Effective accountability* – To enable effective accountability, it is key to apply an internal control and risk management framework; ensure that there are enforcement mechanisms to provide appropriate response to suspected violations of integrity standards; reinforce the role of external oversight and control, for example through independent oversight bodies, regulatory enforcement agencies and/or administrative courts; and encourage transparency and stakeholder engagement at all stages of the political process and political cycle, including by averting policy capture through managing conflict-of-interest situations, and instilling transparency in lobbying activities and financing of political parties and election campaigns.

Clarifying what the Recommendation’s thirteen principles mean in practice and identifying the challenges in implementing them, the OECD has published the [OECD Public Integrity Handbook](#) for further information.

Source: OECD (2017), OECD Recommendation of the Council on Public Integrity, <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0435> (accessed 2 November 2022); OECD (2020), *OECD Public Integrity Handbook*, OECD Publishing, Paris, <https://doi.org/10.1787/ac8ed8e8-en>.

Annex Table 5.A.1. Overview of the main existing co-ordination and collaboration mechanisms in the area of open government in Honduras

Co-ordination mechanism	Mandate	Members
<p>Inter-institutional Council for the Open Government Partnership (OGP) in Honduras (<i>Consejo Interinstitucional de la Alianza por un Gobierno Abierto de Honduras</i>)</p> <p>(Honduras Multi-stakeholder Forum)</p>	<p>Permanent body for dialogue between the public sector, civil society, the private sector and academia, for the effective management of the process of formulation, implementation, and monitoring of the OGP Action Plans and commitments in relation to the principles of transparency, citizen participation, accountability, and innovation and technology.</p>	<p>Public sector</p> <ul style="list-style-type: none"> • Secretariat of Transparency • Instituto de Acceso a la Información Pública • Procuraduría General de la República • Comisionado Nacional de los Derechos Humanos • Instituto Hondureño de Geología y Minas • Iniciativa de Transparencia en el Sector Construcción • Iniciativa de Transparencia de Industrias Extractivas • Instituto de Desarrollo Comunitario, Agua y Saneamiento • Banco Central de Honduras • Instituto de Conservación Forestal • Secretaría de Estado en los Despachos de Recursos Naturales y Ambiente. • Secretaría de Estado en los Despachos de Finanzas • Secretaría de Estado en los Despachos de Salud • Secretaría de Estado en los Despachos de Educación • Secretaría de Estado de Desarrollo Económico • Secretaría Coordinación General de Gobierno • Secretaria de Estado de Gobernación, Justicia y Descentralización • Secretaría de Infraestructura y Servicios Públicos • Secretaría de la Presidencia • Secretaria de Estado en los Despachos Energía • Secretaria de Derechos Humanos • Secretaria de Desarrollo e Inclusión Social • Comisión Permanente de Contingencia • Representatives from the Legislative and Judicial branches <p>Civil society</p> <ul style="list-style-type: none"> • Consejo Nacional Anticorrupción • Foro Social de la Deuda Externa y Desarrollo de Honduras • Asociación por una Sociedad más Justa • Asociación de Municipios de Honduras • Foro Nacional de Convergencia • Pastoral Social Caritas Honduras • Fundación Democracias sin Fronteras • Red de Comisiones Ciudadanas de Transparencia • Asociación Libertad y Democracia • Asociación de Organismos no Gubernamentales • Federación de Organizaciones No Gubernamentales para el Desarrollo de Honduras • C-Libre • Alianza por la Paz y la Justicia • Espacio Regional Occidente • Servicios técnicos, legales y económicos • National Democratic Institute (NDI) • Netherlands Institute for Multiparty Democracy (NIMD) • Centro de Investigación Promoción de los Derechos Humanos • Coordinadora de Instituciones Privadas, en pro-niñas, niños, adolescentes, jóvenes y sus derechos • Red de Desarrollo Sostenible • Centro de Desarrollo Humano • El Pulso • El Taller

