eSTANDARDSFORUM
Financial Standards Foundation

Best Practice Report

Honduras

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The Best Practice Report provides a concise, comprehensive overview of a country's status with respect to global best practice benchmarks. The report contains a summary of compliance with the 12 Key Standards for Sound Financial Systems in the Standards Compliance Index, as well as a summary of performance in the Business Indicator Index and other leading global indices addressing related aspects of the country's economic, business, political, and social climate.

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This report is based entirely on publicly available sources. For a list of all the sources used for the Standards Reports and the Business Indicators please refer to the detailed reports available for each country and standard on www.estandardsforum.org.

I. Summary Financial Standards Index

Overall: Low | Rank: 77 | Score: 21.67

MACROECONOMIC POLICY AND DATA TRANSPARENCY

	Full Compliance	Compliance in Progress	Enacted	Intent Declared	No Compliance	Insufficient Information
Data Dissemination				X		
Monetary Transparency						X
Fiscal Transparency				X		

INSTITUTIONAL AND MARKET INFRASTRUCTURE

	Full Compliance	Compliance in Progress	Enacted	Intent Declared	No Compliance	Insufficient Information
Insolvency Framework					X	
Accounting			X			
Corporate Governance						X
Auditing			X			
Anti-Money Laundering				X		
Payment Systems					X	

FINANCIAL REGULATION AND SUPERVISION

	Full Compliance	Compliance in Progress	Enacted	Intent Declared	No Compliance	Insufficient Information
Banking Supervision				X		
Securities Regulation						X
Insurance Supervision						X

SUMMARY

Honduras achieves low overall compliance with international standards and codes, with a score of 21.67 out of 100 in our Standards Compliance Index. A lack of publicly available information prevents an assessment of Honduras's compliance with standards in monetary policy transparency, corporate governance, securities regulation, and insurance supervision. Insolvency and payment systems are known to be well behind international practice, lacking even a basic legal structure. Standards most in line with international requirements are accounting and auditing, which have earned an "enacted" rating. In 2005, Honduras passed a law -- to be effective January 2008 -- which converges its accounting and auditing practices with international standards. Honduran authorities are also in the process of strengthening its banking supervision framework and making amendments to its anti-money laundering legislation so as to bring the country in line with international standards.

II. Detailed Summary of Observance by Standard

1. MACROECONOMIC POLICY AND DATA TRANSPARENCY

Data Dissemination: Intent Declared

In a 2005 Report on the Observance of Standards and Codes (ROSC), the International Monetary Fund (IMF) anticipated that Honduras would begin participating in the IMF's Special Data Dissemination Standard (SDDS) by end-2007, but as of May 2008 the SDDS website still does not list Honduras as a participant. The IMF's General Data Dissemination System (GDDS), on the other hand, does list Honduras as a participant. Honduras is shown as having first posted its metadata with the GDDS on September 29, 2005. The 2005 ROSC identified several areas where Honduras does not yet meet GDDS requirements. These deficiencies relate to insufficient coverage, weaknesses in source data, inadequate dissemination of documentation on methodology, and insufficient provision of component detail to permit cross-checking of statistical data.

Monetary Transparency: Insufficient Information

In a variety of reports and press releases issued by the International Monetary Fund since 2004, it has been noted that the Central Bank of Honduras (CBH) has announced its intention to introduce measures to improve the transparency of its monetary policy operations. The CBH particularly intended to do so by reporting to the public when developments occur and by making available its financial statements along with explanatory notes and external auditor findings. The 2005 IMF Article IV Consultations report disclosed that Honduras's primary monetary goal is price stability via a reduction of inflation. The CBH's principal policy instruments are open market operations and the judicious use of interest-rate increases to sterilize inflows of capital. The CBH website has recently introduced a new feature specifically devoted to the concept of transparency. Available only in Spanish, the site nonetheless offers access to the CBH mandate and mission, monetary policy, and texts of relevant legislation. The site shows that, in 2006, a new law was passed, entitled the Law of Transparency and Public Access to Information. While there are clearly ongoing developments regarding monetary policy transparency in Honduras, publicly available information does not address whether these measures will put the CBH into compliance with the IMF's Code of Monetary Policy Transparency.

