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GUATEMALA

TRANSPARENCY AND INTEGRITY PROJECT

QUARTERLY REPORT
(APRIL 1 – JUNE 30, 2011)

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ACRONYMS

AC	<i>Acción Ciudadana</i> (Guatemalan chapter of Transparency International)
ACU	Anticorruption Unit
ADP	<i>Amigos para la Paz y el Desarrollo</i>
AFU	Administrative Felonies Unit
AGIP	<i>Asociación Guatemalteca de Investigadores del Presupuesto</i>
AGO	Attorney General's Office
ASIES	<i>Asociación de Investigación y de Estudios Sociales</i>
CEG	<i>Centro de Estudios de Guatemala</i>
CGO	Controller General's Office
CICIG	UN International Commission against Impunity and Corruption in Guatemala
CIEN	<i>Centro de Investigaciones Económicas Nacionales</i>
COCODES	Community Councils for Development
COTR	Contracting Officer's Technical Representative
CSO	Civil Society Organization
DCE	Diane Cromer Enterprises
DGO	Democracy and Governance Office
FUNDES	<i>Fundación Latinoamericana para el Desarrollo</i>
FUNDESA	<i>Fundación para el Desarrollo</i>
FOIL	Freedom of Information Law
GAM	<i>Grupo de Apoyo Mutuo</i>
GoG	Government of Guatemala
IACC	Inter-American Convention Against Corruption
IDPP	Institute of Public Defense
IFES	International Foundation for Electoral Systems
IR	Intermediate Result
IREX	International Research and Exchanges Board
LLR	Lower-Level Result
LOU	Letter of Understanding
MATADOR	Media Assistance Utilizing Technological Advancements and Direct Online Response
MCC	Millennium Challenge Corporation
MESICIC	Committee of Experts of the Follow-up Mechanism
MPJ	Pro Justice Movement
MSME	Micro, Small, and Medium Enterprise
PTI	<i>Proyecto de Transparencia e Integridad</i> (Transparency and Integrity Project)
RRF	Rapid Response Fund
SUB-IR	Sub Intermediate Result
UNCAC	United Nations Convention Against Corruption
USAID	United States Agency for International Development

EXECUTIVE SUMMARY

The Guatemala Transparency and Integrity Project (PTI), funded by USAID/Guatemala, is a two-year effort awarded to Tetra Tech ARD. with a budget of \$ 4,088,679.00 through July 2011 (Contract No. DFD-I-00-08-00067-00, Task Order No. 02). This Quarterly Performance Report covers the period from April through June 2011 and summarizes the activities undertaken this period.

Background:

The Supreme Electoral Tribunal called for general elections on May 2 and set the date for the first round for September 11, 2011. The citizens of Guatemala will cast their votes that day to select their next president knowing that they will vote to elect an individual to run the country for the next four years and cognizant of the fact that their choice will significantly impact on the future of the country. Citizens will also vote for 158 individuals to represent them in the National Congress and legislate on their behalf, along with a total of 333 mayors to head their local governments. Last but not least, voters will also elect 20 representatives and 20 alternates to the Central American Parliament (PARLACEN).

As political campaign activity unfolds, two candidates have been leading the polls (based on public opinion survey results published in the major dailies): Otto Perez Molina, of the *Partido Patriota* (PP) and trailing him in a distant second place is Sandra Torres from the two party alliance of *Unidad Nacional de la Esperanza – Gran Alianza Nacional* (UNE-GANA). The latter, however, has waged an uphill battle as both the Citizen Registry and the Supreme Electoral Tribunal rejected her application to register as a presidential candidate. Her UNE-GANA party alliance has used every legal option available to it to ensure that her candidacy remains viable.

The political scene this quarter has continued to revolve around the unwavering opposition between the two parties (UNE and PP) as they struggle in the polls and attempt to overcome any expressions of distrust in their parties by citizens at large. This only aggravates the election process already posing serious challenges for the country. To ensure that no doubts are cast on the legitimacy of the elections, every national entity with any involvement in the process at all must strive to be entirely transparent in its actions and do so by strictly adhering to the laws.

The international donor community has expressed its concerns regarding the level of violence in the country, particularly as the elections approach. Moreover, the donors have appealed to the authorities to make every effort to see that organized crime does not get involved in the campaign process, while they also appealed to political parties to commit to their strategic plans and debate the issues without further aggression.

In addition, the International Commission against Impunity in Guatemala (CICIG) has called out to citizens to avoid providing any possible opportunities for organized crime to gain footholds in the country. The Commission has pointed out that it is every citizen's responsibility to tighten the ranks against drug traffickers, human rights violators and terror-mongers who intend to stifle law-abiding citizens.

Two acts of violence taking place in May spread fears and increased perceptions of insecurity and violence in the country and placed Guatemala at the center of the international news media. The first

was an incident on a plantation in La Libertad Peten where an organized crime faction linked to the Zetas is alleged to have massacred 27 farm workers.

The second is the murder of an assistant prosecutor in Coban, Alta Verapaz, Allan Stowlinsky Vidaurre. The United Nations expressed its outrage and repudiated the crime as a direct attack against the Public Ministry in reprisal for its efforts to investigate and prosecute drug trafficking and organized crime groups.

The Government of Guatemala is facing increasing pressure to redouble efforts to prevent violence, investigate, prosecute and punish individuals perpetrating such criminal atrocities and instill a sense of confidence so that citizens can regain the trust in their authorities responsible for security and justice.

This is particularly true at a time when elections fast approach and in light of the imperative to avoid greater infiltration of criminal groups into the process through campaign financing or candidacies influenced through the processes overseen by public institutions.

The justice system, particularly the Public Ministry, is still being criticized for its ineffectiveness. As it wages a battle against corruption, the fact that former president Alfonso Portillo (along with his former ministers of Finance and Defense) walked away from charges of embezzling and laundering US\$15 million to private bank accounts makes for increased perceptions that crimes of corruption remain in impunity in Guatemala.

The court handed down a not-guilty verdict in the Portillo case based on the fact that it disallowed evidence submitted by the Office of the Comptroller General along with other military and classified documents. In addition, the Tribunal indicated that a number of experts analyzed the evidence presented against the three defendants and found it to be inconclusive and based on weak auditing procedures.

This reinforces the fact that the Public Ministry and the Office of the Comptroller General urgently need to join forces in the fight against impunity and corruption.

The Executive is in a state of alarm as it faces a significant gap in its 2011 budget financing. If it is unable to persuade Congress to vote in favor of measures to increase funding and finance the budget, it will soon have to make drastic cuts in government spending at the Ministries of Health, Education, Interior and Communications.

The National Congress is in recess as of May 15. The legislative agenda made scant progress as members of congress seeking re-election focused their energies on campaigning and party activities rather than on fulfilling their responsibilities. Opposing parties seeking to delay progress in an election year on more pressing issues are contributing to the congressional stalemate in passing important legislation by subpoenaing an interminable list of ministers to testify at committee hearings.

The next five months (from August until December) show every indication of continuing along these lines in terms of campaigning, opposing political forces in play, government stalemating and speculations surrounding the capability and national agenda of the soon-to-be incoming administrations.

In the context described above, the Project presents the following activities worth highlighting for this reporting period:

SUB-IR 2.1 CITIZENS BETTER INFORMED AND CAPABLE TO OVERSEE AND FIGHT AGAINST CORRUPTION

LLR 2.1.1 PTI supervised three grants this period to Guatemalan civil society organizations for a total of US\$679,924.35. The main purpose of the grant activities lies in empowering Guatemalan citizens to promote positive change in their communities and increase citizen awareness of the level of effort required to demand transparency and fight against corruption. The grantees this period are: Accion Ciudadana (AC), the DESC Foundation, the ProJustice Movement (MPJ), the Center for Guatemala Studies (CEG), Vital Voices Guatemala (VV) the Mutual Support Group (Grupo de Apoyo Mutuo GAM), the National Center for Economic Research (CIEN), the Foundation for Social and Economic Development (FUNDES) and the Foundation for Economic Development of Guatemala (FUNDESA).

Some of the salient aspects of the grant activities are described below:

- CEG continued to advocate in support of legislative efforts on behalf of transparency and the fight against corruption by promoting the following bills:
 1. Legislation against illicit enrichment, including definitions for the specific felonies encompassed by the legislation now known as the Anti-corruption Law;
 2. Law on Non-Government Organizations (NGOs);
 3. Law on Trust Funds;
 4. Modifications to public procurement legislation, and
 5. Bill No. 4323 entitled “Mechanisms for Transparency and Accountability in Parliamentary Management.
- Vital Voices successfully completed the Political Training Program. A total of 20 participants ranging from 20 to 45 years old from the provinces (departments) of Alta Verapaz, Baja Verapaz, Chimaltenango, Chiquimula, Guatemala, Huehuetenango, Jutiapa, Quetzaltenango, Sacatepequez, San Marcos, Solola and Suchitepequez completed the intensive three-week program. Three of the participants will go on to run for office as mayoral or congressional candidates.
- CIEN began work to set up a training program for officials heading the Access to Public Information Units. The training is comprised of five separate modules and will be provided to approximately 40 public servants. The modules will cover the following: transparency and the fight against corruption; applying the law on Access to Public Information; exceptions to the law on access to public information; the use of habeas data, and archive management.
- FUNDES is developing the activities for a diagnostic assessment on the degree to which the micro, small and medium enterprise (MSME) sector is affected by corruption.
- FUNDESA launched several activities to develop timely recommendations for Guatemala to improve its standing on the Financial Standards Index published by the eStandards Forum. The recommendations will focus specifically on increasing transparency as evaluated under the secondary indexes for 1) disseminating statistics and data, and 2) transparent fiscal policies.

LLR 2.1.2 The Project continues to work with the organized and emerging private sector. As a result of these efforts, PTI has granted funds as described above to both FUNDES and FUNDESA.

FUNDESA has expressed confidence that a short-term concerted effort to increase the awareness of authorities from the National Institute of Statistics, the Ministry of Public Finance and other relevant agencies such as the Bank Superintendence and the Central Bank as to the reasons behind Guatemala’s

poor scores could enable them to take corrective action regarding transparency issues and apply a technical methodology to meet international standards. Over the medium term, authorities could then closely peruse the recommendations to make the necessary changes for the country to improve its ranking by at least ten positions over the next two year period.

The Project is working through FUNDES to tap into the micro, small and medium private sector that is emerging in Guatemala in order to diagnose the degree to which these companies are victims of corruption. The findings will enable the Project to design future activities to address the issue and reduce the costs that MSMEs are bearing as a result of corruption.

LLR 2.1.3 The Project continues to make headway with the communication media in Guatemala working on investigative journalism to focus more on transparency and anti-corruption efforts. Through IREX as its implementing partner, PII launched the component to strengthen the investigative unit known as “Under the Microscope” (*Bajo la Lupa*) at the major newspaper, Siglo Veintiuno. The team of international experts, Steven Dudley and Douglas Farah, began their work on-site with a SWOT analysis of the investigation unit and then submitted their findings to the Board of Directors.

This quarter, PII also continued working on professional development through its two-pronged approach: first, the Program for Journalists on Transparency and Anti-Corruption and a second one based on Reflection Circles or roundtable discussions for opinion-shapers and columnists to discuss transparency issues. The programs are based on personal presentations by a number of renowned public figures and authorities that addressed the groups this quarter, as follows:

- ◆ **Francisco Dall’Anese Ruiz**, Commissioner, CICIG;
- ◆ **Maria Eugenia Villareal**, Director, ECPAT Guatemala (End Child Prostitution, Child Pornography & Trafficking);
- ◆ **Miguel Ugalde**, Social Researcher, Justice Development Project, Rafael Landivar University;
- ◆ **Gabriel Gomez**, Magistrate, Supreme Court of Justice of Guatemala;
- ◆ **Delia Ferreira** (IFES Consultant), Argentine jurist and member of the Board, Transparency International;
- ◆ **Eduardo Nunez**, Costa Rican Political Scientist and Director for Central America, National Democracy Institute (NDI);
- ◆ **Rosa Maria de Frade**, President, Transparency Committee, National Congress of Guatemala;
- ◆ **Nora Segura Delcompare**, Comptroller General of the Republic, and
- ◆ **Oscar Martinez**, Investigative Journalist and Coordinator, The “Black Room” Project, El Faro, El Salvador.

SUB-IR 2.2 KEY EXECUTIVE BRANCH INSTITUTIONS STRENGTHENED AND WITH INCREASED CAPACITY TO OVERSEE AND IMPLEMENT ANTI-CORRUPTION MEASURES

LLR 2.2.1 The Project continued its work this quarter to provide technical assistance to strengthen 19 Access to Public Information Units.

The technical assistance to strengthen the Access-to-Information Units addresses the following areas: 1) organizational structure, 2) training programs, 3) processes and procedures, 4) information systems, 5) file and document management and archives, and 6) infrastructure.

The Project produced the following documents (reports or handbooks) in regard to the initial assessment of the 19 units:

- ✓ Physical layout evaluation reports for each UIP and a description of operational structures;
- ✓ User manual to access information through the use of “Open Wolf” learning software;
- ✓ Document containing the procedures as described in the Law On Access to Public Information;
- ✓ Procedures manual for each one of the 19 UIPs that covers all of the procedures as described in the Law on Access to Public Information, and
- ✓ Checklist to verify compliance with archive management requirements (Article 20, Paragraph 5 of the Law on Access to Public Information) for each one of the UIPs listed in the scope of work for the consulting contract.

LLR 2.2.2 PTI continued its activities this period to provide technical assistance to the National Anti-Corruption and Transparency Commission under Vice President Espada. The Project consultant, Ana Corado, delivered her report entitled a “Catalog of Available 2008-2009 Documentation from the Office of the Vice President” to enable the office to track important documents, monitor applicable conservation dates and statutes of limitations, track confidential or restricted documents and identify the exact location of the archive documentation produced by each of the entities reporting to the Vice President.

LLR 2.2.3 PTI provided training this period to 28 government officials on the subject of international agreements and conventions against corruption. The training was designed for employees from the Presidential Secretariat for Planning and Programming (Secretaria de Planificacion y Programacion de la Presidencia – SEGEPLAN).

LLR 2.2.4 Project consultants Maria Isabel Bonilla and Ruth Hernandez completed their diagnostic assessment of the units and mechanisms set up to process complaints lodged to report corruption within the Executive, including the following findings and conclusions:

- As a rule, the assessment did not detect the presence of specialized units where citizens can lodge complaints alleging corruption or reporting on a lack of transparency nor is there an official or formal process for this within the public administration.
- There is no official unit within the central government or on the public administration organizational chart for this purpose.
- In the case of specific complaints filed to report corruption or a lack of transparency, none of the entities studied indicated that they had procedures set up to classify the reports or complaints, nor to pursue them appropriately.

SUB-IR 2.3 A MORE ACTIVE ROLE OF KEY OVERSIGHT ENTITIES PROMOTED

LLR 2.3.1 The National Congress of Guatemala took a vote on April 5 and unanimously passed Legislative Bill No. 4323 (119 votes in favor and none against). The legislation mandates the use of electronic voting technology to encourage greater transparency in Congress. Now that the proposal has passed, Guatemalan citizens will be able to more closely monitor the performance of their elected representatives. The proposal will improve accountability and ensure greater transparency of the voting record of each one of the members of the National Congress.

A number of the CSOs that supported the proposal and awareness campaign are USAID/Guatemala PTI strategic partners and include: FUNDESA, GAM, ProJustice Movement (FADS, *Madres Angustiadas* and the Myrna Mack Foundation), *Un Joven Mas*, National Integrity Network, Youth for Guatemala, Youthful Peace and CEG.

In a similar vein, the Center for Guatemala Studies (CEG) continued this quarter to work on promoting the legislative bills listed below to address transparency issues:

1. **Legislation to define and sanction the felonies under the Law Against Illicit Enrichment (LEI)**
2. **Law on Non-Governmental Organizations**
3. **Law on Trust Funds**
4. **Modifications to public procurement legislation**

LLR 2.3.2 The Project developed several training modules for Public Ministry prosecutors to aide them in their difficult task of criminal prosecution by building capacity to take cases through the entire appeal process. The training includes the following:

- ✓ **Module: “Cassation Appeal Process for Criminal Prosecution”, and**
- ✓ **Module: “Petition for Special Appeals”**

The Project also provided training under a **Module: “The Banking System: identifying and recovering assets as a result of corruption”**. The main objective of this module is to present the various circumstances under which the banking system may indirectly be party to illicit activities described under “Crimes of Corruption.”

LLR 2.3.3 The Project provided support this period to the Office of the Comptroller General to produce its annual report to Congress, submitted in May 2011. Just after submitting its report, the organization found itself with a work overload and political pressure to process a large number (just under 10,000) of release forms issued to incumbents that wish to run for re-election or for other public office.

In a joint effort with the World Bank, the Project has continued to work on hiring a consultant firm to perform an institutional diagnostic assessment, but the process was not completed this quarter. The excessive workload and the pending consultancy are delaying the Project’s efforts to develop the Institutional Strengthening Plan for the Office of the Comptroller General.

As soon as these constraints can be overcome, the Project plans to pick up its efforts to work closely with the CGC to develop a strengthening strategy that allows it to more fully play its role of overseeing national revenues and expenditures. The institution provides a horizontal control over every state entity, at the national, regional and municipal levels, including de-centralized and autonomous organizations as well as over any individual that receives government funds or makes use of public resources. It also monitors public contractors or suppliers and any other individual that invests or administers public funds.

In addition to the highlights described in this section, the following narrative provides greater detail on these and other activities carried out this period under each SUB-IR, LLR and Special Activity.

RESUMEN EJECUTIVO

El Proyecto de Transparencia e Integridad (PTI) de USAID Guatemala, ejecutado por ARD, Inc. según Contrato No.DFD-I-00-08-00067-00, Orden de Trabajo No. DFD-I-02-08-00067-00. Es un esfuerzo de dos años, con un presupuesto asignado de \$4,088,679.00, vigente hasta el mes de Julio del 2011. Este Informe Trimestral cubre el período de Octubre a Diciembre del 2010 y resume las actividades realizadas durante este período.

