

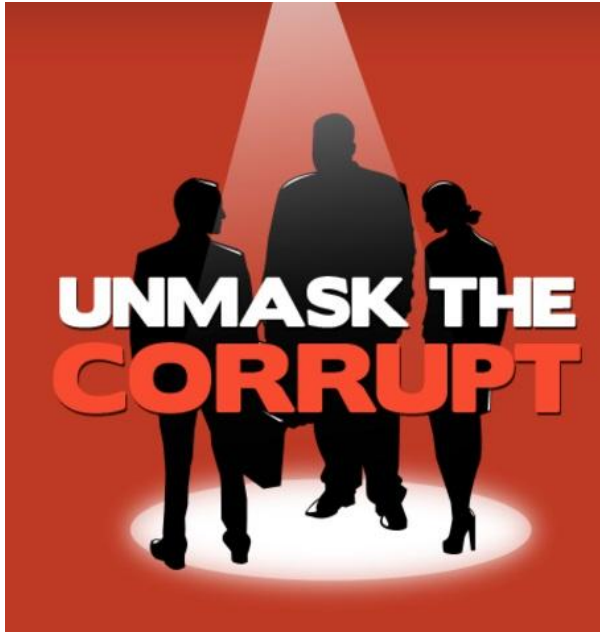


CYRUS R. **VANCE CENTER**
FOR INTERNATIONAL JUSTICE

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Vance Center Takes On Corruption in Latin America



"Unmask the Corrupt" Campaign

Photo Credit: www.unmaskthecorrupt.org

As allegations of high-level corruption swirl throughout Latin America, the Vance Center has engaged with clients and partner organizations to try to tackle it. Systemic corruption was a central theme at the Vance Center's Legal Summit of the Americas in December 2015, where participants agreed that it poses a direct threat to the rule of law and democratic governance, which the legal profession must address.

Vance Center executive director Alexander Papachristou recently traveled to Panama to participate in a workshop organized by Transparency International, a world leader in anti-corruption efforts and a longtime Vance Center client. The workshop included anti-corruption prosecutors from Panama, Honduras, and Guatemala, including Ivan Velasquez, the head of the International Commission Against Impunity in Guatemala, which recently contributed to the indictment and arrest of President Otto Perez Molina and Vice President Roxana Baldetti there. Representatives of Transparency International chapters in the three countries recounted their own efforts to excite public awareness of large-scale corruption and encourage investigation and prosecution.

Panama itself faces developing allegations of corruption that have targeted former president Ricardo Martinelli, reportedly now living in the United States, and led to the arrest of ministers and other officials of his administration. Martinelli featured prominently in the recent Transparency International "Unmask the Corrupt" campaign, which invited people worldwide to "nominate" the most corrupt organizations and individuals. The Vance Center is assisting



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Transparency International pursue the case against Martinelli as a particular focus of its “No Impunity” initiative.

Senator Felix Bautista of the Dominican Republic is another prominent case of grand corruption featured in the “Unmask the Corrupt” campaign, and the Vance Center again has contributed to the chase. Bautista wrote to Transparency International asking that he be removed from consideration, based on judicial investigations in the Dominican Republic dismissed for lack of evidence, and inviting questions to his lawyers about the case. The Vance Center brought in Ruti Smithline, partner at Morrison & Forester and a specialist in international investigations. Working pro bono, she and associates at the firm prepared extensive, detailed questions based on publicly available information about Bautista’s dealings. Transparency International announced a public inquiry and published Bautista’s letter and the Vance Center’s questions. Though his lawyers received the questions, Bautista has not yet answered any.

The Vance Center also recently joined Americas Quarterly magazine as a co-sponsor of a public presentation on anti-corruption efforts in Latin America. The event, moderated by *Americas Quarterly’s* Editor-in-Chief and Vice President of Policy at Americas Society/Council of the Americas Brian Winter, featured several of the leading anti-corruption figures from the region: Antonio Carlos Welter, Brazilian prosecutor and senior member of the “Lava Jato” unit investigating crimes at Petrobras; Iván Velásquez (described above); Thelma Aldana, Guatemalan attorney general; and José Ugaz, former prosecutor of Peruvian ex-President Alberto Fujimori and current chair of Transparency International. The panelists recounted their personal experiences tackling high-level and widespread corruption and reflected on the severe burden of corruption and the opportunity for eradicating it and providing societies with economic and political boosts.

Vance Center Assists with the Creation of “Water Funds” In Latin America

The Vance Center Environment Program has recently begun a partnership with long-time client The Nature Conservancy to support TNC’s efforts to ensure long-term security of the fresh water resources that millions of people in Latin America rely on. Specifically, the Vance Center is providing legal assistance with the creation of “water funds” in various localities throughout the region.

“Water funds” are an innovative mechanism to channel funding from major downstream water users, usually in or near cities, to finance conservation actions and improve governance to protect watersheds. Watersheds are essential for the supply of clean and sufficient water, and also act as protection against impacts of extreme weather events by regulating the flow of water. The ecosystems that are necessary to produce and protect clean water are increasingly threatened by development and climate change. These include wetlands that recharge aquifers and store runoff and forests that prevent erosion and shade rivers. If this “green infrastructure” deteriorates, water users will have to pay for expensive water treatment and other facilities to maintain access to a steady supply of clean water. TNC has found that simply preserving these ecosystems is more cost effective than building water treatment infrastructure.