Fiscal Transparency: Intent Declared

In 2002 the IMF published its original ROSC for fiscal transparency in Honduras. The ROSC found that while Honduras complied with some elements of the Code of Good Practices on Fiscal Transparency, there were many areas where improvements could be achieved. In 2005, the IMF returned to Honduras to carry out a fiscal ROSC Update, in which it reported that significant progress in fiscal transparency had been achieved. Nonetheless, more needs to be done. Specifically, the 2005 ROSC called for greater clarification of the allocation of fiscal roles and responsibilities across and within the government, greater coverage and quality in the budget, and greater public availability of budget documentation. Efforts by the Honduran authorities to further increase fiscal transparency are continuing building upon previous reform initiatives. The 2006 Open Budget Index assigned an openness rating of 38% to the Honduran budget process, which corresponds to a descriptive rating of "minimally open." However, according to a 2006 IMF report, the Honduran government clearly recognizes the need to improve the quality and dissemination of its fiscal and other data.

2. INSTITUTIONAL AND MARKET INFRASTRUCTURE

Insolvency Framework: No Compliance

In a series of reports published in 2003 and 2004, the World Bank noted that the insolvency and creditor rights systems in Honduras were deficient on the legislative, institutional, and cultural level. Troubled firms too often simply closed their doors, leaving creditors unsatisfied. The public perception was that recourse to the courts was too complex, too expensive, and too lengthy. The World Bank noted that there was no provision in law for reorganization or for the settlement of creditor claims out of court. It also stated that the judiciary had insufficient knowledge and experience in commercial law in general and insolvency proceedings in particular. Any new insolvency legislation in Honduras would need to address these shortcomings. The World Bank's 2008 "Doing Business" guide for Honduras noted that it takes, on average, 3.8 years to complete the process of closing a business in the country, at a cost equaling 15% of the estate, with an average recovery rate of 20.3 cents on the dollar. This compares to a regional average of 3.2 years, 16.4%, and 25.9 cents on the dollar. For member states of the Organization for Economic Co-operation and Development, the average time is 1.3 years, costing 7.5% of the estate, and returning 74.1 cents on the dollar.

Accounting: Enacted

The World Bank, in a 2007 assessment of Honduran accounting and auditing practices, commended Honduras's efforts to improve financial reporting standards and noted that continued national initiatives were required for further alignment with international standards. Furthermore, the harmonization of national practices was also necessitated by the fact that Honduras is a signatory of the Dominican Republic/Central American Free Trade Agreement and was likely to become a party to a Free Trade Agreement with the European Union. The World Bank noted that to avail themselves of the benefits of these trade agreements, Honduran business enterprises needed to adopt internationally accepted rules and standards. A significant development in this direction was the enactment of the Accounting and Auditing Law, which mandates the application of International Financial Reporting Standards (IFRSs) beginning January 1, 2008, with earlier adoption permitted. The Law also establishes the Accounting and Auditing Standards Technical Board as the body responsible for the adoption of international standards. Moreover, the strengthening of auditing and accounting regulations in the financial sector was another significant improvement in the Honduran reporting framework. However, the World Bank identified a number of deficiencies. The January 2008 deadline for application of IFRSs was found to be "too ambitious." The World Bank recommended that the deadline be extended to 2011-2012. Also, it was unclear whether national Generally Accepted Accounting Principles would coexist with IFRSs or apply during the period of transition. Furthermore, the new Law requires application of IFRSs regardless of enterprise size. This means that small and medium size enterprises must also apply the international standards, but the World Bank observed that IFRSs were not designed for such entities. Instead, the World Bank argued that IFRSs should apply only to Honduran public-interest entities. At the time of the assessment, a technical assistance project financed by the Multilateral Investment Fund was working towards developing interpretations and guidelines for the application of IFRSs and International Standards on Auditing.

Corporate Governance: Insufficient Information

According to a 2005 International Financial Law Review (IFLR) report on corporate governance, in September 2004, a new Financial System Law was passed introducing "modern" corporate governance regulations for financial institutions in Honduras.

These regulations primarily focused on the accountability of directors and officers for corporate and management decisions and covered aspects that, thus far, did not exist in Honduran commercial law. Furthermore, a 2007 World Bank report notes that the enactment of the Accounting and Auditing Law mandates the use of IFRSs and International Standards on Auditing (ISAs) beginning January 2008. Finally, an ongoing World Bank project addresses issues concerning the oversight of the corporate sector and effectiveness of insolvency proceedings in Honduras. Despite these initiatives, a number of deficiencies were identified in the Honduran corporate governance framework. For instance, the 2007 World Bank report noted that the implementation deadline for IFRSs and ISAs was "too ambitious," given the fact that Honduras is faced with inadequate human and financial resources. Furthermore, the IFLR report observed that the establishment of a supervisory body for corporations is not likely to occur in the near future. Most significantly, the World Bank assessment pointed out that although a stock exchange exists in the national capital of Tegucigalpa, Honduras has no active securities market. Overall, there is insufficient publicly available information to assess Honduras's compliance with the Organization for Economic Co-operation and Development's (OECD) Principles of Corporate Governance.