Contexto:

El 2 de mayo, el Tribunal Supremo Electoral (TSE) convocó a elecciones generales, las cuales se celebrarán el 11 de septiembre. En dicha fecha, los guatemaltecos tendrán la oportunidad de elegir al futuro Presidente de la República, quien, no solo administrará el país durante cuatro años, sino también tomará decisiones que impactarán en el futuro del país. Asimismo, se elegirán 158 diputados al Congreso de la República, los cuales tendrán la función de representar a la población y legislar en su beneficio, y 333 alcaldes, que tomarán decisiones a nivel local. Finalmente, se elegirá a 20 diputados titulares y 20 suplentes al Parlamento Centroamericano (Parlacen).

A medida que la campaña avanza, dos candidaturas se consolidan a la cabeza de la preferencia de los ciudadanos (de acuerdo con encuestas de opinión publicadas por medios de comunicación escrita): la de Otto Pérez Molina, del Partido Patriota (PP), y, aunque rezagada, la de Sandra Torres, de la alianza Unidad Nacional de la Esperanza – Gran Alianza Nacional (UNE-GANA). Esta última, sin embargo, ha encontrado varios obstáculos, ya que el Registro de Ciudadanos del Tribunal Supremo Electoral (TSE) se negó a inscribir a Torres como candidata presidencial. Los partidos UNE y GANA han anunciado una batalla legal para lograr que esa candidatura quede en firme.

Este período cívico que, no obstante, desde su antesala se ha caracterizado por la polarización entre dos partidos (UNE y PP) que encabezan las encuestas, y la poca confianza de los ciudadanos en los partidos políticos. De tal cuenta, el proceso electoral plantea retos importantes para el país. Por un lado, las instituciones involucradas en él deberán actuar con transparencia y apego a la ley, para no afectar la credibilidad de las elecciones.

La Cooperación Internacional ha expresado su preocupación por la violencia en el país, sobre todo porque es un año electoral. Además, instaron a las autoridades a velar porque el narcotráfico no se involucre en la campaña proselitista, y a los partidos políticos a comprometerse con mostrar sus planes de gobierno y debatir sin agresiones.

Por otro lado, la Comisión Internacional contra la Impunidad en Guatemala (CICIG) ha hecho un llamado a evitar que Guatemala caiga en manos de los narcotraficantes, resaltando que es necesario el compromiso de todos los ciudadanos para cerrar filas ante el crimen organizado, el narcotráfico, las violaciones a los derechos humanos y el terror que ejercen quienes pretenden acallar a la ciudadanía.

Dos hechos violentos ocurridos en mayo agudizaron la percepción de inseguridad y violencia en el país, poniendo a Guatemala en la mira de noticieros internacionales. El primero de ellos fue el asesinato de 27 campesinos en una finca de La Libertad, Petén, atribuido a integrantes del grupo criminal Los Zetas.

El segundo hecho fue el asesinato de Allan Stowlinsky Vidaurre, auxiliar fiscal de Cobán, Alta Verapaz. La Organización de las Naciones Unidas (ONU) expresó su enérgica protesta por ese asesinato, al

considerarlo un ataque contra el Ministerio Público (MP) y los esfuerzos que este realiza en la investigación de casos vinculados al crimen organizado y el narcotráfico.

El Gobierno de Guatemala se encuentra ante la presión de redoblar los esfuerzos para prevenir la violencia, investigar, y procesar y castigar a los responsables de actos criminales como los mencionados, devolviendo a la ciudadanía la confianza en las instituciones encargadas de la seguridad y la justicia.

Esto es especialmente importante en este momento, para evitar que la delincuencia empañe el evento electoral o se infiltre aún más, a través de candidaturas y financiamiento, en los procesos e instituciones públicas.

Al sistema de Justicia, especialmente al Ministerio Público, se le continúa criticando su falta de eficacia. En materia de lucha contra la corrupción, la resolución absolutoria a favor del ex presidente Alfonso Portillo y de sus ex ministros de Defensa y Finanzas Públicas, acusados todos del desvío de 15 millones de dólares del Ejército hacia cuentas personales en el extranjero, mantiene la percepción que los delitos de corrupción no son castigados en Guatemala.

Durante la lectura de la sentencia del caso no se dio valor probatorio a documentación de la Contraloría General de Cuentas, y otros documentos calificados como secreto militar; además, el Tribunal señaló que varios de los peritos que analizaron las pruebas en contra de los tres implicados, no lograron pruebas contundentes debido a la deficiente auditoría contable que realizaron en las diferentes dependencias.

El Ministerio Público y la Contraloría General de Cuentas se encuentran ante la necesidad urgente de trabajar en conjunto en la lucha contra la impunidad y la corrupción.

El Organismo Ejecutivo se encuentra en alerta debido a la brecha millonaria por la cual el presupuesto 2011 se encuentra desfinanciado. De no conseguir que el Congreso apruebe los instrumentos para ampliar / financiar el presupuesto, se verá en la necesidad de recortar el gasto público, lo que podría afectar de manera dramática los programas de los ministerios de Salud, Educación, Gobernación y Comunicaciones.

El Congreso de la República entró en receso el 15 de mayo. La agenda legislativa mostró escasos avances. Los diputados que buscan la reelección han concentrado sus esfuerzos en su campaña y en actividades partidarias, más que en asistir al Congreso y cumplir sus funciones. Adicionalmente, la inacción en el Congreso deriva de una larga lista de ministros que son interpelados como pretexto a la polarización partidaria derivada del periodo pre-electoral.

Los próximos cinco meses (Agosto – Diciembre 2011) continuarán enmarcándose dentro del periodo electoral, caracterizado por la normal polarización de fuerzas políticas, la inactividad del Estado y las especulaciones sobre las capacidades y agenda de la próxima administración de gobierno.

Dentro de las actividades realizadas que sobresalen para el periodo reportado se incluyen las siguientes:

SUB-IR 2.1 “CIUDADANOS MEJOR INFORMADOS Y CAPACES DE EJERCER PROCESOS DE VEEDURÍA CIUDADANA Y LUCHA CONTRA LA CORRUPCIÓN”

LLR 2.1.1 Durante este período el PTI ha otorgado un total de trece sub-donaciones a organizaciones de la sociedad civil guatemalteca por un monto total de US\$679,924.35. El objetivo principal de las actividades es el de empoderar ciudadanos guatemaltecos a promover cambios positivos en sus comunidades e incrementar la concientización ciudadana respecto a los esfuerzos necesarios para combatir la corrupción y demandar transparencia. Los donatarios son: Acción Ciudadana (AC),

Fundación DESC, el Movimiento Pro Justicia (MPJ), Centro de Estudios de Guatemala (CEG), Voces Vitales Guatemala (VV), el Grupo de Apoyo Mutuo (GAM), El Centro de Investigaciones Económicas Nacionales (CIEN), Fundación para el Desarrollo Económico y Social (FUNDES) y Fundación para el Desarrollo Económico de Guatemala (FUNDESA) todos ellos socios estratégicos de USAID Guatemala.

Dentro de los resultados relevantes derivados de las intervenciones de los proyectos de donación se mencionan los siguientes:

- El Centro de Estudios de Guatemala (CEG) se impulsó en apoyo a la gestión legislativa de la agenda en materia de Transparencia y Lucha contra Corrupción, en particular promueve las siguientes leyes/iniciativas:
 1. Ley para la tipificación del delito de enriquecimiento ilícito, ahora por el catálogo de delitos incluido, conocida como Ley Anticorrupción,
 2. Ley de Organizaciones No Gubernamentales (ONG's)
 3. Ley de Fideicomisos
 4. Reformas a la Ley de Compras
 5. Iniciativa 4323 - “Mecanismos para la Transparencia y Rendición de Cuentas en la Gestión Parlamentaria”

- Vital Voices completo exitosamente el Programa de Capacitación Política. Un total de 20 candidatas, comprendidas entre los 20 y 45 años de edad, originarias de los Departamentos de Alta Verapaz, Baja Verapaz, Chimaltenango, Chiquimula, Guatemala, Huehuetenango, Jutiapa, Quetzaltenango, Sacatepéquez, San Marcos, Sololá and Suchitepéquez participaron en la capacitación intensiva de tres semanas. Tres participantes indicaron que participan en el proceso electoral como candidatas a puestos de elección popular (Alcaldesas y/o Diputadas).

- El Centro de Investigaciones Económicas Nacionales (CIEN) inició con la preparación del Programa de Capacitación para funcionarios a cargo de las Unidades de Acceso a la Información Pública. El programa de capacitación está compuesto de 5 módulos y será impartido a aproximadamente 40 funcionarios públicos. Los módulos son: Transparencia y lucha contra la Corrupción, Aplicación de la Ley de Acceso a la Información Pública, Excepciones a la Ley de Acceso a la Información Pública, aplicación del Habeas Data, Administración de Archivos.

- La Fundación para el Desarrollo Económico y Social (FUNDES) inició con el desarrollo de las actividades encaminadas a fin de completar el diagnóstico que permitirá conocer el grado de victimización de este sector en relación a casos de corrupción.

- La Fundación para el Desarrollo Económico de Guatemala (FUNDESA) inició con el desarrollo de actividades a fin de elaborar recomendaciones puntuales para que Guatemala mejore su puntuación y posicionamiento en el Índice de estándares financieros del eStandards Forum, específicamente a través de trabajar en fortalecer la transparencia en los subíndices de: 1) Diseminación de estadísticas y datos, y 2) Transparencia de política fiscal.

LLR 2.1.2 El PTI ha continuado trabajando con el Sector Privado tradicional y emergente. Como resultado, el PTI otorgó donaciones, anteriormente descritas, a FUNDES y a FUNDESA.

FUNDESA considera importante hacer un esfuerzo, para que, a corto plazo, autoridades del Instituto Nacional de Estadísticas, del Ministerio de Finanzas Públicas y otras instituciones relacionadas como la Superintendencia de Bancos y el Banco de Guatemala, conozcan a mayor profundidad los aspectos en los cuales Guatemala está siendo mal evaluada y corregir con ello las deficiencias en transparencia, en

base a una metodología técnica de carácter internacional. En un mediano plazo se espera que las autoridades retomen las recomendaciones, tomen las medidas necesarias y el país suba por lo menos 10 posiciones en el índice a dos años plazo.

Con FUNDES será el facilitador de la interacción con el sector privado emergente - micro, pequeña y mediana empresa (MIPYME) en Guatemala a fin de desarrollar un diagnóstico que nos permita al PTI conocer el grado de victimización de este sector en relación a casos de corrupción. Los resultados servirán para poder diseñar futuras intervenciones con el sector, especialmente con el sector emergente para internalizar el costo de la corrupción para las MIPYME.

LLR 2.1.3 Con el objetivo de contribuir a fortalecer el trabajo de investigación de los medios de comunicación en Guatemala, en el marco de la temática de transparencia y lucha contra la corrupción, el PTI, asistido por su socio implementador IREX, inició el fortalecimiento del módulo de investigación “Bajo la lupa” del diario Siglo Veintiuno. Consultores Internacionales de reconocida trayectoria, Steven Dudley y Douglas Farah, dieron inicio a sus actividades en el terreno con la preparación de un análisis FODA de la unidad de investigación y procedieron a presentarla a la Junta Directiva del diario.

Durante el periodo del trimestre reportado, el PTI continuó con la implementación de el *Ciclo de Actualización para Periodistas en materia de Transparencia y Lucha contra la corrupción* y el segundo, el *Círculo de Reflexión de Columnistas sobre temas de Transparencia*. Las siguientes personalidades, expertos y funcionarios públicos ampliamente reconocidos, fueron los disertantes principales de estos espacios:

- ◆ **Francisco Dall’Anese Ruiz**, Comisionado CICIG.
- ◆ **María Eugenia Villareal**, Directora de ECPAT Guatemala (End Child Prostitution, Child Pornography & trafficking of children).
- ◆ **Miguel Ugalde**, Investigador social Proyecto Desarrollo con Justicia De la Universidad Rafael Landívar.
- ◆ **Gabriel Gómez**, Magistrado de la Corte Suprema de Justicia de Guatemala.
- ◆ **Delia Ferreira** (Consultora de IFES), Jurista argentina e Integrante del Board de Transparencia Internacional.
- ◆ **Eduardo Núñez**, Politólogo costarricense Director para Centroamérica del Instituto Nacional Demócrata (NDI).
- ◆ **Rosa María de Frade**, Presidenta de la Comisión de Transparencia del Congreso.
- ◆ **Nora Segura Delcompare**, Contralora General de la República.
- ◆ **Oscar Martínez**, Periodista de investigación y Coordinador del Proyecto “Sala Negra” de El Faro, El Salvador.

SUB-IR 2.2 “INSTITUCIONES DEL ORGANISMO EJECUTIVO FORTALECIDAS Y CON MAYOR CAPACIDAD DE IMPLEMENTAR Y SUPERVISOR MEDIDAS ANTI-CORRUPCIÓN”

LLR 2.2.1 El PTI continuó con la implementación del Programa de Asistencia Técnica para el Fortalecimiento de Diecinueve Unidades de Acceso a la Información Pública.

El Programa de asistencia técnica para el fortalecimiento de las Unidades de Acceso a la Información contempló intervenciones para mejorar las siguientes áreas: 1) Estructura Organizacional, 2) Programas de Capacitación, 3) Procesos y Procedimientos, 4) Sistemas de Información, 5) Administración y archivo de información y documentos y 6) Infraestructura.

Los siguientes documentos (informes/manuales) fueron desarrollados para cada una de las diecinueve unidades:

- ◆ Informes de evaluación del espacio físico en donde operan la UIP y de su estructura administrativa – funcional de las UIP;
- ◆ Manual de usuario del modulo de acceso a la información del programa “Open Wolf” con características pedagógicas;
- ◆ Documento que contenga los procesos identificados en la Ley de Acceso a la Información Pública;
- ◆ Manual de procedimiento por cada una de las diecinueve UIPs, que incluya todos los procesos identificados en la Ley de Acceso a la Información Pública;
- ◆ Lista de chequeo sobre el cumplimiento de requerimientos relacionados a la gestión de archivos (artículo 20 inciso 5 de la Ley de Acceso a la Información Pública), por cada una de las UIP identificadas en el alcance de la consultoría;

LLR 2.2.2 El PTU continuó proveyendo asistencia técnica a la Comisión Nacional por la Transparencia para el Combate de la Corrupción, a cargo del Vicepresidente Espada. La consultora Ana Corado entregó en el periodo reportado el “Catálogo de disposición documental 2008 y 2009 de la Vicepresidencia de la República de Guatemala”, documento que permite a la Vicepresidencia establecer los valores documentales, los plazos de conservación, la vigencia documental, la clasificación reservada o confidencial y el destino final de la documentación archivística generada por las diferentes unidades administrativas que la conforman.

LLR 2.2.3 El PTI concluyó la capacitación de 28 funcionarios públicos en temas inherentes a las Convenciones Internacionales contra la Corrupción. Los esfuerzos de capacitación estuvieron dirigidos a funcionarios públicos de la Secretaría de Planificación y Programación de la Presidencia – SEGEPLAN.

LLR 2.2.4 Las consultoras Maria Isabel Bonilla y Ruth Hernandez concluyeron con la elaboración del diagnostico de unidades/mecanismos de recepción de denuncias de corrupción en el Organismo Ejecutivo y sus dependencias, dentro del cual se identifican los principales hallazgos:

- A nivel general no se cuenta de forma institucionalizada en la administración pública, con oficinas especializadas de recepción de quejas o de denuncias de actos relacionados con la corrupción o falta de transparencia.
- Dentro del Organismo Ejecutivo únicamente existen 5 entidades indicaron tener una oficina especialmente creada para el efecto.
- En el caso específico de denuncias por actos contrarios a la transparencia o actos de corrupción, ninguna institución cuenta con un procedimiento preestablecido tanto para clasificar las denuncias/quejas presentadas, como para tramitarla debidamente.

SUB-IR 2.3 “FOMENTO DE UN ROL MÁS ACTIVO DE LOS ÓRGANOS DE CONTROL”

LLR 2.3.1 El martes 5 de abril el Congreso de la República de Guatemala aprobó la iniciativa de ley 4323 con el respaldo de 119 votos a favor y ninguno en contra. La iniciativa 4323 busca activar el uso del tablero electrónico dentro de la gestión parlamentaria y de esta manera transparentar la misma. Con la aprobación la iniciativa, los ciudadanos guatemaltecos obtienen una herramienta importante para fiscalizar el desempeño de los diputados. La iniciativa 4323, que mejorará la rendición de cuentas y transparencia en las votaciones de los diputados en el Congreso de la República.

Dentro de las Organizaciones de Sociedad Civil que apoyaron la iniciativa 4323, se encuentran FUNDESA, GAM, Movimiento Pro Justicia (FADS, Madres Angustiadas y la Fundación Myrna Mack), Un Joven Más, Red Nacional por la Integridad, Jóvenes por Guatemala, Paz Joven y CEG, todos socios estratégicos del PTI/USAID Guatemala.

Asimismo, el Centro de Estudios de Guatemala (CEG) continuó implementando la estrategia para la promoción de la Agenda Legislativa en materia de Transparencia y Anticorrupción, priorizando así las siguientes:

1. **Ley para la tipificación del delito de enriquecimiento ilícito (LEI), ahora denominada Ley Anticorrupción**
2. **Ley de Organizaciones No Gubernamentales (ONG's)**
3. **Ley de Fideicomisos**
4. **Reformas a la Ley de Compras**

LLR 2.3.2 Durante este periodo se impartieron los siguientes módulos de capacitación a fin de fortalecer la misión de los fiscales del Ministerio Público en su ardua tarea de ejercer la persecución penal, en su máxima expresión, en llevar su reclamo procesal hasta la Corte de Casación:

- ✓ ***Módulo: “Recurso de Casación en Materia Penal” y***
- ✓ ***Módulo: “Recurso de Apelación Especial”.***

Adicionalmente se impartió el Módulo: “Sistema Bancario, ubicación y recuperación de activos producto de corrupción”. El objetivo principal de este módulo es presentar las distintas circunstancias que pueden hacer desempeñar a los bancos del sistema en la sucesión de hechos que, eventualmente, pueden configurar tipos penales que se comprenden dentro de la denominación de “Delitos de Corrupción”.