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Rimac River in Peru

Photo Credit: Walter Wust <http://www.nature.org/>

By establishing a water fund, government -- often municipal water and sewer providers -- and private companies can establish together long-term financing of basic management practices in the watershed with the help of conservation organizations that have appropriate technical expertise. These organizations work with local communities to set up good management practices, many of which are simple, such as installing fencing near stream banks to prevent cattle from causing land erosion and water pollution or encouraging landowners to preserve a “buffer zone” of forest along rivers.

TNC has spearheaded the creation of water funds throughout the Latin American region and launched the Latin American Water Funds Partnership in collaboration with other international organizations including the FEMSA Foundation, the Inter-American Development Bank and the Global Environment Facility. TNC’s goal is to have 40 water funds established by 2020 in Latin America, providing benefits for as many as 100 million people. To form a water fund, TNC and local stakeholders first must obtain local legal advice to determine whether a water fund is feasible. Local attorneys then are critical in setting up the structure and governance of the fund. The Vance Center’s role is to ensure that TNC receives needed legal support from expert local counsel at key stages in the process, always on a pro bono basis. Lawyers usually know little if anything about water funds, but are eager to help in the project. We work with them to understand the issues and coordinate their advice to TNC. So far, we have provided legal assistance in the Dominican Republic, Mexico, and Peru, and anticipate future projects in Costa Rica, Panama, and possibly several other countries.

To learn more about water funds, TNC’s work, and the Latin American Water Funds Partnership, please see <http://www.nature.org/ourinitiatives/regions/latinamerica/latin-american-water-funds-partnership.xml> (English) and <http://www.fondosdeagua.org/> (English, Spanish, and

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Portuguese).

Vance Center Promotes Pro Bono Practice in Panama



As the Vance Center concentrates its efforts to develop pro bono practice in Central America, Panama has proved to be promising territory. Executive Director Alexander Papachristou traveled there recently to meet with Panamanian lawyers, the second Vance Center trip to the country within the past year.

The visit began auspiciously with the formal signing of the Pro Bono Declaration of the Americas by Cristina Lewis, partner of Galindo, Arias y Lopez, the third Panamanian firm to become a signatory among the more than 530 throughout the Americas. GALA has been an active participant in Vance Center pro bono projects, among others, and Lewis stated that “the time has come to join

Some of the attorney's present during the meetings in Panama

Photo Credit: Gonzalo Robles

the many law firms throughout Latin America committing themselves to the goals and standards of the PBDA”.

After the signing, GALA hosted a roundtable discussion with Papachristou and representatives of six Panamanian law firms regarding the opportunity to establish a pro bono clearinghouse. Papachristou explained that, while many firms might consider that they have not yet fully developed their internal pro bono structure, jumping to a clearinghouse made economic and institutional sense, particularly in a relatively concentrated market like Panama. Firms could use the clearinghouse to bring in pro bono matters for themselves and their fellow firms, by serving on its board of directors and helping to hire its small staff.

The discussion was animated and constructive, as participants acknowledged the benefits generally of pro bono practice for their firms’ well-being. Camila Vengoechea of Morgan & Morgan, another Panamanian PBDA signatory, proposed to develop a business plan for a Panamanian clearinghouse, and everyone welcomed that initiative. The other participants at the meeting were Ramon Ricardo Arias and Gonzalo Robles (from GALA); Ricardo Arango and Carol Durling (Arias, Fabrega & Fabrega); Eloy Alfaro and Rita de la Guardia (Aleman Cordero Galindo & Lee); Erika Villarreal (Anzola Robles & Asociados); and Alexis Herrera and Luis Chalhoub (Icaza, Gonzalez-Ruiz & Aleman).



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Benedetti & Benedetti, the Panamanian member firm of Central Law, which has also signed the PBDA, also invited Papachristou to speak to an additional five law firms on the benefits of institutionalizing pro bono practice through an independent entity, which the law firms together could fund and manage. Participants hypothesized about pro bono projects that such a clearinghouse could develop and on which several firms could work together. In this way, larger, more challenging projects would be feasible, when no single firm could take them on. The participants at the meeting were Alida Benedetti, Yolianna Arosemena Benedetti (the hosts); Roberto F. Harrington and Alfredo Ramírez (Alfaro, Ferrer & Ramirez); José Miguel Alemán (Arias, Aleman & Mora); Olmedo Miranda III (Arosemena Noriega & Contreras); and Elizabeth Heurtematte (Lopez, Villanueva & Heurtematte).

The Vance Center plans to continue working with Panamanian law firms to organize a pro bono clearinghouse and participate in multi-jurisdictional pro bono projects. It recently has worked with GALA on behalf of a Swiss client pursuing improved delivery of social services in Bolivia and Nicaragua.



Mr. Papachristou and a new signatory of the Pro Bono Declaration of the Americas
Photo Credit: Gonzalo Robles