Auditing: Enacted

In a 2007 review of the accounting and auditing environment in Honduras, the World Bank observed that "commendable" efforts to improve Honduran financial reporting standards had been made. However, continued national initiatives were required for further alignment with international standards. This was also necessitated by the fact that Honduras is a signatory of the Dominican Republic-Central American Free Trade Agreement and had the "least stringent" audit requirements among member countries. However, as noted in the assessment, with the passing of the Accounting and Auditing (A&A) Law in 2004, Honduras made significant progress. Beginning in January 2008, the application of ISAs became mandatory. The Law also established the Accounting and Auditing Standards Technical Board as the national standard-setter, primarily responsible for the adoption of international standards. A technical assistance project financed by the Multilateral Investment Fund (MIF) was working towards developing interpretations and guidelines for the application of International Financial Reporting Standards and ISAs. However, the World Bank identified a number of deficiencies in the auditing framework, and found the January 2008 deadline for the application of ISAs to be "too ambitious." Therefore, the World Bank recommended that the A&A Law be amended to extend the adoption deadline to 2011-2012. The assessment also found that a lack of necessary accounting skills and knowledge was likely to impede the application of ISAs. Prior to the mandatory application of ISAs there were no Honduran auditing standards, and international audit firms applied ISAs for audit purposes.

Anti-Money Laundering: Intent Declared

The legal framework that defines anti-money laundering (AML) and combating the financing of terrorism (CFT) measures in Honduras is generally effective, according to a 2004 World Bank report. Despite this rather positive outlook projected by the World Bank report, there is little in this report that actually identifies Honduras' compliance with the Financial Action Task Force's 40+9 recommendations and special recommendations. Moreover, the report mentions several deficiencies in the Honduran AML/CFT regime, of which the lack of proper legislation criminalizing the financing of terrorism as a separate offence is the most glaring. The World Bank also suggested that the resources and skills of the staff of the supervisory agencies need to be improved. A 2008 report by the U.S. Department of State indicates that Honduran authorities are in the process of making amendments to its legislation so as to bring the country in line with international standards. The International Monetary Fund's 2006 report also refers to the efforts the authorities are making to improve the country's AML/CFT regime. The Honduran financial intelligence unit (FIU), called Unidad de Información Financiera, is a member of the Egmont Group.

Payment Systems: No Compliance

A 2004 World Bank report notes that there are two systemically important payments systems in Honduras, the Electronic Checks Clearing House, and the funds transfer system. However, the report observes that payments systems in the country have no legal basis to enable modern, reliable operation. The report adds that electronic documents and signatures have no legality and checks are still cashed physically. Settlement finality has no legal certainty and netting arrangements have no legal recognition. The CBH has neither defined nor implemented its payment systems oversight objectives and responsibilities. Further, there are no formal cooperation arrangements among different financial sector supervisory authorities and private sector entities. The report advises Honduras to define and implement a payments system policy and the oversight objectives of the CBH. The Honduran government has declared its intent to modernize and upgrade its payments system infrastructure. A regional technical assistance project under the aegis of the Inter-American Development Bank Fund has been active since 2003 to strengthen and harmonize the payments systems in Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua.

3. FINANCIAL REGULATION AND SUPERVISION

Banking Supervision: Intent Declared

In a 2004 World Bank report, the writers concluded that Honduras complied with only one of the 30 Basel Core Principles (BCP), namely, BCP 1.5 relating to legal protection of supervisors. Honduras was rated as being partially compliant with four other BCPs, partially non-compliant with twenty three, and non-compliant with two. The report noted that significant efforts were still needed to improve the country's compliance with the BCPs. The areas that required particular attention were consolidated supervision, capital adequacy, loan classification and provisioning, corporate governance, risk management, and preventive and corrective action. According to a 2006 IMF report, the Honduran authorities responded to these challenges by embarking on a series of financial sector reforms that include the strengthening of the regulatory framework and ongoing supervision. The IMF report adds that Honduras passed a series of laws in 2004 to implement the World Bank's recommended financial sector reforms, including strengthening prudential norms, enabling consolidated supervision, increasing the supervisory powers of the National Banking and Insurance Commission, broadening the scope of corrective action, and improving bank resolution. Moreover, as part of the IMF's and World Bank's Heavily Indebted Poor Countries (HIPC) initiative, Honduras is required to comply with the BCPs. The report comments that the Honduran authorities are committed to promoting and applying the BCPs more comprehensively. A 2007 report by the IMF points to a similar conclusion and notes that Honduras is in the process of strengthening banking supervision and enhancing prudential norms.