LLR 2.3.3 Durante el periodo reportado, la Contraloría General de Cuentas se concentró en la preparación del Informe Anual que presentó al Congreso de la República en mayo del 2011. Una vez presentado el informe en el mes de mayo 2011, la Institución se vio sobrecargada de fuertes presiones laborales y políticas, dado que ha tenido que procesar una significativa cantidad, aproximadamente 9,996, de “finiquitos” a las personas interesadas en optar a un cargo público a través de la elección popular.

El proceso para la contratación de una firma consultora, por parte del Banco Mundial, para el desarrollo del diagnóstico institucional fue iniciado, pero no así finalizado. Todas estas situaciones han imposibilitado al PTI en desarrollar un plan de acción para fortalecer la función de auditoría de la Contraloría General de Cuentas.

Se espera una vez superados los inconvenientes anteriormente planteados, el PTI pueda trabajar en conjunto con la Contraloría General de Cuentas, en la preparación de la estrategia para el fortalecimiento de la Institución a fin de que cumpla con su función fiscalizadora de los ingresos, egresos y en general de todo interés hacendario de los Organismos del Estado, los municipios, entidades descentralizadas y autónomas, así como de cualquier persona que reciba fondos del Estado o que haga colectas públicas. Así como de la fiscalización los contratistas de obras públicas y cualquier otra persona que, por delegación del Estado, invierta o administre fondos públicos.

Estas y otras actividades a reportar durante este período se encuentran descritas en la sección narrativa de SUB-IRs, LLRs y actividades especiales.

1.0 NARRATIVE REPORTING

1.1 CONTRACTUAL REPORTS AND DELIVERABLES

Quarterly Report for period starting January 1 2011 through March 31, 2011 was submitted on April 29, 2011 in accordance with Task Order reporting specifications.

1.2 ACTIVITY REPORTING

1.2.1 SUB-IR 2.1: CITIZENS BETTER INFORMED AND CAPABLE TO OVERSEE AND FIGHT AGAINST CORRUPTION

Under this Sub-IR, PTI is facilitating access to technical and financial resources for civil society organizations (CSOs), media outlets, and the private sector to increase their capacity to fight against corruption.

Activities and tasks described under this section will be mentioned under other Lower-Level Results (LLRs). They are noted under this section to demonstrate the entirety of the work plan and each LLR result, and to illustrate how civil society participation and capacity is being improved and strengthened through the development of several activities.

LLR 2.1.1: INCREASE AND STRENGTHEN PARTICIPATION OF CSO IN WATCHDOG ACTIVITIES AND OVERSIGHT OF PUBLIC RESOURCES AND FUNCTIONS OF PUBLIC AUTHORITIES

PTI established a sub-grants program to implement activities under this LLR.

By the end of this reporting period, PTI had awarded thirteen sub-grants to local organizations for a total amount of US\$679,924.35. The thirteen awards comprise the entire sub-grants program for the base period of the Transparency and Integrity Project.

The following descriptions summarize the objectives and development of the ongoing grant awards¹.

1. Center for Guatemala Studies (Centro de Estudios de Guatemala -CEG). PTI awarded a sub-grant to the local NGO Center for Guatemala Studies (CEG) on November 15, 2010 for a total of US\$76,890.51 (Q607,434.95) to increase transparency in Guatemala through the promotion and advancement of the Transparency Legislative Agenda. The Project has three specific objectives:

Table 1 describes the activities and targets met during the reporting period.

¹ All ongoing grant awards are scheduled for completion by July 31, 2011.

Table 1 - Key Objectives, Developments, and Results

Objectives	Development
<p>Provide technical assistance and support to the Legislative Transparency Commission to promote the Transparency Legislative agenda through implementation of an advocacy strategy.</p>	<p>The Project Grant GTIP 004 to the Guatemala Studies Center (CEG in Spanish) funds an ongoing effort to develop and advocate for a legislative agenda favoring transparency and anti-corruption issues.</p> <p>The task forces working on the quality of public expenditures identified the gaps in the legal framework that require modification in order to improve transparency in exercising public power.</p> <p>Each task force produced a number of recommendations on regulatory issues and these were then combined to enable a more thorough discussion and analysis of the necessary legal reforms.</p> <p>Congresswoman Frade set up the task forces based on a strategy to include both governmental and non-governmental organizations that work specifically on anti-corruption and transparency issues.</p> <ul style="list-style-type: none"> • Law on NGOs developing public works: the group met on three separate occasions to discuss reforms. In addition, the task forces under the National Special Commission on Transparency (CNET in Spanish) that worked on the quality of government expenditures also opted to include a subsequent proposal to reform the bylaws governing the national budget process in order to produce a more cohesive body of regulations and standards and ensure that any reforms to the Law on NGOs are more effective. • Law on Public Trust Funds: Three separate meetings were held to discuss the reform proposal. The President of the CNET, Congresswoman Rosa Maria de Frade sponsored a bill to intensify legislative efforts and submit new draft legislation on trust funds (See Annex B). • Law on Illicit Enrichment: is currently based on the crimes listed in anti-corruption legislation. The President of the Working Group on Security of Justice under the Legislative and Constitutional Issues Committee, Congressman Oliverio Garcia Rodas was the official sponsor of the workshop that CEG organized on April 11 to promote the bill. <p>The event gathered more than 60 key stakeholders and</p>

	included the participation of public officials showing their support for the bill, including both the Attorney General and the Comptroller General. Similarly, political party factions expressed their support for the bill.
CSOs and the International Community lobby Congress to approve law initiatives to increase transparency in Guatemala.	<p>The international community is an active participant in the working groups on Transparency and Quality of Public Investment to discuss and promote the following bills:</p> <ul style="list-style-type: none"> • Law on NGOs developing public Works • Law on Public Trust Funds • Law Against Illicit Enrichment <p>Commissioner Francisco Dall'anese from the International Commission against Impunity in Guatemala (CICIG) was joined by U.S. Ambassador Stephen McFarland and members from civil society organizations working on transparency, security and justice issues to express interest in seeing significant progress under these legislative initiatives.</p>
Results	Four pieces of draft legislation on transparency and anti-corruption issues are promoted.

2. Vital Voices Guatemala (VVG): PTI awarded a sub-grant to VVG on November 15, 2010, totaling US \$86,303.17 (Q681,795.00) to carry out a training program in the area of political participation for emerging rural, urban, indigenous and/or university women leaders based on theoretical concepts and hands-on training to contribute to their personal growth, share their work and achievements, foster the creation of a broad network of contacts, and provide them with the necessary tools to recognize and take advantage of the opportunities that exist to actively participate and lead in their country's political processes, including social auditing process.

Table 2 describes the activities and targets met during the reporting period

Table 2 - Key Objectives, Developments, and Results

Objectives	Development
<p>To carry out a training program that will empower 20 mentees by providing them with different activities that enhance their problem-solving and leadership skills, improve their ability to conduct themselves in professional environments, and strengthen their aptitude to define objectives, reach goals and develop and implement their projects.</p> 	<p>The first module of political training entitled “<i>Discovering a New Life</i>” took place from April 4-8. The module was taught by the <i>Pablo Rubio Project</i> in an effort to empower, educate and motivate participants to increase their quality of life based on improving all aspects of their activities through a process of personal transformation.</p> <p>Throughout the module, participants were given motivational training to then participate in additional activities as described below:</p> <p>From May 16-22, the group of 22 participants attended the first week of the second module of political training. The training included sessions on public policy, Guatemala’s political and territorial divisions and the role of the State in public administration. The training was provided by professors from Francisco Marroquin University.</p> <p>Lastly, the second week of the second module of political training took place from June 6-11. A total of 20 participants completed the Political Training Program for Women Leaders. The training included sessions on economics, public policy and the role of the State in public administration.</p> <p>The event also included workshops for participants to debate public policy and Guatemalan territorial issues from their individual perspective and community experiences. They were then asked to draft a public policy paper and municipal government plan to address a specific issue of particular concern in their community.</p> <p>The closing ceremony for the Political Training Program for Women Leaders took place on June 11 during which six of the participants provided brief presentations on the public policies they developed during the activity.</p>
<p>Result</p>	<p>20 emerging women leaders complete the political training program.</p>

3. Mutual Support Group (Grupo de Apoyo Mutuo -GAM): On February 21, 2011 PTI signed a grant agreement with GAM for US\$ 50, 132.50 (Q. 401,060.00). The purpose of the grant is to support efforts to exercise the right to access public information as a mechanism for social oversight. The grant will fund training for members of civil society, as well as provide assistance to develop and follow up on requests for public information. It also contributes to developing and disseminating regular reporting on the results after obtaining information.

Table 3 describes the activities and targets met during the reporting period

Table 3 - Key Objectives, Developments, and Results

Objectives	Development
<p>Train individuals from social organizations in the provinces (departments) of Chiquimula, Jalapa, Chimaltenango, Solola, Suchitepequez and Guatemala on how to request public information from state agencies working at both national and local government levels to effectively apply the law on access to public information.</p>	<p>GAM continued its work this quarter to implement the project on “Training and Analysis to apply the Law on Access to Public Information.”</p> <p>The activities took place on schedule with three events to train a total of 119 participants. Upon completing the training, participants had increased their knowledge base as follows: the legal foundation for public access to information; the process to request public information as stipulated by the Law on Access to Public Information, and the process to appeal the decision of a public entity refusing to provide the requested information (review process).</p> <p>Participants in the workshops came from the following provinces (departments): Jalapa, Chiquimula, Solola, Chimaltenango and Suchitepequez.</p>
<p>Support social auditing efforts by exercising the right to access public information.</p>	<p>The training methodology includes practical exercises enabling participants to submit information requests to support social auditing processes.</p> <p>During the current reporting period, GAM recorded a total of 154 requests properly prepared and submitted by participants. Based on the information requests, GAM has identified four specific social auditing efforts currently underway, as follows:</p> <ol style="list-style-type: none"> 1. Access to information from the National Registry of Persons (Registro Nacional de las Personas- RENAP): <p>As the dates for the 2011 national elections grow near and in light of experience from previous election cycles, the citizens from Concepcion, Solola have expressed their concerns regarding the number of citizens that are registered to vote.</p>

	<p>With GAM support, training participants from Solola submitted a number of requests for information from RENAP and from the Supreme Electoral Tribunal (Tribunal Supremo Electoral –TSE).</p> <p>RENAP provided the requested information, although TSE has not yet done so.</p> <p>The information is important as follow up to oversee aspects of the electoral process in light of rumors alleging that individuals that do not actually reside in Concepcion, Solola, have been listed locally as registered voters. This then hampers the ability of legitimate residents to elect their local government representatives.</p> <p style="text-align: center;">2. Access to information on the Senior Citizens Program:</p> <p>A total of 15 senior citizens from Suchitepequez are currently processing their applications for admittance to the senior citizen program which would provide them with a monthly stipend and basic services.</p> <p>Encountering a total lack of response to their applications, the group submitted a request for information from the Labor and Social Welfare Ministry regarding the program in question. The group of 15 citizens submitted a request inquiring on the current status of their applications.</p> <p>The Ministry responded to the request and informed the citizens as to whether or not they had qualified for admittance to the program. Those that were not admitted continued to request information regarding the grounds for denial into the program. To date, they await additional information and will continue to inquire as to other aspects of the program, such as the requirements and procedures to comply with the admission criteria.</p> <p style="text-align: center;">3. Access to information on highways in Jalapa:</p> <p>Many communities in Jalapa have been negatively impacted by the poor condition of the highways connecting the provincial capital to other communities. Local inhabitants find it difficult to travel in order to access health, education and labor services located in the urban area.</p> <p>GAM provided support for a group of citizens to use the Access to Information Law to request information on highway</p>
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	<p>maintenance from the following entities: the Jalapa Municipality, the Ministry of Communications, Infrastructure and Housing and the Departmental Development Council.</p> <p>The responses to information requests proved very evasive in terms of the responsibilities attributed to each of the entities. The group therefore requested additional information in order to audit the investments in public infrastructure in the area.</p> <p>4. Access to information on State expenditures for publicity:</p> <p>GAM is responsible for directly initiating this specific oversight process.</p> <p>According to information provided by the Secretariat for Social Communication under the Office of the President of Guatemala (Secretaria de la Comunicacion Social de la Presidencia de Guatemala –SCSP), expenditures on publicity amounted to Q114.1 million in 2010. GAM considers this to be excessive spending to publicize government activities and considers it reason enough to request greater detail on how the funds were allocated.</p> <p>The social auditing process began by doing monthly monitoring of the budget implementation process being conducted by the office in question, closely scrutinizing the “information and dissemination” line item. The monitoring was supported by exercising the right to access information and included press releases and notices on the following website: http://areadetransparencia.blogspot.com/2011_04_01_archive.html</p> <p>In response to the requests for information, SCSP provided data on budget implementation which revealed inflated salaries and an increase in the number of positions on the payroll. It also brought to light a lack of compliance with proper bidding procedures to procure goods and services. GAM has also published press releases on these findings.</p> <p>GAM has continued its social auditing efforts and is working on filing an official complaint with the Office of the Comptroller General alleging non-compliance with procurement and contracting regulations.</p> <p>Obstacles:</p> <p>Training participants expressed their distrust of government</p>
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	agencies and fear a backlash or reprisals as a result of requesting information. In light of this concern, GAM opted to be present when citizens filed their requests (particularly those filed with municipalities).
Draft and regularly report in public on the analysis produced from official responses to requests for public information.	The activities pertaining to this objective will be carried out during the next reporting period.
Results	<p>A total of 119 individuals completed the third training module.</p> <p>GAM provided support to submit 154 requests for public information that will be used to conduct social auditing processes.</p> <p>Five social auditing processes are underway.</p> <p>GAM organized the first of four sessions to train 119 individuals from various parts of the country.</p>

4. National Center for Economic Research (Centro de Investigaciones Economicas Nacionales – CIEN): PTI awarded a sub-grant to CIEN on April 15, 2011 totaling US\$33,646.20 (Q. 265, 805.00) to support the effective implementation of the Law on Access to Public Information, by strengthening the Information Units in the Executive Branch and other relevant institutions through the use of a five-module training program.

Table 4 describes the activities and targets met during the reporting period.

Table 4 - Key Objectives, Developments, and Results

Objectives	Development
<p>Develop and implement a training program for the officials and/or civil servants that are responsible for the implementation of the Law of Access to Public Information in 19 Access to Information Units –AIUs- (the target group was previously identified by the Project while developing the AIU Strengthening Plan). The training program will consist of five modules (documents and sessions) developed and taught by CIEN staff for at least 40 AIU representatives. The contents of the modules are:</p> <p>1. Transparency and Fight</p>	<p>The Project signed a grant agreement on April 15, 2011 with CIEN to hire experts to develop the content and plan the training for the Access to Information Units.</p> <p>Victor Hugo Ma Villatoro – Module: Transparency and the Fight Against Corruption.</p> <p>Alvaro Castellanos Howell – Module: Applying the Law on Access to Information and Module: Exceptions on Access to Public Information</p> <p>Hugo Maul Figueroa – Module: Applying Habeas Data</p> <p>Claudia Ordonez – Module: Archive Management and Access.</p> <p>By mid-June, the consultants submitted the preliminary drafts of the content for review and editing. The process will be completed during the next reporting period.</p>

<p>against Corruption)</p> <p>2. Applying the Law on Access to Public Information</p> <p>3. Exceptions to Accessing Public Information</p> <p>4. The Use of Habeas Data</p> <p>5. Archive Management and Access</p>	<p>FUNDESA is simultaneously working on developing the five training sessions for the modules. The participants will include two officers from each of the 19 Public Information Units (Unidades de Informacion Publica –UIPs). The training is scheduled to take place next quarter and the Project is also planning to organize an additional workshop on training techniques to ensure that the officers participating in the training can then replicate the module content and training instructions within their organizations in the future.</p>
<p>Results</p>	<p>The results will be described in the next quarterly report.</p>

5. FUNDES: PII awarded a sub-grant to FUNDES on April 19, 2011 totaling US\$29,161.64 (Q 218,712.31) to work with the emerging private sector of micro, small and medium enterprises (MSMEs) in Guatemala in developing a diagnostic assessment to allow PII to determine the degree to which these companies are victimized by corruption. Results from the diagnostic assessment will become the basis for upcoming activities with the emerging private sector, particularly in determining how MSMEs are bearing the hidden costs of corruption. The findings will lay the foundation for the design of future activities in the area.

Table 5 describes the activities and targets met during the reporting period.

Table 5 - Key Objectives, Developments, and Results

Objectives	Development
<p>Develop diagnosis on the level of vulnerability to corruption in the MSMEs sector particularly in transactional relationship with the Government, to propose mitigation measures to protect this business sector.</p>	<p>FUNDES began to implement the project in May and has finished setting up the criteria to divide companies into categories prior to selecting those to work with. FUNDES also completed work this quarter on the instruments and documents for the diagnostic assessment of micro, small and medium enterprises (MSMEs). FUNDES then set up contact points with the MSMEs and set up alliances with various private sector organizations, as follows: Chamber of Commerce, American Chamber of Commerce, Guatemala Export Association (Agexport) and, particularly, with the Chamber of Industry to organize workshops for the entrepreneurs.</p> <p>FUNDES was then ready to hold a total of four workshops on June 9 and 16 for 58 entrepreneurs representing various types of industry and commerce. During the workshops, FUNDES gathered information for the vulnerability assessment on MSMEs regarding corruption. In addition to the diagnostic workshops, FUNDES also interviewed 22 additional entrepreneurs to request their input and work experience in regard to the threat posed by corrupt practices. As a result,</p>

	<p>FUNDES prepared a report with their findings and developed a handbook for entrepreneurs to use as a tool in the fight against corruption.</p> <p>Based on the input described in the previous paragraph, FUNDES organized two training sessions on June 29 for 31 entrepreneurs. Three additional workshops are scheduled for next quarter and FUNDES is also planning a public event to present the results of their efforts to other business owners, private sector organizations and the media.</p>
Collect lessons learned and recommendations on how the MSME sector can prevent corruption so as to develop training and technical assistance for future applications.	To be developed and reported on next quarter.
Results	An anti-corruption training handbook was developed as a methodological tool to be used by 80 entrepreneurs.