Co-ordination mechanism	Mandate	Members
		<p>Academia</p> <ul style="list-style-type: none"> • Universidad Tecnológica Centroamericana • Universidad José Cecilio del Valle • Universidad Pedagógica Nacional de Francisco Morazán • Universidad Nacional Autónoma de Honduras • Universidad Católica de Honduras • Universidad Politécnica de Ingeniería de Honduras • Escuela Agrícola Panamericana “Zamorano” • Centro de Diseño y Arquitectura y Construcción • Universidad Metropolitana de Honduras • Universidad de Defensa de Honduras <p>Private sector</p> <ul style="list-style-type: none"> • Consejo Hondureño de la Empresa Privada • Federación de Cámaras de Comercio e Industrias de Honduras • Cámara de Comercio e Industrias de Cortes • Cámara de Comercio e Industrias de Tegucigalpa • Asociación Nacional de Industriales • Cámara Hondureña de Empresas de Consultoría • Cámara Hondureña de la Industria de la Construcción • Federación Nacional de Agricultores y Ganaderos de Honduras • Cámara de Comercio Hondureño Americana • Asociación de Honduras de Instituciones Bancarias
<p>OGP Technical Committee (<i>Comité Técnico de Seguimiento de la Alianza de Gobierno Abierto</i>)</p>	<p>Technical body that works as the Secretariat of the Inter-institutional Council for the Open Government Partnership (OGP).</p>	<p>Public sector</p> <ul style="list-style-type: none"> • Secretaría de Estado en los Despachos de Gobernación, Justicia y Descentralización (SGJD) • Poder Legislativo (Congreso Nacional de la República) • Poder Judicial (Corte Suprema de Justicia) • (without vote) Tribunal Superior de Cuentas (TSC) • (without vote) Instituto de Acceso a la Información Pública (IAIP) • (without vote) Procuraduría General de la República (PGR) <p>Civil Society</p> <ul style="list-style-type: none"> • Centro de Estudios y Promoción de los Derechos Humanos (CIPRODEH) • Observatorio del Poder • C-libre • Fundación Democracia sin Fronteras <p>Academia</p> <ul style="list-style-type: none"> • Universidad Tecnológica Centroamericana (UNITEC) • Universidad Nacional Autónoma de Honduras (UNAH) • Universidad Nacional Pedagógica Francisco Morazán (UNPFM) • Universidad Politécnica de Ingeniería (UPI) <p>Private sector</p> <ul style="list-style-type: none"> • Consejo Hondureño de la Empresa Privada (COHEP) • Federación de Cámaras de Comercio e Industrias de Honduras (FEDECAMARA) • Cámara de Comercio e Industrias de La Paz (CCIP) • Cámara de Comercio e Industrias de Tegucigalpa (CCIT)
<p>OGP Technical Secretariat</p>	<p>Secretariat of the OGP process.</p>	<p>Public sector</p> <ul style="list-style-type: none"> • Secretariat of Transparency
<p>Technical Liaison Tables (<i>Mesas de Enlaces Técnicos</i>)</p>	<p>Co-ordinate and monitor the implementation of the OGP commitments per institution.</p>	<ul style="list-style-type: none"> • Representative of the Secretaría de Estado de Gobernación, Justicia y Descentralización • Representative of the OGP Technical Committee • Representative of the institution in charge of the commitment in question

Co-ordination mechanism	Mandate	Members
National Council for Transparency and Accountability (<i>Consejo Nacional de Transparencia y Rendición de Cuentas</i>).	Co-ordinate national authorities, as well as subnational entities and non-governmental stakeholders to implement the National Policy of Transparency, Integrity and Prevention of Corruption.	N/A
Inter-agency Roundtable for Transparency and Anti-corruption (<i>Mesa Interagencial de Transparencia y Anticorrupción - MITA</i>)	Implementation of the National Policy of Transparency, Integrity and Prevention of Corruption and of the Open State Declaration.	<ul style="list-style-type: none"> • President of the Republic • President of the National Congress • President of the Judicial Branch • Secretariat General of the Government • Attorney General of the Republic • President of the National Commission of Banks and Insurances • Secretariat of Finance • President of the IAIP • National Commissioner for Human Rights • President of the Association of Municipalities • Secretariat of Transparency
OGP Academic Roundtable (<i>Mesa Académica del AGAH</i>)	Promote dialogue and representation of the academic sector.	12 Universities
OGP Youth Council (<i>Consejo Juvenil de la Alianza de Gobierno Abierto</i>)	Promote dialogue and representation of youth.	Youth representatives from academia and civil society
National Forum on Citizen Participation (<i>Foro Nacional de Participación Ciudadana</i>)	Promote and monitor citizen participation mechanisms at the National level (this instance is mandated by the 2006 Law on Citizen Participation but was never implemented).	N/A
Citizen Commissions on Transparency (<i>Comisiones Ciudadanas de Transparencia</i>)	Monitor public resources and actions at subnational level, through social accountability and participatory mechanisms.	Civil society organisations and citizens at the subnational level

Source: Author's own elaboration based on Honduras answers to OECD Questionnaire on Open Government Practices.

Note

1 The Open Government Recommendation defines “stakeholders” as “any interested and/or affected party, including: individuals, regardless of their age, gender, sexual orientation, religious and political affiliations; and institutions and organisations, whether governmental or non-governmental, from civil society, academia, the media or the private sector”.

OECD Public Governance Reviews

Honduras

INCLUSIVE AND EFFECTIVE GOVERNANCE FOR BETTER OUTCOMES

The *OECD Public Governance Review of Honduras* offers recommendations to strengthen the effectiveness, coherence and openness of the country's public sector, and in particular its centre of government. It first provides an overview of Honduras's public sector and assesses its performance across interrelated dimensions. It then examines important public governance areas such as the role of the centre of government in policy co-ordination, results-based management in government, efforts to build a sound monitoring and evaluation system, and the design and implementation of open government in Honduras. The recommendations of this report seek to support Honduras in the adoption of an inclusive and outcome-oriented approach to public governance capable of delivering better results for its citizens.



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