Securities Regulation: Insufficient Information

A 2007 World Bank report notes that Honduras has no active securities market. This is seconded by the U.S. Department of Commerce observation in 2007 that the market is almost exclusively comprised of short-term government bonds, with no secondary market. The National Banking and Insurance Commission (NBIC) is the primary supervisory agency supervising, monitoring, and inspecting securities institutions, brokerage firms, and stock exchanges in Honduras. The only securities exchange operating in Honduras is the Central American Securities Exchange (BCV) in Tegucigalpa. The NBIC supervises the BCV, but its supervision of the exchange has always been inadequate, despite the enactment of a 2001 law regulating security exchanges. A 2004 World Bank report mentions the joint World Bank-IMF Financial Sector Assessment Program (FSAP) review of Honduras in 2003. This FSAP identified institutional weaknesses hindering reforms in the financial sector and provided recommendations on strengthening the Honduran financial system. In 2004, the Honduran government embarked on a comprehensive financial system reform program, based on the recommendations contained in the FSAP. The reforms were undertaken with technical assistance from the World Bank, the IMF, and the Inter-American Development Bank. There is, however, little further information publicly available to make an assessment as to Honduras's overall level of compliance with Objectives and Principles of Securities Regulation of the International Organization of Securities Commissions.

Insurance Supervision: Insufficient Information

A 2004 World Bank report called attention to major institutional weaknesses hindering the development of the Honduran financial system. The report suggested a more risk-oriented approach to supervision of the financial sector, including insurance institutions, by the NBIC. The unpublished, joint World Bank-IMF FSAP review in 2003 provided recommendations on strengthening the Honduran financial system. The 2004 World Bank report noted that Honduras began implementing the 2003 recommendations with assistance from the World Bank, the IMF, and the Inter-American Development Bank. The IMF's 2005 Article IV consultation report points out that Honduras passed a series of laws in 2004 to implement the FSAP's recommended financial sector reforms. These reforms included strengthening prudential norms, enabling consolidated supervision, increasing the supervisory powers of the NBIC, and broadening the NBIC's scope of corrective action. Further, a 2007 IMF report finds that Honduras has revamped its legal, prudential, and regulatory frameworks in recent years, which has resulted in continued improvements in the financial sector. The report advises Honduras to strengthen the supervision of consolidated financial groups. Despite this information, however, there is insufficient information publicly available regarding Honduras's adherence to the Insurance Core Principles promulgated by the International Association of Insurance Supervisors in 2003.

III. Business Indicator Summary

Overall: At Standard | Rank: 31 | Score: 10.40

With an overall score of 9.90/12, Honduras is progressing toward standard on the economic, legal, and political indicators that make up our Business Index. Honduras is a market-based economy. Total government expenditures, including consumption and transfer payments, are low. Honduras encourages foreign investment and foreign and domestic investors are generally entitled to the same rights. Honduras offers an array of investment incentives targeting specific industries like tourism. The country is a democratic constitutional republic and has been politically stable over the last decade. However, Honduras extensive corruption and weak property rights are deterrents to investment, and expropriation is a possibility.

IV. Performance in Global Best Practice Indices

Honduras is ranked in the 3rd or 4th quintile for most of the global indices benchmarking its political, economic, business, and human capital climates, as shown below. Gang-related crime and violence challenge the state's monopoly on the use of force and earn Honduras a "Partly Free" rating in the Freedom House Index. These problems of basic security, combined with a weak and inefficient public administration, underdeveloped banking sector, virtually non-existent capital markets, and uneven application of the rule of law weigh heavily on Honduras' economic and business freedom, and consequently its competitiveness. The government uses direct or indirect price controls for many products, and major parts of the economy are part of the informal sector. However, one notable area of improvement is in the Fraser Institute's Economic Freedom of the World index where Honduras has improved from the 2nd to the 1st quintile over the past year. The UNDP Human Development Index shows that poverty is high and income distribution unequal. Corruption is perceived to be very high, as evidenced by its score on the Transparency International Corruption Perceptions Index.