6. FUNDESA: PTI awarded a sub-grant to FUNDESA on April 26, 2011 totaling US\$25,989.54 (Q198,820.00) to promote and increase GoG transparency by encouraging key public institutions to meet international transparency fiscal policy and monetary policy standards, according to the International Monetary Fund / eStandards Forum.

Table 6 describes the activities and targets met during the reporting period.

Table 6 - Key Objectives, Developments, and Results

Objectives	Development
Develop an advocacy strategy that would enable Guatemala to improve its score on the Financial Standards Index by taking the recommended steps to improve transparency in fiscal and monetary policy for the country (as described in the sub category for macroeconomic policies). Guatemala's improved scores could then attract more investment, create more jobs and make a positive impact on poverty reduction.	Andreas Grimminger, an international consultant and former Communications Director and Co-Director of Research from the eStandards Forum, was brought in as the key note speaker at a public event on May 25 to present the Financial Standards Index. His presentation covered the methodology used to score the countries, but he also described Guatemala's position in the ranking and some of the implications for the country. A total of 50 people attended the event and included participants from both the public and private sectors as well as representatives from the media. The keynote presentation was followed by a panel discussion including the following officials: Otto Lopez, Director, Economic Statistics Department, Central Bank of Guatemala; Abel Cruz, Vice-Minister of Economy and President of the Board of Directors of the National Statistics Institute (INE), and Marco Livio Diaz-Reyes, Vice-Minister for Transparency at the Ministry of Public Finance (MINFIN).

	<p>A local consultant, Fernando Spross, went on to prepare a technical document on public policy that included recommendations for the public sector and think tanks. The recommendations reflected the consensus from the discussions produced during the activity and also covered the results from the workshop. In addition, his findings were based on interviews with important stakeholders from the public and financial sectors in Guatemala (Ministry of Finance and the Central Bank of Guatemala). The document describes the best practices and international standards and specifically covers the Special Standards for Data Dissemination produced by the IMF; the Best Practice Code for Fiscal Transparency by the IMF and the Best Practice Code for Transparency in Monetary Policy by the IMF. The document also identified areas in which Guatemala stands to make significant improvements by applying the recommendations and raise the score on the indexes described above.</p>
Results	<p>FUNDESA will complete the objective in July by publishing and publicly presenting the recommendations as described above. The product will be made available to government officials, private sector representatives, civil society organizations, think tanks and communication media.</p>

Perform social auditing efforts to verify the quality of data to guarantee transparent, fair and free elections by conducting a two-way audit of: a) citizens’ personal data based on National Identity Documents (DPI) issued by the National Registry of Persons (RENAP) and registered on Guatemala official voter registration records, and b) RENAP National listings of Personal Identity Documents.

On April 25, the *Facultad Latinoamericana de Ciencias Sociales* (FLACSO, Spanish acronym) conducted a two-way audit of the official Personal Identification Document (DPI in Spanish) listings provided by the National Registry of Persons (RENAP in Spanish). The audit was intended to verify the quality of information found on the registers, particularly those pertaining to data on eligible citizens registered to vote.

FLASCO completed the field work this quarter and submitted the final audit report describing five significant findings. First off, 8.9% of the subjects indicated that their DPI contained significant errors (i.e., name, birthdate, birthplace, identification number, among others). This implies that the number of errors in general is not as alarming as first described by the media, but this should not be taken to mean that the mistakes should not be corrected as quickly as possible. Another finding reveals that citizens, on average, waited 90 days before receiving a DPI, even more significant considering that other important documents are issued on a same-day basis (i.e., driver licenses and passports). The undue delay has even greater implications as the date for general elections fast approaches: the last day for voter registration is June 11 and voters cannot register if their DPI was issued less than three months prior to the closing date. Another important finding is that the percentage of young registered voters between the ages of 18 and 22 is very low (about 70% of adults under the age of 22 have not registered to vote) which implies that a large segment of the population will not

be able to exercise the right to vote in the upcoming 2011 national elections. The study revealed some of the reasons young adults had not registered to vote, as follows: lack of time (41%), lack of interest (15%), lack of information (28%), remote location (7%), not picking up the proper form (6%), disability (2%) and lack of funds (1%). The percentages seem to indicate that this segment of the population would benefit from having TSE simplify the process and provide more information on the requirements and procedures while creating a public awareness campaign to encourage and promote citizen participation in the electoral process.

Based on the findings described above, FLACSO produced a series of recommendations for RENAP and TSE authorities to remedy certain situations when issuing DPIs and in favor of expeditiously registering citizens reaching voting age. The study recommends that RENAP proceed to review, classify, correct and purge data in order to ensure the veracity of information being compiled for DPI records, particularly that pertaining to the correct name and identification number. In addition, the study recommends reducing the time period required to issue DPIs and recommends that external audits be conducted to identify the most common reasons for any delay. In regard to voter registration, the study lists several joint actions to be undertaken by both RENAP and TSE to encourage voter registration, especially among first-time voters between the ages of 18 and 22. Lastly, the study recommends that Congress pass reforms to the Election and Political Party Legislation to make voter registration “automatic” upon issuing a DPI, thereby ensuring that every eligible citizen is able to exercise a right to vote without having to go through additional paperwork.

The results described above were systematically discussed with corresponding officials. The Project emphasizes social auditing efforts such as this one that enable public decision makers to take the necessary measures to correct the situations revealed by the audit process. The outcome is a higher quality, more reliable and transparent procedure to process DPIs. A collateral benefit is that FLACSO’s experience contributed to justifying a need for temporary offices set up to register voters right at the RENAP offices. In addition, RENAP has begun a process to review and eliminate incorrect data from the DPI data base and the voter registration record.

Special Activities

Open courses at San Carlos University: Access to Information as a tool for Social Auditing.

Work continued this period to complete the last of the open continuing education college-level course on “Access to Public Information as a tool for Social Auditing.” A total of 22 individuals completed the course requirements.



Participants in the course on “Access to Public Information as a tool for Social Auditing.” May 28, 2011

Each of the participants was required to submit a request for public information and the requests represented a wide array of interests reflecting the individual participants. Some of the public institutions from which information was requested include the following: Municipality of Santa Rosa, Santa Rosa; Ministry of Public Health and Social Welfare; Municipality of

Guatemala; Supreme Electoral Tribunal; Ministry of Education; Secretariat for Social Work for the Office of the First Lady; Superintendence for Tax Administration, Municipality of San Juan Sacatepequez; Ministry of Labor and Social Assistance and the Municipality of Coban, Alta Verapaz.

Training Program for students from the Law School at San Carlos University

During the reporting period, the Project continued to support training activities for law students from San Carlos University.

The second session included an information exchange and the outcomes from the information requests submitted (homework assignment from the first session) and covered the procedures required to appeal decisions to deny information. A total of 157 students received the training.



Students from San Carlos University School of Law receive training on Access to Public Information as a tool for Social Auditing

Training Civil Society Representatives in Morales, Izabal.

The Project organized a training activity on April 13 for civil society representatives from Morales, Izabal. PTI worked in conjunction with the Morales Municipal Committee for Women (Comite Municipal de la Mujer en el municipio de Morales –COMUJER) which is an organization set up to foster civil society participation, particularly of women in decision-making processes at the local government level. The training was provided so that participants could learn to apply the Law on Access to Public Information as a tool for social auditing and oversight.

Participants were taught to submit requests for information and a total of 11 requests were prepared for the Morales Municipality to provide information on the current status of projects being undertaken by the local government.

Table 7 summarizes the activities planned for the upcoming reporting period.

Table 7 - LLR 2.1.1 Planning for Next Quarter ²

Lower-Level Result (LLR) 2.1.1 Increase and strengthen participation of CSO in watchdog activities and oversight of public resources and functions of public authorities.												
Activities	FY 2010 – 2011											
	Q1			Q2			Q3			Q4		
	O	N	D	J	F	M	A	M	J	J	A	S
Conclude the sub-grant with Center for Guatemala Studies (CEG) to increase transparency in Guatemala through the promotion and advancement of the Transparency Legislative Agenda.												
Finalize the sub-grant with VITAL VOICES to train Emerging Women Political Leaders.												
Finalize the sub-grant with GAM to contribute to exercising the right to access information as a tool for social audit by training members of civil society organizations, support the												

² Activity planning runs up to July 31, 2011 in compliance with estimated completion date of Base Period and with approved Work Plan for Year 2.

Lower-Level Result (LLR) 2.1.1 Increase and strengthen participation of CSO in watchdog activities and oversight of public resources and functions of public authorities.

Activities	FY 2010 – 2011											
	Q1			Q2			Q3			Q4		
	O	N	D	J	F	M	A	M	J	J	A	S
development and monitoring of information requests and regularly prepare and disseminate reports on the results.												
Finalize the sub-grant with CIEN to support the effective implementation of the Law on Access to Public Information, through the strengthening of Information Units in the Executive Branch and other related institutions related through a five-module training program												
Finalize the sub-grant with FUNDES to work with the emerging private sector of micro, small and medium enterprises (MSMEs) in Guatemala in developing a diagnostic assessment to enable PTI to determine the degree to which these companies are victimized by corruption. Results from the diagnostic assessment will become the basis for upcoming activities with the emerging private sector, particularly in determining how MSMEs are bearing the hidden costs of corruption.												
Finalize the sub-grant with FUNDESA to promote and increase GoG transparency by encouraging key public institutions to meet international transparency fiscal policy and monetary policy standards, according to the International Monetary Fund / eStandards Forum.												
Continue to implement Standard Training Program directed at Civil Society Organizations regarding Access to Information that result in requests to access information.												

LOWER-LEVEL RESULT 2.1.2: PRIVATE SECTOR MORE ACTIVE AND COMMITTED WITH THE FIGHT AGAINST CORRUPTION

During this reporting period, PTI awarded sub-grants to two private sector organizations: FUNDES and FUNDESA.

FUNDES is a regional organization that fosters private sector development and has been operating in Guatemala since 1988 to build entrepreneurial capacity among a broad base of micro, small and medium enterprises enabling them to access markets while seeking to transform various sectors, regions and business environments. Throughout its history of implementing projects in support of MSMEs, FUNDES has identified several obstacles and challenges faced by this sector in providing goods or services to government agencies and finding themselves subject to corrupt practices that simply limit their opportunities for growth. Many of the practices are common knowledge and have not been researched or studied in such a way as to document the extent of the damage. The purpose of the grant is to “assess the MSME sector in dealing with the Government of Guatemala to identify the potential risk for corruption then provide training to reduce their vulnerability.” The grant will enable FUNDES to identify those practices involving corruption to which the MSMEs are most vulnerable and use the information to design and develop tools so that businesses can either prevent, report or object to the practices. The effort will lead to improved performance and will implement more transparent mechanisms to level the playing field when providing goods and services to the State.

FUNDESA is a private non-profit organization stewarded by business leaders to establish a think tank focusing primarily on fostering a sustainable, democratic and comprehensive approach to development in Guatemala. For more than five years, FUNDESA has been monitoring Guatemala’s ranking on a number of international comparative indexes; one of which is the *eStandards Forum (eSF)*.

The *eStandards Forum (eSF)* is privately run by the Financial Standards Foundation to monitor and transparently report on economic, political and financial conditions in a large number of countries. In addition, eSF publishes a country report that provides investors, public officials, donor community and others with an effective overview of the factors that affect country risk such as a nation’s compliance with international standards and legislation regulating bankruptcy, corporate governance, transparency and available information on monetary and fiscal policy, among others. This is accomplished by indexing and measuring the efforts of 81 countries to comply with international codes and standards developed by international entities based on the best global practices in 12 key areas falling under three main categories: macroeconomic policy, institutional and market infrastructure and financial regulation and oversight.

Guatemala’s most recent scores, 30.83 over a possible 100, on the financial standards index (published in December 2010) place it low in the ranking at 68 out of a total of 93 countries. Guatemala dropped two positions from last year’s and faces several challenges in order to improve its score. Guatemala is ranked among the lowest in Central America, ranked below Costa Rica and El Salvador while only Honduras scored lower. .

The Project’s work with the above-mentioned private sector organizations is thoroughly reported under LLR 2.1.1 “Increase and strengthen participation of CSO in watchdog activities and oversight of public resources and functions of public authorities”.

Table 8 summarizes the activities planned for the next reporting period.

Table 8 - LLR 2.1.2 Planning for Next Quarter ³

Lower-Level Result (LLR) 2.1.2: Private Sector more active and committed with the fight against corruption												
Activities	FY 2010 – 2011											
	Q1			Q2			Q3			Q4		
	O	N	D	J	F	M	A	M	J	J	A	S
Develop recommendations to improve Guatemala’s Financial Standards Index Score.												
Develop diagnostic assessment to assess the degree of victimization that Micro, Small and Medium Enterprises bear from effects of corruption.												

³ Activity planning runs until July 31, 2011 in compliance with the estimated completion date of Base Period and with approved Work Plan for Year 2.

LOWER-LEVEL RESULT 2.1.3: MASS MEDIA PUBLISHES HIGH QUALITY INFORMATION TO CONTROL CORRUPTION AND PROMOTE ACCOUNTABILITY

The Work Plan for Year Two of Project implementation (FY 2010-2011) was approved on October 25, 2010 and included activities to provide continuity for training and institutional strengthening efforts that USAID had undertaken in the recent past. These prior activities include developing and implementing a program to strengthen existing units or investigative reporting modules within the country's principal communication media. Therefore, PTI was tasked with exploring opportunities to further those efforts to increase capacity in communication media to generate articles, op-ed columns, special reports and/or investigative journalism that advance the transparency and anti-corruption agenda.

Within this framework, the Project implemented the following activities this quarter.

Component to Strengthen the Investigative Journalism Unit at Siglo Veintiuno

The Project began work in May to strengthen the investigative journalism unit at the Siglo Veintiuno daily known as "*Under the Microscope*." IREX is a global specialist in communication media, investigative journalism and journalistic freedom and was subcontracted by the TetraTech ARD HO to design and implement the effort. The PTI technical team member responsible for communications is backstopping and monitoring the process in coordination with the IREX contact point.

The effort has already enabled the unit to publish six investigative reports on cases of corruption in Guatemala. The IREX consultants have completed three site visits in country to work with the journalists at the paper and have also been providing remote assistance to follow up on the activities and complete the articles.

Steven Dudley and Douglas Farah, investigative journalism experts from the U.S., were in country to assist the journalists from Siglo Veintiuno by providing information, tools and methodologies that have proven successful in conducting investigative reporting.

The consultants' first visit to Guatemala took place from May 16-24 for the MOU signing between USAID and the proprietors of Corporacion de Noticias which publishes Siglo Veintiuno. The signing was followed by an event at the daily to officially launch the project with the presence of USAID officials, PTI staff, local authorities and journalists from the Siglo Veintiuno and Al Dia dailies.

During the remainder of their site visit, the consultants worked on investigative journalism articles as agreed upon in consensus with the editorial staff and the investigative reporters, as follows:

1. Campaign finance and political expenses with particular emphasis on the loopholes in the system that allow candidates and political parties to spend far beyond the limits established by law, in addition to focusing on weak oversight and controls exerted by state entities.
2. Address the exploitation projects taking place in protected areas.
3. Follow the trail of budgetary allocations and expenditures for reconstruction efforts after Tropical Storm Agatha.
4. Inappropriate/misuse of trust funds as a means to avoid accountability and oversight when carrying out local government infrastructure development.

The day before the consultants arrived in country for their site visit, the story broke of 27 laborers massacred on the Los Cocos Plantation in Peten. Because of the nature and newsworthiness of the story, the journalists,

editors and consultants decided to publish two articles linking the crime to the presence of Zeta cartel members in Guatemala. The articles were based on expert analysis, interviews and background information on the origin and modus operandi of the cartel.

The process also included computer-assisted training for the journalists from Siglo Veintiuno and Al Día who broke out into small groups for afternoon training sessions.

The consultants and PTI technical team also met with senior management at the daily to discuss the findings revealed by the diagnostic assessment carried out at the beginning of the process and to present the original questions and answers that were processed during the assessment. The meeting provided an opportunity to discuss several underlying conditions: the lack of resources (both financial and human; further constraints based on time limitations unsuitable for authentic investigative reporting; the cultural and methodological void in investigative journalism; a resistance to change encountered at the editorial level; uncertainty in light of new management at the papers and the effect on job stability; patchy or non-existent communication among journalists, editors and management, and the technical difficulties to post articles on the paper's website when using diagrams, maps, timelines, etc.

Following the meeting, senior management expressed a willingness to address the issues and make the necessary changes in order to “make Siglo Veintiuno the standard bearer of investigative journalism in the country.” Management did, however, indicate that this was a medium to long-term effort that would also require significant changes in the corporate culture in the newsroom.

At the time of this writing, the consultants continue to follow up with the journalists to provide assistance on the investigative pieces they are working on in the Unit and to prepare for their next site visit. The PTI team has recommended that the next visit focus on building capacity and sharing experiences on how to use investigative journalism methodologies.

Rafael Landivar University (URL) – Post-graduate Program

The Project continued to coordinate efforts this quarter with Nancy Avendaño, Director of the Communications Department, Rafael Landivar University, in reviewing the MOU in preparation for signing.

The process involved an information exchange regarding revisions to the draft that were submitted by the Legal and International Relations departments following USAID's review.

In order to discuss the proposed revisions, the Project Communications specialist, Marielos Monzon, joined the IREX consultant, Eva Constantaras, in meeting with Nancy Avendaño to request additional information regarding the University's administrative procedures for the design and implementation of specialized programs and post-graduate studies. As a result of the meeting, the participants defined the steps required to begin the process.