Index	Year	Rank	Score	Quintile
Bertelsmann Transformation Status Index	2010	57/128	5.88/10	3
Heritage Foundation Economic Freedom Index	2010	99/179	58.3%	3
Economic Freedom of the World Index	2009	28/141	7.48/10	1
World Economic Forum Global Competitiveness Index	2009	89/133	3.86/7	4
Milken Institute Capital Access Index	2009	79/122	3.76/10	4
World Bank Ease of Doing Business Index	2009	141/183	N/A	4
UNDP Human Development Index	2009	112/177	0.73/1	4
Transparency International Corruption Perceptions Index	2009	130/180	2.5/12	4
Freedom House Index	2009	Partly Free	3/7	

V. Credit Ratings

Fitch:	Not rated
Moody's:	B2
Standard & Poor's:	Not rated

VI. Macroeconomic Data

2009 GDP (estimate) (IMF)	2010 Forecast (IMF)	2008 FDI (UNCTAD)	Official Development Assistance
$16.5 billion	Real GDP Growth: 2	Inward: $0.9 billion	Received: 464 million (2007 OECD)
Per capita: $2113	CPI: 6%	Outward: $0.00	Disbursed: N/A million (2007 OECD)
	Unemployment: 3.5% (CIA 2008)		

Methodology Note

I. The Financial Standards Index

This index measures a country's level of compliance with the 12 international standards and codes. Compliance with each of the 12 standards is measured on a scale of six levels of compliance and then converted into a numerical score. The Index ranks countries from 1 (most compliant) to 81 (least compliant) and provides a score from 0 (worst performance) to 100 (best performance). Overall compliance is determined as follows:

Very high	80 to 100
high	60 to 80
medium	40 to 60
low	20 to 40
very low	0 to 20

The chart provided with the summary of a country's performance against the *Financial Standards Index* provides the exact levels of compliance with the 12 international standards and codes. The descending order of compliance is as follows: *Full Compliance*, *Compliance in Progress*, *Enacted*, *Intent Declared*, *No Compliance*, and *Insufficient Information*. A exact definition of each compliance level and the methodology used to determine them is available on the eStandardsForum website.

II. Detailed Summary of Observance of Standards & Codes

This section provides the executive summaries of eStandardsForum's country compliance reports against the 12 Key international standards and codes. The full assessments are available on the eStandardsForum website.

The three standards grouped under "*Data and Macroeconomic Policy Transparency*" are the IMF's "Special (or General) Data Dissemination Standard," the "Code of Good Practices in Monetary and Financial Policies," and the "Code of Good Practices on Fiscal Transparency".

The six standards grouped under "*Institutional and Market Infrastructure*" are the World Bank's "Principles and Guidelines for Effective Insolvency and Creditor Rights Systems," the International Accounting Standard Board's "International Accounting Standards," the OECD's "Principles of Corporate Governance," the International Federation of Accountants' "International Standards on Auditing," the Financial Action Taskforce's "Recommendations on Money Laundering," and the Bank for International Settlements' "Core Principles for Systemically Important Payment Systems".

The three standards grouped under the "Financial Regulation and Supervision" sub-section are the Basel Committee's "Core Principles for Effective Banking Supervision," the International Organization of Securities Commissions' "Principles of Effective Securities Regulation," and the International Association of Insurance Supervisors' "Insurance Core Principles".

III. The Business Indicator Index

This index measures a country's attractiveness to foreign investment by analyzing various economic, legal, and political indicators. Countries are ranked from 1 to 81 according to a score ranging from 0 (least attractive) to 12 (most attractive). The overall score also determines whether a country is:

At Standard	9 to 12
Progressing toward standard	6 to 9
Below standard	0 to 6

The three standards grouped under the "*Financial Regulation and Supervision*" sub-section are the Basel Committee's "Core Principles for Effective Banking Supervision," the International Organization of Securities Commissions' "Principles of Effective Securities Regulation," and the International Association of Insurance Supervisors' "Insurance Core Principles".