In addition, the participants agreed that, based on the academic calendar and timeframe, the MOU between USAID and URL would be signed before the end of 2011 prior to launching the specialization component in January 2012. Based on the timeframe developed during the meeting, the Project foresees that it will take six months to develop the study program. As mandated by URL bylaws, the University must also use this time to identify another higher learning institution in Latin America as a counterpart for the specialization program, plus an additional six months for university authorities to review and approve the study program for the post-graduate degree. The Project, therefore, projects that classes will be offered as of January 2013 and

students will be completing the program in October 2013. URL has requested that PTI fund at least five scholarships for students interested in the specialization course.

The international experts from IREX have proposed that to meet the deadlines described above, PTI should optimize the time remaining in 2011 to select the consultant who will develop the course studies and specialized content and should also develop a proposal for the exchange program with Latin American university professors so that once the course studies are approved, most of the administrative paperwork and preparations have been completed. The PTI communication specialist is working closely with the University to track the process and continue to coordinate activities to keep the component on schedule.

Ongoing Professional Development Activities for Journalists on Transparency and Anti-Corruption Issues and the Roundtable Discussions (Circles of Reflection) for Columnists on Transparency Issues

The Project continued work during the reporting period to coordinate the professional development activities for journalists on transparency and anti-corruption issues as well as to organize the roundtable discussions for columnists.

The coordination process involved designing the modules, scheduling the meetings, notifying participants, documenting the content and tracking publications produced as a result of both activities.

The table below summarizes the components that the Project developed for the April to June period as part of the professional development activity for journalists working on transparency issues:

Table 9 – Ongoing Professional Development Sessions to Date

Issue	Speaker	Date
Dismantle corruption networks within the justice system: the case of former presidents in Costa Rica	Francisco Dall'Anese Ruiz, CICIG Commissioner	12 April 2011
Impunity in the case of evidence handling	Alvaro Ferrandino, COP, USAID/PTI	26 April 2011
Criminal networks: human migration, trafficking and smuggling	Maria Eugenia Villareal, Director, ECPAT Guatemala (End Child Prostitution, Child Pornography & trafficking of children); Miguel Ugalde, Researcher, Justice Development Project, Rafael Landivar University	27 April 2011
Asset laundering and the use of corporate vehicles to launder money	Gabriel Gomez, Magistrate, Supreme Court of Justice, Guatemala	12 May 2011
Political campaign financing and power groups	Delia Ferreira, IFES Consultant, Argentine legal expert and member of the Board, Transparency International	24 May 2011
2011 Election Analysis: campaign financing and power groups	Delia Ferreira, IFES Consultant, Argentine legal expert and member of the Board, Transparency International. Eduardo Nunez, Costa Rican Political Scientist and Director for	25 May 2011

	Central America of the National Democracy Institute (NDI).	
Tools for Congress and the Office of the Comptroller General to use in the fight against corruption	Rosa María de Frade, President, Congressional Transparency Commission Nora Segura, Comptroller General	7 June 2011
Investigative journalism as a tool in the fight against corruption	Oscar Martínez, investigative journalist and Project Coordinator for the "Black Room" in El Salvador	21 June 2011
Combating impunity and corruption from within the Public Ministry and the International Commission against Impunity in Guatemala (CICIG)	Claudia Paz y Paz, Attorney General and Francisco Dall'Anese Ruiz, CICIG Commissioner	29 June 2011

As a requirement prior to completing the course, the program asks participating journalists to publish at least one article covering a corruption/transparency issue by the end of June. The Project is pleased to report that to date participants have published five additional articles.

The following table lists the articles or reports that were published this quarter by program participants.

Table 10 – Articles / Media Reports published as result of professional development activities for journalists.

Title	Journalist/Media	Publication Date
Interview with Delia Ferreira: "Financing with no limitations alters the very conditions and qualities that are characteristic of a democracy"	Official Gazette <i>Diario de Centroamerica</i> .	2 June 2011
"Democracy and the Toad"	Carolina Escobar Sarti / <i>Prensa Libre</i>	26 May 2011
"Democracy by whom and for whom"	Lourdes Alvarez Najera / <i>La Hora</i>	28 May 2011
"Who is Financing Political Campaigns?"	Olga Villalta / Diario de Centroamerica Official Gazette <i>Diario de Centroamerica</i>	31 May 2011
"Campaign Financing"	Nery Villatoro / <i>Current Context</i> Magazine Issue No. 114	30 May 2011

Project to Assist and Strengthen the Public Ministry on Transparent Information and Dealing with the Media

PTI continued to work with the Public Ministry this quarter through the Secretariat for International Relations and the office of the Attorney General to implement an institutional communications strategy built around information transparency.

The Project also joined efforts to seek funding to hire an international consultant to implement the strategy and develop the activities. Toward that end, PTI met with other international organizations that support the Public Ministry such as CICIG, the United Nations Office of the High Commissioner for Human Rights (OHCHR) and the United Nations Development Program (UNDP).

Inter-Institutional Coordination:

The Project's efforts to foster alliances are particularly noteworthy this period. PTI has approached a number of national and international organizations or agencies working on transparency, anti-corruption and impunity issues.

In order to achieve maximum impact and reach the Project objectives, PTI has been working on setting up an inter-institutional group to support the strategic approach to increase the quality of communication. The members of the group share common goals in regard to vision, objectives and the commitment to fight against corruption and impunity. The Project has fostered agreements from a programmatic standpoint to share planning, design and coordination activities and optimize economic resources such as funding to invite international experts to address public gatherings or logistical support for events or activities, among others. This type of coordination is evidenced by the Project's work with journalists and columnists, as well as by the process to support and strengthen the Public Ministry (further details available under LLR 2.3.2).

There are two specific areas in which the Project has been successfully leading inter-institutional coordination efforts. The first effort is headed by Alvaro Ferrandino and Marielos Monzon, from PTI, along with the political counselor from CICIG, Anibal Gutierrez, and the Director for the Guatemala Studies Center (CEG), Sandino Asturias. At a higher level, the Project is coordinating efforts with the United Nations Development Program (UNDP), the United Nations Office of the High Commissioner for Human Rights (OHCHR), the Guatemala Studies Center (CEG), the Institute for Comparative Studies of Criminal Sciences of Guatemala (ICCPG), USAID/Guatemala projects, including PTI and those implemented by NDI and IFES on electoral issues. Marielos Monzon is the PTI team member responsible for both coordination efforts.

Over the course of the reporting period, PTI continued efforts to set up alliances with other national and international organizations that are working in the areas of transparency, anti-corruption and impunity.

As described in earlier reports, the alliances and agreements are based on common programmatic approaches and coordinated planning and design efforts for activities, but also include joint funding for specific line items such as: travel expenses for guest speakers, refreshments following public events and others. The alliances and coordinated efforts also extend to the work being carried out with journalists and columnists, as well as to the process to assist and strengthen the Public Ministry.

Table 11 summarizes the activities planned for the next reporting period.

Table 11 - LLR 2.1.3 Planning for Next Quarter ⁴

Lower-Level Result (LLR) 2.1.3: Mass media publishes high quality information to control corruption and promote accountability												
Activities	FY 2010 – 2011											
	Q1			Q2			Q3			Q4		
	O	N	D	J	F	M	A	M	J	J	A	S
Continue implementation of reflection circle (roundtables) for columnists, and carry out program for journalists to promote Transparency and Anticorruption matters vis a vis the current political situation in Guatemala												
Finalize activities under sub-contract with IREX to work with specific newspapers and media outlets to upgrade their existing capacity to conduct investigative journalism and to promote investigative journalism curricula in mass media programs with selected universities in Guatemala.												

1.2.2 SUB-IR 2.2: KEY EXECUTIVE BRANCH'S INSTITUTIONS STRENGTHENED AND WITH INCREASED CAPACITY TO OVERSEE AND IMPLEMENT ANTI-CORRUPTION MEASURES

PTI provides technical assistance to information units in the Executive Branch to implement the recently enacted Access to Information Law, strengthen the Executive Secretariat of the National Transparency and Anti-Corruption Commission, support GOG compliance with the IACC and UNCAC, and strengthen mechanisms for lodging allegations of corruption and administrative felonies.

LOWER-LEVEL RESULT 2.2.1: FREEDOM OF INFORMATION (FOI) LAW WIDELY DISSEMINATED AND IMPLEMENTED BY THE EXECUTIVE BRANCH AND OTHER NATIONAL INSTITUTIONS

This quarter the Project continued with scheduled activities to strengthen the 19 Access to Information Units (Unidades de Informacion Publica- UIPs). The expected results include increasing the degree of compliance (both quality and timeliness) in responding to requests for information, as well as meeting the obligation to submit annual reports to the Office of the Human Rights Ombudsman.

The UIP Institutional Strengthening Plan is based on the following components:

Infrastructure and operational structure: Each UIP will be assessed regarding physical layout and access; i.e., office space, direct user-access to official records on site. Additionally, the evaluation will determine whether the UIP is readily identifiable and accessible to the public (for example, posting directions on websites, proper signage, etc.) and whether the operational structure is adequate to the task.

IT equipment and capacity: Each UIP will be assessed regarding IT support and capabilities to fulfill its role. PTI considers the following as minimum equipment requirements: one computer terminal and link for

⁴ Activity planning runs through July 31, 2011 in compliance with estimated completion date of Base Period and with the approved Work Plan for Year 2.

each employee; a scanner to digitalize information; a printer, and a fax. Capability to automatically generate data or comply with requests based on software and electronic devices will also be assessed.

Information management performance in regard to official records and responses to information requests: The Project will assess and strengthen the ability of each UIP to manage official records. This will include an assessment of the current situation regarding data posted on official websites and the procedures in place to update it on a regular basis. In addition, the assessment will identify the archive systems in place to coordinate, organize, administer, safeguard and systematize the public records under the Unit's responsibility. PTI primarily seeks to improve efficiency and quality when processing requests for information. In order to do so, the Project will either produce handbooks or update existing manuals.

Human Resource Training: The Project will evaluate training programs (those currently in place as well as future requirements). Human resource capacity building will be based on a training program developed by PTI that can be adapted to any one of the government agencies

In implementing the strategic plan described above, the Project performed the following activities:

a) Competitive bidding process to hire a consulting firm to provide technical assistance to improve information management performance regarding official records and requests for public information::

The Project completed the process this quarter to hire a consulting firm to strengthen the UIPs in the following areas: infrastructure and operational design; the use of IT systems; official record management and compliance with requests for information. PTI signed a subcontract with *Rojo y Azul Global, S.A.* on April 8 2011 to provide the following products:

- ◆ Physical layout evaluation reports for each UIP and a description of operational structures;
- ◆ User manual to access information through the use of "Open Wolf" learning software;
- ◆ Document containing the procedures as described in the Law On Access to Public Information;
- ◆ Procedures manual for each one of the 19 UIPs that covers all of the procedures as described in the Law on Access to Public Information, and
- ◆ Checklist to verify compliance with archive management requirements (Article 20, Paragraph 5 of the Law on Access to Public Information) for each one of the UIPs listed in the scope of work for the consulting contract.

PTI worked closely with the firm once the subcontract was signed to schedule visits to all 19 UIPs and gather the information for the infrastructure and operational assessments. The assessments were completed and submitted on June 23, 2011 and included the following findings:

Infrastructure Assessment:

- All of the units have a person on staff in charge of guiding the general public to the UIP.
- Fifteen units have appropriate signage and restroom facilities.
- Eighteen units have an office for the general public and sixteen have meeting room facilities.
- Ten units are readily accessible for people with disabilities.

Operational Assessment:

- Only four of the units are positioned as far up in the hierarchy as possible (which is at the second tier of their institutional organizational chart).
- All of the units have an internet connection, a website that posts a mailing and physical address and a printer.
- Sixteen of the units have appropriate software. The remaining two units do have software, although not the best suited to the task of providing information to the public in an effective and efficient manner.
- Seven units use Open Wolf software.
- Sixteen units have adequate IT capability and equipment.
- Fifteen units have a high-speed scanners. The remaining units have a scanner but cannot scan and convert documents at high speed into digital format.
- Fourteen of the units are adequately staffed.
- Eighteen of the units have internal communication and information management systems in place to provide timely responses to information requests.

This quarter the Project also took delivery of a handbook on the *Open Wolf* Open Workflow On Line Facility (see Annex). This software has been promoted by the Office of the Vice President of Guatemala as a tool to follow up on public information requests. Open Wolf software increases effectiveness and efficiency by: a) providing user-friendly ways for the general public to request public information (including the use of social networking sites); b) submit public information requests; c) initiate the appropriate procedure to generate the information requested; d) track the process at each stage, and e) deliver the information as requested (unless it is restricted or confidential). The handbook will be provided to each of the seven UIPs that are using the software.

In addition, the sub-contractor delivered a document entitled “Identifying the Processes described in the Law on Access to Public Information” which provides guidelines on the procedures mandated by law that each Public Information Unit must apply at the very minimum. The document lays out the basics from which each unit can then develop their individual procedures manuals.

b) National Center for Economic Research (CIEN) develops a UIP training program:

The Project signed a grant agreement with CIEN on April 15, 2011 to develop a five-module training program designed to apply the law on access to public information, as follows:

- Administrative Transparency and Anti-Corruption Efforts
- Applying the Law on Access to Public Information
- Exceptions to Accessing Public Information
- Applying Habeas Data
- Accessing and Managing Archives.

The five modules are combined into a single training program for all 19 UIPs participating in the PTI strengthening program. The Project foresees that the UIPs will take ownership of the program content through the training activities and will put the principles into practice and replicate them throughout their institutions. This component complies with Article 51 of the Law on Access to Public Information which

describes an obligation to “set up ongoing professional development programs for public servants in regard to the right to access public information.”

CIEN identified the appropriate consultants for the task and proceeded to contract them this quarter, as follows:

Consultant	Module
Victor Hugo Ma Villatoro	Administrative Transparency and Anti-Corruption
Alvaro Castellanos Howell	Applying the Law on Access to Public Information Exceptions to Accessing Public Information
Hugo Maul Figueroa	Applying Habeas Data
Claudia Ordoñez	Accessing and Managing Archives.

The consultants are responsible for developing the training content and are expected to train 38 individuals/officials.

Table 12 summarizes the activities planned for the next reporting period.

Table 12 - LLR 2.2.1 Planning for Next Quarter ⁵

Lower-Level Result (LLR) 2.2.1: Freedom of Information (FOI) Law widely disseminated and implemented by the Executive Branch and other national institutions.												
Activities	FY 2010 -2011											
	Q1			Q2			Q3			Q4		
	O	N	D	J	F	M	A	M	J	J	A	S
Conclude the implementation process of a strengthening strategy for Access of Information Units of the Executive Branch. Strengthening strategy will improve UAls in the following areas: <ul style="list-style-type: none"> • Organizational Structure • Training Programs • Processes and procedures • Information systems • Record management and archiving, • Infrastructure 												

LOWER-LEVEL RESULT 2.2.2: A NATIONAL ANTI-CORRUPTION BODY CREATED AND FUNCTIONING

As described in previous reports, the Project foresaw that the Office of the Vice President might lose some momentum behind transparency and anti-corruption efforts in implementing access to information legislation. The National Transparency and Anti-Corruption Commission is all but inactive and attention has shifted to the national election process.

The Project consultant, Ana Corado has been contributing to strengthening the archives in the Office of the Vice President and submitted a product entitled “Catalog of Available 2008-2009 Documentation from the

⁵ Activities are planned up until July 31, 2011 in compliance with estimated completion date of Base Period and based on the approved Work Plan for Year 2.

Office of the Vice President.” The catalog for 2010 will be completed during the next reporting period. The catalog now allows the Vice President’s office to track important documents, monitor applicable conservation dates and statutes of limitations, track confidential or restricted documents and identify the precise location of the archive documentation produced by each of the entities reporting to the Vice President.

As a result of the efforts undertaken by the National Transparency and Anti-Corruption Commission, the Office of the Vice President officially presented the Training Handbook for Public Information Units on July 10, 2011. The handbook is a useful tool for capacity building and preparing the units to rise to the challenges presented by the application of the Freedom of Access to Public Information Law. The handbook includes a section on “Organizing and Safeguarding Information (archives) on pages 47-49 which was developed by the PTI consultant Ana Elisa Corado.

Table 13 summarizes the activities planned to be undertaken next quarter.

Table 13 - LLR 2.2.2 Planning for Next Quarter ⁶

Lower-Level Result (LLR) 2.2.2: A National Anticorruption Body created and functioning												
Activities	FY 2010 -2011											
	Q1			Q2			Q3			Q4		
	O	N	D	J	F	M	A	M	J	J	A	S
Assist the National Transparency and Anti-Corruption Commission in planning and preparing documents to present in during upcoming government transition to promote continuity of on-going anticorruption initiatives and advocating for the adoption of outstanding items of the anticorruption agenda.												

LOWER-LEVEL RESULT 2.2.3: INTERNATIONAL ANTI-CORRUPTION TREATIES DISSEMINATED AND IMPLEMENTATION BY THE GOG STRENGTHENED

Over the course of the reporting period, the Project provided training for 28 government officials on the subject of international agreements and conventions on anti-corruption.

Training personnel from the Presidential Secretariat for Planning and Programming (Secretaria de Planificacion y Programacion de la Presidencia – SEGEPLAN)

The Project organized a training event on June 13 entitled “International Conventions on Anti-Corruption and Access to Public Information.” The workshop was designed for SEGEPLAN officials from the various departmental district offices who have been designated as contact points for the UIPs in the following provinces (departments) of Guatemala: Totonicapan, Quiche, Jutiapa, Quetzaltenango,



SEGEPLAN officials are trained on international conventions against corruption and on access to public information.

⁶ Activity planning runs up to July 31, 2011 in compliance and based on the approved Work Plan for Year 2.

Chiquimula, Peten, Zacapa, Retalhuleu, Huehuetenango, Alta Verapaz, Izabal, Jalapa, San Marcos, Chimaltenango, El Progreso, Santa Rosa, Solola, Sacatepequez, Escuintla and Baja Verapaz.

Upon completing the training, the participants were surveyed and revealed the following:

- Participants are demonstrating more interest in understanding the scope of the Law on Access to Public Information as evidenced by the type of technical and legal questions they asked.
- The workshops revealed a need to reassess the timelines established to respond to requests for information and to develop a system that flags delays that come to light when monitoring the process to respond to requests for information.

Table 14 summarizes the activities planned to be undertaken during the next quarter.

Table14 - LLR 2.2.3 Planning for Next Quarter ⁷

Lower-Level Result (LLR) 2.2.3: International Anticorruption Treaties disseminated and implemented by the GoG strengthened.												
Activities	FY 2010 – 2011											
	Q1			Q2			Q3			Q4		
	O	N	D	J	F	M	A	M	J	J	A	S
Explore opportunities to Train Government Officials on anti-corruption subjects specifically related to areas of intervention derived from international anticorruption treaties.												

LOWER-LEVEL RESULT 2.2.4: MECHANISMS TO PURSUE “COMPLAINTS OF CORRUPTION” ESTABLISHED AND WORKING IN KEY GOG INSTITUTIONS

Over the course of this reporting period, Project consultants Maria Isabel Bonilla and Ruth Hernandez completed their diagnostic assessment of the units and mechanisms set up to process complaints lodged to report corruption within the Executive (Annex G).

The assessment includes the following findings and conclusions:

- In general, the assessment did not detect the presence of specialized units where citizens can lodge complaints alleging corruption or reporting on a lack of transparency as a process that could be considered institutionalized within public administration. No evidence was found either of an institutional approach in public administration to set up units for this purpose.
- The assessment identified the fact that there is no official unit within the central government or on the public administration organizational chart responsible for receiving complaints, processing reports or setting up preventive measures to address underlying causes.
- The assessment covered 98 public entities; 53 of which have some type of department or office that, among other duties, receives reports or complaints (the task is often assigned to the human resource or legal department). In other cases, the offices may not have been originally set up for the task

⁷ Activities are planned up until July 31, 2011 in compliance with estimated completion date of Base Period and based on the approved Work Plan for Year 2.

either, but because of the legal underpinnings of the complaint or report, they take on the responsibility (this is the case when the UIPs take on this role).

- Out of all the Executive Branch entities assessed, only five indicated that they had an office specifically set up for the purpose.
- In the case of specific complaints filed to report corruption or a lack of transparency, none of the entities studied indicated that they had procedures set up to classify the reports or complaints, nor to pursue them appropriately.

The report included the following proposal to strengthen the mechanisms and units to process complaints.

- Citizen orientation: It is important to create awareness among the general public and users as to how to tell the difference between what constitutes poor customer service or dissatisfaction with red tape or procedures and what actually constitutes an act of corruption. This could be addressed by preparing simple guidelines to inform citizens as to how to file reports of corruption.
- Ongoing Training: In those cases where public entities have a mechanism, unit or office in place to deal with complaints, it is important to: a) train the appropriate personnel on how to take a report; b) design procedures to deal with the report, and c) provide training on how to pursue the complaints.

The Project is currently analyzing the findings and recommendations from the assessment to identify the next steps to strengthen the mechanisms currently in place to pursue complaints of corruption.

Table 15 summarizes the activity planned for the next reporting period.

Table 15 - LLR 2.2.4 Planning for Next Quarter ⁸

Lower-Level Result (LLR) 2.2.4: Mechanisms to pursue “complaints of corruption” established and working in key GoG institutions.												
Activity	FY 2010 – 2011											
	Q1			Q2			Q3			Q4		
	O	N	D	J	F	M	A	M	J	J	A	S
Disseminate assessment report among Executive Branch Public Officials.												

⁸ Activities are planned up until July 31, 2011 in compliance with estimated completion date of Base Period and based on the approved Work Plan for Year 2.

1.2.3 SUB-IR 2.3: A MORE ACTIVE ROLE OF KEY OVERSIGHT ENTITIES PROMOTED

PTI has focused its institutional-strengthening activities under this Sub IR to support a more significant role and increased effectiveness of the government agencies that play an oversight role, such as the National Congress, the Public Ministry and the Office of the Comptroller General. The Project is working to improve the organizational structure, internal regulations and methodologies of these entities to optimize performance as they comply with their mandates and implement measures that encourage transparency and fight corruption.

LOWER-LEVEL RESULT 2.3.1: REGULATORY FRAMEWORK AND AD HOC LEGISLATION TO COMBAT CORRUPTION IS PROMOTED BY THE CONGRESS IN PERFORMING ITS OVERSIGHT ROLE

The National Congress of Guatemala took a vote on April 5 and unanimously passed Legislative Bill No. 4323 (119 votes in favor and none against). The legislation promotes the use of electronic voting technology to encourage greater transparency in Congress. Now that the proposal has passed, Guatemalan citizens will be able to more closely monitor the performance of their elected representatives. The proposal will improve accountability and ensure greater transparency of the voting record of each one of the members of the National Congress.

The electronic voting panel is a revolutionary change for Congress. It effectively eliminates the possibility of holding a quick or secretive vote and instead provides for registered and open voting. For the first time in Guatemala's political history, members of Congress must be entirely accountable for each of their votes, no matter how minor the issue, and their record is available for public scrutiny.

Citizens are entitled to know if the men and women they elected to represent them are keeping their campaign promises, are basing their votes on the positions they take in public and are being consistent with their stated values and principles. The voting record will become the basis for future decisions at the polls when a citizen considers whether or not to re-elect a public official.

The bill was sponsored by Congresswoman Rosa Maria de Frade, presiding over the Special National Commission for Transparency, along with Congressman Francisco Contreras. A large group of CSOs got behind a public awareness campaign entitled "Visible Congress" to promote legislative initiative No. 4323 on "Mechanisms to foster Transparency and Accountability throughout Legislative Operations."

A number of the CSOs that supported the proposal and awareness campaign are USAID/Guatemala PTI strategic partners, such as: FUNDESA, GAM, ProJustice Movement (FADS, *Madres Angustiadas* and the Myrna Mack Foundation), *Un Joven Mas*, National Integrity Network, Youth for Guatemala, Youthful Peace and CEG.

As described earlier under LLR 2.1.1, the Center for Guatemala Studies continued this quarter to work on promoting the legislative bills listed below to address transparency issues and will support the Congressional Transparency Committee in seeing them passed.

The Project grant with CEG also covers a specific lobbying strategy in favor of transparency issues on the legislative agenda by setting up technical working groups on the law against illicit enrichment. The grant also encompasses support for the technical working groups on transparency and quality in public spending under specialized task forces, as follows:

- Health (reviewing proposed legislation on NGOs and trust funds);
- Education (reviewing proposed legislation on NGOs and trust funds);
- Infrastructure (reviewing proposed legislation on trust funds);
- Security and justice (reviewing modifications to administrative and procurement procedures for military industry, budget implementation for the National Civilian Police and the Penitentiary System, among others), and
- Legal Reforms (reviewing proposed legislation on NGOs, modifications and criteria for trust funds, government procurement, internal regulations for the Office of the Comptroller General and the System of Sanctions for Government Officials).

The task forces are designed to set up linkages between civil society and the Legislative, Executive and Judicial branches to assess the current situation pertaining to the quality of public spending. Each task force assesses any weakness and identifies the needs for regulatory reforms to increase transparency and reduce corruption. The Project provided funding for the task force meetings coordinated by CEG and officially sponsored by Congresswoman Frade.

1. Law on Illicit Enrichment: in order to comply with regulations stemming from Guatemala's ratification of the United Nations Convention Against Corruption as well as from the Inter-American Convention Against Corruption, Guatemala must define additional crimes that include illicit enrichment, among others.

The Project provided funding for CEG to hold a seminar on April 11 officially sponsored by Congressman Oliverio Garcia Rodas, Chair of the Sectorial Task Force on Security and Justice under the Congressional Committee for Legislation and Constitutional Issues.

The event gathered more than 60 key stakeholders to debate the issue. The event provided an excellent opportunity for high-visibility government officials, such as the Attorney General and the Comptroller General, to publically endorse the initiative. In addition, political party representatives explicitly stated their support for the legislation. The event was also attended by members of the international community such as Francisco Dall'anese, CICIG Commissioner and U.S. Ambassador Stephen McFarland who also expressed their support for the proposed legislation. Several representatives from civil society organizations working on transparency, security and justice issues also expressed interest in seeing the proposal passed.

2. Law on Non-Government Organizations: attempts to regulate the practice of diverting State funding to non-government organizations in order to avoid national procurement and contracting regulations. This legislation is key in regard to ensuring transparency in the use of public funds.

The law on NGOs implementing public works has been the subject of three meetings to discuss reforms. It is worth mentioning that the working groups set up by the Special National Commission on Transparency to

address quality in public spending also produced a proposal to modify the budgetary bylaws in favor of more cohesive regulations to ensure that any reforms under the law on NGOs can be effectively applied.

3. Law on Public Trust Funds: dating back to the 1990s, a number of public entities opted to use a trust fund mechanism, regulated by banking legislation, to avoid compliance with national procurement and contracting regulations.

The Project provided assistance to hold three meetings to specifically address proposed modifications. Congresswoman Rosa Maria de Frade, presiding over the Congressional Commission on Transparency, is sponsoring a new bill to rally votes in favor of a law to regulate the use of trust funds. (See Annex B).

4. Procurement Law: Following the meetings of the transparency and quality in public spending task forces on security and justice (eight meetings); health (six meetings); education (five meetings), and highway infrastructure and housing (ten meetings), the joint effort was successful in identifying both general reforms and specific modifications required for the law on public procurement.

5. Other proposals: A collateral benefit of the efforts of the working groups on transparency and quality in public spending is that they detected a number of legal gaps that should be filled so as to establish a cohesive body of regulations and technological linkages among the following systems:

- National System of Public Investment at the General Secretariat for Planning (Secretaria General de Planificacion -SEGEPLAN)
- Unified Tax Record (Registro Tributario Unificado -RTU) at the Superintendence of Tax Administration (SAT)
- Comprehensive Accounting System (Sistema de contabilidad integrada -SICOIN) at the Ministry of Public Finance
- Government Procurement and Contracting System (Sistema de adquisiciones y contrataciones del Estado de Guatemala -Guatecompras) within the Regulatory Division for Public Procurement and Contracting at the Ministry of Public Finance.

This set of proposed legal modifications is intended as a system of checks and balances in real time that ensures transparency in public procurement and contracting. In addition, it would limit opportunities to misuse taxpayer funds. The necessary modifications as identified will enable the systems from each of the various government entities to be linked together and reveal information on budget allocations, expenditures and government contractors and suppliers.

The Project has continued efforts to strengthen the Congressional Special National Commission on Transparency as it presides over the working groups and brings together high ranking government officials to focus on the issues. The Commission has the support of the Attorney General, the Comptroller General, the Minister of the Interior and several vice-ministers. In addition, many representatives of the international community and well respected leaders of civil society organization have joined in with their support.

As part of the Memorandum of Understanding between the USG and the National Congress, the Project is providing assistance to build capacity within the Access to Information Unit as further described under LLR 2.2.1

This quarter, the Project has also been working on the procurement process to negotiate a fixed-price subcontract for short term technical assistance to the National Congress of Guatemala for the following products:

- a) A diagnostic assessment of Congressional Archives along with documenting/archiving procedures;
- b) A handbook on archiving, and
- c) A training program designed for the congressional staff with documentation and archiving responsibilities.

The Center for Regional Investigation in Mesoamerica (Centro de Investigaciones Regionales de Mesoamerica –CIRMA) submitted a technical and financial proposal on June 9, 2011. CIRMA is only willing to perform the Congressional archives diagnostic assessment and develop the training methodology within the period defined for the consultancy in the terms of reference (six weeks). In light of this, the Project will postpone this activity until the beginning of the next fiscal year.

Table 16 summarizes the activities planned for the next reporting period.

Table 16 - LLR 2.3.1 Planning for Next Quarter⁹

Lower-Level Result (LLR) 2.3.1: Regulatory framework and ad hoc legislation to combat corruption is promoted by the Congress in performing its oversight role.												
Activities	FY 2010 – 2011											
	Q1			Q2			Q3			Q4		
	O	N	D	J	F	M	A	M	J	J	A	S
Finalize strengthening strategy within Congress Access of Information Unit. Strengthening strategy will aim to improve UAs in the following areas: <ul style="list-style-type: none"> • Organizational Structure • Training Programs • Processes and procedures • Information systems • Record management and archiving, • Infrastructure 												
Continue work with members of Congress championing transparency and anticorruption legislation to set the agenda on the matter and to establish alliances with the Executive Branch, CICIG, media, private sector, CSOs, and other key stakeholders. This will include public advocacy, workshops, and development of short papers (White papers), among others.												

⁹ Activities are planned up until July 31, 2011 in compliance with estimated completion date of Base Period and based on the approved Work Plan for Year 2.

LOWER-LEVEL RESULT 2.3.2: MECHANISMS TO PURSUE CORRUPTION CASES ARE ESTABLISHED AND FUNCTIONING IN THE ANTI-CORRUPTION UNIT OF THE ATTORNEY GENERAL'S OFFICE

A description of the specific activities described in the Work Plan and carried out under this LLR is provided below. The activities fall into three large categories, as follows:

- technical assistance for specific issues;
- training, and
- institutional strengthening activities.

Training

This quarter, the Project continued its work with the Public Ministry, particularly in building capacity for prosecuting cases throughout the entire appeal process. PTI developed several training modules for prosecutors, as follows:

Module: “Cassation Appeal Process for Criminal Prosecution”¹⁰ The training module provides an introduction to the concept along with the justification and processes involved. The training combines a theoretical and hands-on approach based on case studies as described in the Guatemalan criminal procedures code with instructions on filing written petitions. (Annex C)

Module: “Petition for Special Appeals” The petition for a special appeal as described in Guatemalan legislation is defined as a routine petition by the defendant to request review of a specific ruling or sentencing decision. The request is addressed to a higher court (Appeals Court) and can be based on a number of reasons and can be either partial or complete to revoke, modify or annul the decision based on jurisprudence and legal analysis of the facts as heard by the sentencing or trial court. The module introduces these concepts and explains the reasons for a special appeal, describes the process and legal requirements. The module includes practical training to enable participants to analyze sentencing decisions and identify the following:

1. Identify an error or underlying assumption in the sentencing decision;
2. Identify which portions of the sentence are not ordinarily applicable and analyze underlying procedural flaws, and
3. Determine which parts of the sentence are more likely to reflect procedural flaws.

The module also covered the possible outcomes of a special appeal petition. (Annex D)

Module: “The Banking System: identifying and recovering assets” The main objective of this training module is to present the various circumstances under which the banking system may indirectly be party to illicit activities described under “Crimes of Corruption.” In addition, the module presented options to access bank information as a means to trace funds originating from illegal activities, freeze assets, detect bank

¹⁰ [Translator’s Note: the term in Spanish is “casación”, from the Latin *casso* meaning to break or annul and differs from the use of the “appeal” process in the U.S. court system. The term refers to a cassation appeal or appeal on points of law, and falls under the jurisdiction of a specialized court. Source: Legal Terminology Forum, Word Reference.Com]

accounts being used as fronts or to partially or totally transfer funds on behalf of third parties, and identify the final destination of said funds (purchasing goods, investing assets, domestic or off-shore accounts).

The module includes a section on subpoenas to locate or freeze assets in order to successfully recover funds and return them to the national coffers. In order to prove the involvement and accurately identify the perpetrators of the crime, it is essential that prosecutors be able to investigate the facts, build a solid case and seek the prosecution and harshest penalties, but it is also essential to recover funds embezzled from the State or used in to perpetrate criminal activities.

The module covers the indictment process based on descriptions of corruption from the Criminal Prosecution Code. (Annex E)

Analysis Software for the Prosecutor Unit against Corruption

The Project completed the in-kind grant this quarter to procure four “Analyst’s Notebook 8.5” software licenses for the Public Ministry. The software enables the Prosecutor Unit to conduct criminal intelligence analysis of complex cases and diagram the facts of the case (criminal structures, phone logs, activities, etc.).

Table 17 summarizes the activities planned for the next reporting period.

Table 17- LLR 2.3.2 Planning for Next Quarter¹¹

Lower-Level Result (LLR) 2.3.2: Mechanisms to pursue corruption cases are established and functioning in the Anti-Corruption Unit of the Attorney General’s Office.												
Activities	FY 2010 – 2011											
	Q1			Q2			Q3			Q4		
	O	N	D	J	F	M	A	M	J	J	A	S
Continue providing technical assistance for specific issues; and training.												
Continue identifying and developing measures for institutional strengthening.												
Design and support interagency strategy to strengthen coordination activities between the Public Ministry and the CGO that results in a more efficient handling of corruption cases and will thereby strengthen forensic auditing actions in Guatemala.												

LOWER-LEVEL RESULT 2.3.3: OFFICE OF THE COMPTROLLER GENERAL (CGC) IMPROVES ITS PERFORMANCE IN SELECTED AREAS OF INTERVENTION.

The Project provided support this period to the Office of the Comptroller General to produce its annual report to Congress, submitted in May 2011. The report covers the period from January 1 through December

¹¹ Activities are planned up until July 31, 2011 in compliance with estimated completion date of Base Period and based on the approved Work Plan for Year 2.

6, 2010 which was the responsibility of the previous administration under Carlos Enrique Mencos Morales in office from 2006 through 2010.

The election process and requirements have created a work overload and a great deal of political pressure this quarter on the Office of the Comptroller General (CGC). The CGC is responsible for processing a large number, almost 10,000 release forms (*finiquitos* in Spanish) for incumbents that wish to run for re-election or for another publicly-elected position.

The release document (*finiquito*) certifies that a public officer or employee, who has previously managed public funds, is not awaiting trial for any offences related to this previous activity. The public officials are required by law to present the release document in order to be certified to run for public office.

In a joint effort with the World Bank, the Project has continued to work on hiring a consultant firm to perform an institutional diagnostic assessment, but the process has not yet been completed. The excessive workload and the pending consultancy are delaying the Project's efforts to develop the Institutional Strengthening Plan for the Office of the Comptroller General.

As soon as these constraints can be overcome, the Project plans to pick up its efforts to work closely with the CGC to develop a strengthening strategy to allow it to play a greater role in overseeing national revenues and expenditures. The institution provides a horizontal control over every state entity, at the national, regional and municipal levels, including de-centralized and autonomous organizations as well as over any individual that receives government funds or makes use of public resources. It also monitors public contractors or suppliers and any other individual that invests or administers public funds.