IV. Performance in Global Indices

In this section, the rank and score of a country in nine distinct global indices is summarized. The country's relative position in these indices is made more comparable by calculating the quintile corresponding to the country's rank. In addition, a short summary interpreting the country's performance in the nine indices is provided. The following nine indices are used:

The *Freedom in the World Survey* is published annually by Freedom House. The political rights and civil liberties categories contain numerical ratings between 1 and 7 for each country or territory, with 1 representing the most free and 7 the least free. The status designation of "Free", "Partly Free", or "Not Free", which is determined by the combination of the political rights and civil liberties ratings, indicates the general state of freedom in a country or territory.
Source: http://www.freedomhouse.org/

The *Bertelsmann Transformation Status Index* shows the development achieved by states on their way toward democracy and a market economy. States with functioning democratic and market-based structures receive the highest scores. The Status Index's overall result represents the mean value of the scores for the dimensions "Political Transformation" and "Economic Transformation". The rating is based on a system of points ranging from 1 (worst score) to 10 (best score).
Source: http://www.bertelsmann-transformation-index.de/16.0.html?&L=1

The *Heritage Foundation Economic Freedom Index* measures economic freedom against a list of 50 independent variables divided into 10 broad factors of economic freedom. For each factor, a country receives a 0 to 100 percentage score, indicating the degree of economic freedom in the country.
Source: http://www.heritage.org/research/features/index/index.cfm

The *Economic Freedom of the World Index*, published by the Fraser Institute, covers five broad areas: size of government; legal structure and security of property rights; access to sound money; freedom to trade internationally; regulation of credit, labor, and business. Each component and sub-component is placed on a scale from 0 to 10 that reflects the distribution of the underlying data. A higher value signifies greater economic freedom.
Source: http://www.freetheworld.com/index.html

The *World Economic Forum Global Competitiveness Index* provides an overview of factors that are critical to driving productivity and competitiveness. These factors are grouped into nine distinct but interconnected pillars: (1) Institutions, (2) Infrastructure, (3) Macro economy, (4) Health and primary education, (5) Higher education and training, (6) Market efficiency, (7) Technological readiness, (8) Business sophistication, and (9) Innovation. The Index is calculated from a mixture of survey and hard data, and the data for each pillar is converted into a scale from 1 to 7. A higher value indicates greater competitiveness.
Source: http://www.weforum.org/en/initiatives/gcp/Global%20Competitiveness%20Report/index.htm

The *Milken Institute Capital Access Index* scores the ability of entrepreneurs to gain access to financial capital in countries around the world. The Index is intended to measure not only the breadth, depth, and vitality of capital markets, but also openness in providing access without discrimination, a measure of global progress in the democratization of capital. The Index has 7 subcomponents with a score assigned from 1 to 10 for countries ranking lowest to highest in terms of capital access. The Capital Access Index is then calculated using the weighted average of the seven subcategories.
Source: http://www.milkeninstitute.org/research/research.taf?cat=indexes

The *Human Development Index* (HDI) is a comparative measure of life expectancy, literacy, education, and standard of living for most UN member states The index has been used since 1993 by the United Nations Development Program in its annual Human Development Report. The HDI measures the average achievements in a country in three basic dimensions (life expectancy, literacy and standard of living) of human development. These measures are then converted into a 0 to 1 scale and each of the 177 UN member states are ranked accordingly each year.
Source: http://hdr.undp.org/

The *World Bank's Ease of Doing Business Index* provides measures of business regulations and their enforcement. The *Doing Business* indicators are designed to indicate the regulatory costs of business and can be used to analyze specific regulations that enhance or constrain investment, productivity, and growth. The Index then ranks economies. The index is calculated as the ranking on the simple average of country percentile rankings on each of the 10 topics covered.
Source: http://www.doingbusiness.org/

The *Transparency International Corruption Perception Index* (CPI) ranks countries in terms of the degree to which corruption is perceived to exist. The CPI Score relates to these perceptions of the degree of corruption as seen by business people and country analysts from around the world, including experts who are citizens in the countries evaluated. The score ranges between 10 (highly clean) and 0 (highly corrupt).
Source: http://www.transparency.org/

V. Credit Ratings:

Long-term foreign currency ratings and outlooks, indicating the likelihood of a sovereign default of the country, are provided as of the last date of upgrade or downgrade by the three leading credit rating agencies.

VI. Macroeconomic data:

This section provides the latest GDP and GDP per capita figures, projected GDP growth, and inflation as provided by the latest available IMF *World Economic Outlook*, unemployment figures by the *CIA World Factbook*; the latest inward and outward foreign investment figures as reported in UNCTAD's annual *World Investment Report*; and the most recent figure for official development assistance (ODA) received or disbursed, as reported by the OECD.