Table 18 summarizes the activities planned for the next reporting period.

Table 18 - LLR 2.3.3 Planning for Next Quarter¹²

Lower-Level Result (LLR) 2.3.3: Controller General Office improves its performance in selected areas of intervention.												
Activities	FY 2010 – 2011											
	Q1			Q2			Q3			Q4		
	O	N	D	J	F	M	A	M	J	J	A	S
Continue to explore opportunities to provide technical assistance and support to the Comptroller General's office in order to improve performance.												

1.2.4 SUB IR 2.4: A MORE TRANSPARENT POLITICAL PARTY FINANCING SYSTEM ESTABLISHED AND WORKING

As part of the Access to Information Unit Strengthening Plan described earlier under LLR 2.2.1, PTI completed work this quarter on the institutional and operational assessment of the Access to Information Unit within the Supreme Electoral Tribunal.

¹² Activities are planned up until July 31, 2011 in compliance with estimated completion date of Base Period and based on the approved Work Plan for Year 2.

Table 19 summarizes the activities planned for the next reporting period.

Table 19 - Planning for Next Quarter for LLR 2.4 ¹³

Lower-Level Result (LLR) 2.4: A more transparent political party financing system established and working.												
Activities	FY 2010 – 2011											
	Q1			Q2			Q3			Q4		
	O	N	D	J	F	M	A	M	J	J	A	S
Complete the strengthening strategy within the Supreme Electoral Tribunal's Access-to-Information Unit. Strengthening strategy will aim to improve UAls in the following areas: <ul style="list-style-type: none"> • Organizational Structure • Training Programs • Processes and procedures • Information systems • Record management and archiving, • Infrastructure 												

1.3 SPECIAL ACTIVITIES:

PRESIDENTIAL COMMISSION AGAINST MONEY AND OTHER ASSET LAUNDERING AND TERRORISM FINANCING IN GUATEMALA.

As of March 1, the Project initiated activities in response to the request made by the Vice President to support the Commission by contracting a consultant, Carlos Patricio Rodriguez, to deliver the following:

- a) Support to develop the Comprehensive Strategy Plan for the Presidential Commission against Money and other Asset Laundering and Terrorism Financing in Guatemala;
- b) Develop a national diagnostic risk assessment in terms of money and other asset laundering and financing terrorism in Guatemala. The evaluation must assess government institutions and consider preventive measures to restrict money laundering through political party funding and campaign financing.
- c) Both the comprehensive strategy plan and the national diagnostic evaluation and risk assessment should be factored into a Work Plan for the Commission.

¹³ Activities are planned up until July 31, 2011 in compliance with estimated completion date of Base Period and based on the approved Work Plan for Year 2.

The consultant completed the risk assessment this quarter on money and other asset laundering in Guatemala. (See annex F). His report includes the following recommendations:

- Increase technical and human resources for the Prosecutor Unit on Money and Other Asset Laundering;
- Train justice operators (from the Public Ministry, the Judiciary, the National Civilian Police and the Bank Superintendence) on the Financial Action Task Force (FATF) recommendations regarding money and other asset laundering.
- Set up mechanisms to broaden the scope of the legal mandate for the Electoral Audit Authority to audit funds going to political organizations.
- Provide the Electoral Audit Authority with adequate human and technical resources to fulfill its role.
- Set up inter-institutional coordination agreements between the Bank Superintendence and the Superintendence of Tax Administration to audit funds going to political organizations.
- Set up inter-institutional agreements as necessary to ensure that relevant institutions have access to the information they require and that they, in turn, post relevant information on line.
- Evaluate the possibility of setting up specialized units within the National Civilian Police to investigate financial crimes.

MCC INDICATORS

As indicated by the Contracting Officer in a communication dated February 3, 2011, USAID/Guatemala has decided to cancel the Additional Activity “MCC Indicators” under this Task Order that would support Government of Guatemala efforts to become eligible for program funding from the Millennium Challenge Account (MCA).

2.0 SUB-GRANT PROGRAM

The sub-grants program was established to advance activities that lead to the achievement of LLRs. The total amount of the sub-grant component is US \$679,924.35. To date, ten sub-grants have been awarded for US\$591,854.77 to local CSOs. The main objective of funding these activities is to empower Guatemalan citizens to make positive changes in their communities and raise citizens' awareness of efforts to combat corruption and promote transparency. Please refer to **Section 2, under LLR 2.1: "Citizens Better informed and capable to oversee and fight against corruption"** to find summary of major activities carried out under the grants component during this reporting period.

Grantee	Grant No.	Title of Activity	Period of Performance		Budgeted Amount	Estimated Month Expense July ¹	Expense to Date	Remaining Balance
			Starting Date	Finalizing Date				
Acción Ciudadana	001	Access to Information	January 4, 2010	December, 2010	\$99,994.33	\$0.00	\$102,239.83	-\$2,245.50
Fundación DESC	002	Corruption Networks Diagnosis / Methodology	February 22, 2010	Agust 30, 2010	\$34,490.76	\$0.00	\$34,490.76	\$0.00
FADS	003	Attorney General Election Process	February 5, 2010	March 27, 2011	\$72,530.81	\$0.00	\$72,530.81	\$0.00
CEG	004	Transparency Legislative Agenda	January 1, 2010	June 15, 2011	\$76,890.51	\$14,622.02	\$61,446.19	\$822.30
Acción Ciudadana	005	2010 Access to Information Index	June 28, 2010	December, 2010	\$29,654.84	\$0.00	\$29,654.84	\$0.00
Acción Ciudadana	006	ICAC Shadow Report	June 28, 2010	June 1, 2011	\$27,772.31	\$0.00	\$27,772.31	\$0.00
Pro Justicia	007	AG and CG Election Processes	September 28, 2010	March 27, 2011	\$57,453.15	\$0.00	\$55,539.79	\$1,913.36
Vital Voices	008	Political Mentorship	November 15, 2010	July 15, 2011	\$86,303.17	\$1,791.75	\$83,762.88	\$748.54
GAM	009	Access to Information	February 22, 2011	July 21, 2011	\$50,132.50	\$0.00	\$30,942.19	\$19,190.31
FUNDESA	010	Financial Transparency Index	April 26, 2011	July 15, 2011	\$25,989.54	\$11,561.54	\$9,515.86	\$4,912.14
FUNDES	011	Emerging Private Sec Activities	May 19, 2011	July 15, 2011	\$28,433.84	\$14,301.98	\$11,966.07	\$2,165.79
CIEN	012	Access to Information Training Course	April 15, 2011	July 15, 2011	\$33,646.20	\$9,353.42	\$17,904.56	\$6,388.22
FADS	013	CC	February 3, 2011	July 15, 2011	\$44,182.41	\$0.00	\$34,380.17	\$9,802.24
Totals					\$667,474.38	\$51,630.71	\$572,146.27	\$43,697.40

3.0 RAPID RESPONSE FUND

PTI Rapid Response Fund (RRF) mechanism is designed as a flexible tool to provide technical assistance, training, and commodities in response to unanticipated opportunities and/or crises, which impact PTI implementation throughout the life of the project. The RRF will provide targeted in-kind and financial support.

As stipulated in the Mission Statement, all activities to be financed by the RRF must contribute to the achievement of the objectives of the program as specified in the Sub-Intermediate Results (Sub-IRs) and serve to strengthen the inter-institutional relationship of program stakeholders. The total amount of the RRF component is US \$220,000.00.

Please refer to **Section 2** to find the detailed description of awards that were active during the reporting period.

To date, five awards have been granted for a total amount of US\$176,544.32.

Grantee	Grant No.	Title of Activity	Period of Performance		Budgeted Amount	Estimated Month	Expense to Date	Remaining Balance
			Starting Date	Finalizing Date		Expense July 2011 ¹		
Movimiento Pro Justicia	001	Monitoring plan for the election	January 4, 2010	December, 2010	\$15,687.50	\$0.00	\$12,712.39	\$2,975.11
FLACSO	002	DPI	February 22, 2010	August 30, 2010	\$99,272.02	\$0.00	\$99,222.84	\$49.18
Movimiento Pro Justicia	003	Attorney General Election Process	February 5, 2010	March 27, 2011	\$3,140.00	\$0.00	\$3,136.97	\$3.03
Movimiento Pro Justicia	004	Communications campaign CC	January 1, 2010	June 15, 2011	\$50,000.00	\$0.00	\$48,332.40	\$1,667.60
Vice-Presidencia	005	Assist the GoG Commission in the development of a Comprehensive Strategy Plan for the Presidential Commission against Money and other Asset Laundering and Terrorism Financing in Guatemala	August 20, 2010	February, 2011	\$8,444.80	\$4,222.40	\$2,154.29	\$6,290.51
Totals					\$176,544.32	\$4,222.40	\$165,558.89	\$10,985.43

4.0 GENDER SECTION

There were no specific activities planned and/or carried out under any Sub-IR or LLR for this crosscutting theme during this quarter.

A total of 272 women, including both Civil Society Representatives and Public Officials have been trained during FY 20100 – 2011.

5.0 TRAINING

5.1 GOVERNMENT OFFICIALS

Element:	GJD 2.4 - Anti-corruption Reforms					
Indicator Title:	Number of Government Officials receiving USG-supported anti-corruption training.					
Definition:	People must be from government. Training refers to all training or educational events whether short-term or long-term, in country or abroad.					
Training Events						
01	Name of Training Program	International Anticorruption Conventions and access to public information				
	Field of Study	International Anticorruption Conventions				
	Relationship to T.O. Objectives	Lower Level Result 2.2.3. International Anticorruption Treaties disseminated and implementation by GoG strengthened. Number of Government Officials receiving Project supported anti-corruption training, specifically related to areas of intervention derived from International Anticorruption Treaties.				
	Offered By:	PTI and the Secretary of Planning and Programming of the Presidency – SEGEPLAN-				
	Directed To:	Public officials of the Secretary of Planning and Programming of the Presidency –SEGEPLAN-				
	Start Dates:	June 13	End Date:	June 13	Total No. of Training hrs.	6 hrs.
	Total No. of Participants	28	No. of Male Participants	22	No. of Female Participants	6
	Estimated Cost	Q. 5,674.82 (US\$730.35) *exchange rate 7.77			Estimated Cost per person	Q. 202.67 (US\$ 26.08) *exchange rate 7.77

5.2 PEOPLE AFFILIATED WITH NON – GOVERNMENTAL ORGANIZATIONS

Element:	GJD 2.4 - Anti-corruption Reforms					
Indicator Title:	Number of people affiliated with non-governmental organizations receiving USG supported anti-corruption training.					
Definition:	People may not be from government. Training refers to all training or educational events whether short-term or long-term, in country or abroad.					
Training Event						
01	Name of Training Program	Access to public information as a tool of social audit				
	Field of Study	Access to Public Information				
	Relationship to T.O. Objectives	SUB-IR 2.1 Citizens better informed and capable to oversee and fight against corruption. LLR 2.1.1 Increase and strengthen participation of Civil Society Organizations in watchdog and social auditing activities and oversight of public resources and functions of public authorities.				
	Offered By:	Transparency and Integrity Project in coordination with the University of San Carlos de Guatemala.				
	Directed To:	Citizens register as participants in the free courses of the University of San Carlos de Guatemala				
	Start Dates:	March 5	End Date:	May 28	Total No. of Training hrs.	18 hours
	Total No. of Participants	22	No. of Male Participants	7	No. of Female Participants	15
	Estimated Cost	Q 544.00 (US\$ 72.15) *exchange rate 7.54			Estimated Cost per person	Q 24.73 (US\$ 3.28) *exchange rate 7.54

Element:	GJD 2.4 - Anti-corruption Reforms					
Indicator Title:	Number of people affiliated with non-governmental organizations receiving USG supported anti-corruption training.					
Definition:	People may not be from government. Training refers to all training or educational events whether short-term or long-term, in country or abroad.					
Training Event						
02	Name of Training Program	Access to public information as a tool of social audit				
	Field of Study	Access to Public Information				
	Relationship to T.O. Objectives	SUB-IR 2.1 Citizens better informed and capable to oversee and fight against corruption. LLR 2.1.1 Increase and strengthen participation of Civil Society Organizations in watchdog and social auditing activities and oversight of public resources and functions of public authorities.				
	Offered By:	Transparency and Integrity Project in coordination with the San Carlos University.				
	Directed To:	Students from the Law School, San Carlos University				
	Start Dates:	March 22	End Date:	May 31	Total No. of Training hrs.	4 hours
	Total No. of Participants	157	No. of Male Participants	62	No. of Female Participants	95
	Estimated Cost	Q 1,431.25 (US\$185.88) *exchange rate 7.70			Estimated Cost per person	Q 9.12 (US\$ 1.18) *exchange rate 7.70

Element:	GJD 2.4 - Anti-corruption Reforms					
Indicator Title:	Number of people affiliated with non-governmental organizations receiving USG supported anti-corruption training.					
Definition:	People may not be from government. Training refers to all training or educational events whether short-term or long-term, in country or abroad.					
Training Event						
03	Name of Training Program	Access to public information as a tool of social audit				
	Field of Study	Access to Public Information				
	Relationship to T.O. Objectives	SUB-IR 2.1 Citizens better informed and capable to oversee and fight against corruption. LLR 2.1.1 Increase and strengthen participation of Civil Society Organizations in watchdog and social auditing activities and oversight of public resources and functions of public authorities.				
	Offered By:	Transparency and Integrity Project and COMUJER				
	Directed To:	Members of civil society				
	Start Dates:	April 13	End Date:	April 13	Total No. of Training hrs.	4 hours
	Total No. of Participants	11	No. of Male Participants	3	No. of Female Participants	8
	Estimated Cost	Q 4,065.35 (US\$531.42) *exchange rate 7.65			Estimated Cost per person	Q 369.58 (US\$ 48.31) *exchange rate 7.65

6.0 SHORT-TERM TECHNICAL ASSISTANCE

6.1 SHORT-TERM TECHNICAL ASSISTANCE (CONSULTANTS)

Consultant/Specialist	Description of Consultancy/Technical Assistance	Date
María Isabel Bonilla	Conduct assessment to identify, map, and group existing mechanisms/units within the Executive Branch that pursue allegations of corruption according to their typology and develop a generic guideline for designing a technical assistance program to strengthen selected mechanisms/units.	September 7, 2010 – January 7, 2011
Ruth Hernandez		September 7, 2010 – January 7, 2011
Rebecca Kronick	Support in reporting obligations, grant management and RRF administration.	September 22, 2010 – March 25, 2011
Ana Eliza Corado	Study the archiving and recordkeeping situation in the Vice-Presidency, develop a recordkeeping policies and procedures manual, assist the Vice-Presidency in the implementation of the procedures manual in reference.	September 20, 2010 – July 31, 2011
María de los Angeles Monzón	Implementation of a reflection circle for columnists, and actualization program for journalists to promote Transparency and Anticorruption matters vis a vis current political situation in Guatemala.	November 9, 2010 – July 31, 2011
Alejandro Sanchez Garrido	To provide support and assistance to the Congress of the Republic of Guatemala.	November 12, 2010 – July 31, 2011
Jorge Alvarado	Assist the GoG Commission for Transparency and the fight against corruption in the preparation of a Transparency Policy.	November 12, 2010 – February 4, 2011
Oscar Poroj	Design and implement a training module on appeal process according to Guatemala's legislation for the Anticorruption Unit of the Attorney General's Office	November 15, 2010 – January 20, 2011
Luis Felipe Saenz	Design and implement a training module in banking procedures, and asset identification and recuperation according to Guatemala's legislation for the Anticorruption Unit of the Attorney General's Office.	November 15, 2010 – February 9, 2011
Mario Chavez	Assist the Audit Unit of the Supreme Electoral Tribunal (TSE) in developing a procedural manual for the Mail Delivery	November 30, 2010 – February 4, 2011
Carlos Patricio Rodriguez	Assist the GoG Commission in the development of a National diagnostic and risk assessment in terms of money and other asset laundering and financing terrorism in Guatemala.	February 28, – June 8, 2011

6.2 SHORT-TERM TECHNICAL ASSISTANCE / INTERNATIONAL SUBCONTRACTS (CONSULTANTS)

Consultant/Specialist	Description of Consultancy/Technical Assistance	Date
Rodrigo Gutierrez Godinez under DPK	Diagnosis and development of strengthening plan for the Anti-Corruption Unit of the Attorney General's Office	July 5, 2010 – September 30, 2010
Marly Catalina Vasquez Ventura under DPK	Diagnosis and development of strengthening plan for the Office of Administrative Felonies Unit of the Attorney General's Office	July 5, 2010 – September 30, 2010
Julio Antonio Quintana under DPK	Software for collecting criminal intelligence and analysis, to strengthen the investigation of crimes of corruption	July 5, 2010 – January 15, 2011
Steven Dudley under IREX	Investigative Journalism Training	May 15, 2011 July 31, 2011
Douglas Farah Under IREX	Investigative Journalism Training	May 15, 2011 July 31, 2011

6.3 SHORT-TERM TECHNICAL ASSISTANCE (HOME OFFICE)

Consultant/Specialist	Description of Consultancy/Technical Assistance	Date
Antonio Iskandar	Support for planning work Plan FY 2011 – 2012 and Realignment Budget analysis	June 20 – 23, 2011

7.0 MONITORING AND EVALUATION EFFORTS

SO: Ruling Justly: More Responsive, Transparency Governance

Indicator: Guatemala's percent change on the Transparency International (TI) Corruption Perception Index (CPI) (Context Indicator).

Baseline Value	Y2 FY11 (Oct 2010 - July 2011)		VARIANCE	DEFINITION/COMMENTS
	Baseline YR	Target	Actual	
3.4 (2009)	3.5	3.2	-3	<p>DEFINITION: Degree to which corruption is perceived to exist in society. Transparency International's (TI) Corruption Perception Index (CPI) ranks countries by their perceived levels of corruption, as determined by expert assessments and opinion surveys. A higher score on a scale from 0 to 10 means less (perceived) corruption.</p> <p>COMMENTS: This is a context indicator about which the GTIP will report in its M&E Annual Report, but for which the Project cannot be held directly accountable due to the large number of factors besides USAID Guatemala assistance which affect the corresponding performance and score reported by each source. Transparency International's (TI) Corruption Perception Index (CPI) was first released in 1995. Baseline for this exercise will be the 2009 Score of 3.4 points over a maximum of 10. Transparency International Corruption Perception Index methodology does not establish yearly target scores; the methodology only provides yearly actual scores. In order to be consistent with USAID's criteria of establishing Performing targets to measure commitments to focus on a result, a target of 3.5 points was determined. Although a modest increase, it does represent a positive change in expected transparency performance of GoG. Annual Scores reflect country data from a given calendar year, not necessarily equal to USAID fiscal year.</p>

Transparency International's Corruptions Perceptions Index (CPI) is an aggregate indicator that ranks countries in terms of the degree to which corruption is perceived to exist among public officials and politicians. It is a composite index drawing on corruption-related data by a variety of independent and reputable institutions. The 2010 CPI measures the perceived levels of public sector corruption in 178 countries and territories. Nearly three quarters of the 178 countries in the index score below five, on a scale from 10 (highly clean) to 0 (highly corrupt).

Given its methodology, the CPI is not suitable for monitoring progress (or lack of progress) over time. The only reliable way to compare a country's score over time is to go back to individual survey sources, each of which can reflect a change in assessment. Year-to-year changes in a country/territory's score could result from a changed perception of a country's performance, a change in the ranking provided by original sources or a change in the CPI's methodology. Wherever possible, TI has identified those changes in scores that can be identified in the sources themselves.

Among the 28 countries from the Americas included in the 2010 CPI, only 7 scored 5 or above while 23 scored below 5, indicating a serious corruption problem. In the Central American region, Guatemala scored above Nicaragua and Honduras and below El Salvador, Panama and Costa Rica. In 2010, Guatemala's CPI score was 3.2, representing a decrease of -.2 since the 2009 index, with a decrease in rank from 84 to 91.

Guatemala CPI Scores: 1999- 2010

Country / Año	1999	00	01	02	03	04	05	06	07	08	09	10
Guatemala	3.2	N/A	2.9	2.5	2.4	2.2	2.5	2.6	2.8	3.1	3.4	3.2

Despite the recent passage of the Access to Public Information Law in September 2008 and PTI efforts to strengthen institutional transparency, weak state institutions, poor governance practices and excessive influence of private interests continue to undermine equitable and sustainable development in Guatemala. The country continues to struggle to develop and implement measures to comply with the Inter American and United Nations Conventions Against Corruption.

SUB IR 2.1 Citizens better informed and capable to oversee and fight against corruption.

Indicator: Number of concrete changes in government processes resulting from social audit activities.

Baseline Value	Y1 FY10 (Oct 2010 – July 2011)		VARIANCE	DEFINITION/COMMENTS
	Baseline YR	Target	Actual	
0 (2009)	8			<p>DEFINITION:</p> <p>Citizen's capability to effectively fight against corruption is measured through whether their oversight actions result in desired change. Civil society organizations and their affiliates will be the vehicles for social auditing and oversight activities.</p> <p>COMMENTS:</p>

This indicator will be reported in the FY11 Annual M&E report.

LLR 2.1.1 – Increase and strengthen participation of Civil Society Organizations in watchdog and social auditing activities and oversight of public resources and functions of public authorities.

Indicator: Number of Social Auditing Activities carried out with project support.

Baseline Value	Y2 FY11 (Oct 2010 – July 2011)		VARIANCE	DEFINITION/COMMENTS
Baseline YR	Target	Actual	Y2	
0 (2009)	5	9	+4	<p>DEFINITION:</p> <p>"Social auditing" activities are those activities undertaken by citizens to intervene in the supervision, follow-up, and monitoring of public affairs, for the purpose of verifying that the principles of transparency, efficiency, effectiveness, equity, soundness, execution, and quality, among others, are adhered to. Citizen participation in these activities is a means to prevent and control corruption by rendering public actions subject to citizen scrutiny. "Activities" are defined as a specific action, function, or sphere of action.</p> <p>COMMENTS:</p>

1) Social Audit of the list of Personal Identification Documents (DPI) from the National Register of People (Renap)

The National Register of Persons (Renap) is the GoG agency charged with maintaining the Unique Register of Identification of all people in Guatemala and maintaining accurate and up-to-date records regarding their civil status from birth to death. Renap is also responsible for issuing all Guatemalan citizen with a Personal Identification Document (DPI). The functions of Renap have recently been called into question in the Guatemalan press regarding the quality of data obtained, as well as the procedures and processes for issuing the DPI. Particular concerns have focused on Renap's backlog and the possibility that a high proportion of Guatemala's large youth population—especially those who have turned 18 since Renap's creation in 2005—will not receive their DPI prior to the upcoming elections in September.

In order to support improvements in Renap, PTI subcontracted the Latin American Faculty of the Social Sciences (FLACSO) to complete a study of Renap's DPI process to identify possible inconsistencies, anomalies and errors and provide an estimate of the voting-age population that has yet to receive its DPI. The study was completed using a two-way sample. First, a random sample of names was selected from the list of DPI issued. Using the data from list (name, age, sex, address) FLACSO staff identified those individuals from the list, conducting one-on-one interviews at the household (HH) level to verify the quality of the data from the Renap registry. Then, using the list of anomalous cases identified (per HH), each person older than 18 was interviewed to compare them with the Renap database.

This step enabled FLACSO to determine the percentage of youth who either have not yet received their DPI, who have not registered with Renap or who have had problems getting their DPI.

The study resulted in three key findings: (1) 8.9 percent of the sample received their DPI with errors, including inaccurate birthdates and names, among others; (2) in general, the sample indicated that individuals wait approximately 90 days to receive their DPI after registering, an important consideration given that other documents- including passports and drivers licenses- are delivered on the same day. This is particularly troubling since those people who solicit their DPI in a period shorter than three months prior to general elections will be unable to vote; and (3) only approximately 30% of young people between 18 and 22 have registered to receive their DPI, likely leading to their exclusion in the September elections. The primary reasons given for not registering included lack of time (40%), lack of interest (15%), lack of information (28%), distance (7%) and others (9%).

As a result of these findings, FLACSO provided a series of recommendations for Renap and the Supreme Electoral Tribunal (TSE) to support and facilitate the effective registry of new individuals: (1) Renap needs to verify and correct its database to ensure that personal information is accurate- this is particularly important to facilitate smooth and participatory elections; (2) the time for delivery of the DPI should be shortened and systematic audits conducted as part of Renap's normal procedures as a way to identify bottlenecks and take corrective action; (3) Renap and TSE should take joint action to promote registration, especially for people between the ages of 18 and 22; and (4) importantly, the Guatemalan Congress should promote a law to ensure that all voting age citizens are automatically registered to vote at the time that they seek their DPI, thus facilitating voting without undue delay or obstacle.

PTI discussed the results of the study with officials from Renap and the TSE to facilitate the necessary corrective measures. As a result of the study and PTI's advocacy, voter registration was temporarily opened in local Renap offices. At the same time Renap has begun to review and correct inaccurate data from the DPI and electoral registries.

2) Program for Transparency in Fiscal and Monetary Policy in Guatemala

FUNDESA is a private, non-profit think tank made up of businessmen and women whose purpose is to contribute to sustainable, integral democratic development in Guatemala. FUNDESA has developed multiple programs focused on long-term economic and social transformation and has advocated over the last five years for increased transparency in Guatemala's monetary and fiscal policy using the Financial Standards Indicators published by the eStandards Forum (eSF). eSF is a private entity managed by the Financial Standards Foundation (FSF) in New York whose mission is to monitor and report on global economic, financial and political conditions of countries around the world based on the belief that the best way out of poverty is through economic development based on responsible private investment and supported by effective public institutions and public policy.

As part of its activities, eSF generates country documents- based on existing data- that provide investors, governments, donor partners and other interested stakeholders with a clear idea of each country's compliance with international standards in areas such as bankruptcy law, corporate governance, transparency and dissemination of information regarding fiscal and monetary policy. eSF develops an index that measures the progress of dozens of countries across 12 key variables within three categories: Macro economic policy: a) data dissemination; b) transparency in monetary policy; c) transparency in fiscal policy [2] Institutional and market infrastructure: a) legal frameworks for bankruptcy; b) accounting practices; c) corporate governance; d) auditing practices; e) money laundering; and f) systems for compensation payments; and [3] Financial regulation and supervision: a) bank supervision; b) stock regulation; c) securities regulation.

In the most recent index, published in December 2010, Guatemala ranks 68 out of 93 countries- in the bottom third- with a total score of 30.83 out of 100, demonstrating that there are large obstacles to overcome. Within the Central American region, only Honduras had a lower score. Comparative scores for Central America are included below:

Given Guatemala's low score, FUNDESA has advocated with the Bank of Guatemala to generate improvements in the areas with the greatest challenges. PTI supported FUNDESA with a sub grant to develop and implement an advocacy strategy focused on improving Guatemala's performance across the key indicators of the index as an avenue for increasing investment, increasing employment and ultimately reducing poverty. FUNDESA coordinated several meetings and workshops with government authorities, journalists and experts to present the eSF index scores and open dialogue regarding short and long-term measures for improving data dissemination and increasing transparency in fiscal policy in particular. FUNDESA also contracted an expert to develop a policy document with concrete recommendations for policymakers.

Index- Standards Compliance	PAN	ES	CR	GUA	HN
	36.7	33.3	32.5	30.8	16.7
1. Data Dissemination	30	100	100	10	30
2. Transparency in Monetary Policy	100	100	60	60	0
3. Transparency in Fiscal Policy	0	60	60	10	30
4. Legal Frameworks for Bankruptcy	0	0	10	0	10
5. Accounting and financial reporting	10	30	60	60	60
6. Corporate Governance	60	10	0	0	0
7. Auditing	60	10	60	60	60
8. Money Laundering	60	30	30	30	30
9. Payment and dispute resolution	0	30	0	30	10
10. Bank regulation	80	0	10	80	30
11. Stock regulation	30	30	0	0	0
12. Supervision of Insurance activities	10	0	0	30	30
Ranking (among 93 countries)	59	64	65	68	82

The document developed by the consultant includes the background on Guatemala regarding the indicators of the index and a discussion of international best practices and standards, including the IMF Special Norms for Data Sharing and IMF Best Practice Code for Fiscal Transparency. At the same time, the document includes an analysis of Guatemala's performance on the index as well as a comparison with other countries in Latin America as well as recommendations for how to improve its score, with particular emphasis on data dissemination and fiscal transparency. The document has been published and distributed to relevant authorities from the Bank of Guatemala, the National Statistics Institute and the Ministry of Public Finance to support use of recommendations for improved public policy. It is also available for public use for think tanks, academics, students and other interested stakeholders in the principal libraries in Guatemala City, in public and private universities, as well as on the website of CIEN, FUNDES y FLACSO, making it a searchable element of the worldwide web. To ensure its dissemination, FUNDESA developed a communications package including the printed document as well as a video copy of the public presentation of results.

Two results in particular from this activity should be highlighted: (1) The document and its recommendations generated important information and understanding among public officials regarding relevant technical themes and international standards for transparency in fiscal and monetary policy included in the index; (2) If relevant authorities take the necessary measures to improve performance, Guatemala's international standing could improve, leading to increased investment and employment opportunities.

3) Defining Corruption Indicators affecting micro, small and medium enterprises

According to the Central American Bank for Economic Integration (BCIE) in Central America, micro, small and medium enterprises (MIPYMES) have become a mainstay of the region's economies. In Guatemala alone, MIPYMES constitute an important segment of the national economy, representing 98 percent of all businesses, thus playing an important role in national income and employment generation. The Foundation for Economic and Social Development (FUNDES) was founded in Panama in 1984 as a vehicle for promoting private sector development in the region. FUNDES began working in Guatemala in 1988 and since then has worked to strengthen the capacity of small and medium enterprises, improve their integration into markets and support sector transformation as well as improved business climate. In its 20-year trajectory, FUNDES has identified government corruption as a principle obstacle to the growth and consolidation of MIPYMES. While corrupt practices are well known, very little work has been done to document the frequency and magnitude of the problem. Given the importance of MIPYMES, it is of primordial importance to promote policies that support and protect them, especially given their vulnerability to corruption.

To identify the risk factors and propose strategies to mitigate and reduce MIPYMES' vulnerability, PTI signed a sub agreement with FUNDES to identify common risks and pitfalls and train MIPYMES to reduce their vulnerability to corruption. The experience was systematized through a lessons learned document.

To complete the vulnerability analysis, FUNDES organized participatory meetings with 68 business owners in June and July to identify key vulnerability factors confronted by MIPYMES. These sessions demonstrated that there is a significant perception of- and direct experience with- GoG corruption among participants. Key findings include:

- Sixty four percent of participant businesses have received bribe requests from the government since 2010.
- MIPYMES confront several obstacles when dealing with government, including slow processes and bottlenecks as well as excessive administrative requirements and unnecessarily long processes. These challenges provide a strong incentive for corruption.
- Most acts of corruption occur at the beginning of the contracting process.
- The government agencies perceived to participate most in corruption include Ministries, decentralized entities such as the Guatemalan Internal Revenue Service (SAT) and security authorities.
- According to MIPYMES, corruption leads to high losses, large opportunity costs and low profitability
- Almost half (47%) of MIPYMES participants are unaware of where or how to denounce acts of corruption
- Seventy four percent of participants have never denounced corrupt acts in the past
- MIPYMES participants from the vulnerability assessment believe that a website, telephone line or public service window might be possible ways to denounce corrupt acts.

Using these results as a starting point, FUNDES developed an Anticorruption Practices Manual for Small, Medium and Micro enterprises, including the commitment to denounce corrupt acts as a key part of improving business practices and outcomes and as a sectoral commitment to reduce corruption and increase transparency. The manual was distributed to MIPYMES participants and they received training in its key components. FUNDES provided PTI with a document identifying key lessons learned from the process. These include: (1) in future processes of this nature, MIPYMES from multiple sectors should be included to ensure greater representation; (2) as a recommendation moving forward, it would be worth working with key business associations to incorporate anti-corruption plans and actions within their ongoing activities, acting as a support mechanism and ensuring wider impact; (3) given the general nature of this initial vulnerability analysis, it would make sense to conduct more detailed

analyses within specialized business sectors in order to better understand the nuance affecting MIPYMES across the gamut of business activities and ventures.

4) Application of LAIP as a tool for social auditing [1 process resulting in 134 Access to Information requests/social audits]

In April 2008 the Law on Access to Public Information came into effect, facilitating citizen participation in national and local affairs by making key information available to the public. To support application of the law, PTI signed an agreement with the Group for Mutual Support (GAM) to train members of civil society in the purpose and process to request public information and how to use that information as a social auditing tool. GAM trained 113 citizens (47 male, 66 female) from across the five regions of Jalapa, Chiquimula, Sololá, Chimaltenango and Suchitepéquez in LAIP and how to use it as a social auditing tool. From the training, participants initiated 134 social auditing processes through requests for public information. As indicated in the table at right approximately two thirds of the requests received responses, while approximately one third are still pending. The majority of requests were submitted to Municipal offices as well as Ministries of Education; Health; Communications, Infrastructure and Housing; TSE and Renap or other direct service providers. It is hoped that citizens will continue to follow up on requests until they receive a response.

Location	No. Of requests	With response	Without response
Jalapa	29	24	5
Chiquimula	22	14	8
Sololá	41	22	19
Chimaltenango	20	20	
Suchitepéquez	22	14	8
Total	134	94	40

Case Study: Request for Public Information Regarding Highways in Jalapa

In the Department of Jalapa- East of Guatemala City- 11 communities' access to basic services- including health care, education and jobs- have been extremely limited as a result of the significantly poor state of the regions' roads. Using their newly acquired knowledge of the Law on Access to Public Information and with the support of the Group for Mutual Support (GAM), a group of citizens has requested information regarding highway maintenance from the Municipality of Jalapa; the Ministry of Communications, Infrastructure and Housing; and the Departmental Council for Development. The group was not happy with the results they received, feeling that all institutions evaded their responsibility to provide clear answers. As a result, this group of citizens- who were unaware of LAIP before PTI intervention- are now planning to use the law to conduct a full audit of public financing for highways in Jalapa.

5) Advocacy to ensure transparency in the process of selection of new members for the Constitutional Court for the 2011-2016 term

PTI signed an agreement with Movimiento Pro-Justicia (MPJ) to support and monitor the election of new magistrates to the Constitutional Court in Guatemala during a four-month period, based on internationally accepted standards for selection of public officials, including public transparency, merit-based selection (based on past professional and ethical performance) and objectivity. Magistrates in Guatemala are selected for a term of five years. Five magistrates are selected by each of the following bodies: through a process based on pluralism in the selection of judges for the constitutional court. Given their 10-year trajectory accompanying selection processes of public officials, this exercise built on MPJ's tested experience and proven legitimacy in public processes in Guatemala.

MPJ worked together with the NGO commissions Foro Guatemala and Convocatoria Ciudadana- comprised of over 60 CSOs- in the development of an advocacy platform to ensure transparency in the selection processes. Their advocacy efforts included requests for private hearings with each entity to provide clear criteria for selection of judges (transparency, objectivity and merit-based appointments) followed by publicity campaigns urging transparent selection processes.

a) Advocacy in the General Assembly of Guatemala's National Bar Association

The General Assembly of the Guatemalan Bar Association selects 1 magistrate for the CC. One of the principle challenges in the selection of public servants in Guatemala is the lack of transparency in campaign finance for candidates for public positions. MPJ conducted multiple meetings with all magistrate candidates to discuss the importance of transparency in campaign finance. Ultimately candidates agreed to limit their investment in publicity to a maximum of Q70,000 (approximately US \$9000) and to publicly identify all donors in their campaigns. All candidates complied with these commitments.

b) Advocacy with Supreme Court of Justice (CSJ)

The CSP selects 1 magistrate for the CC. MPJ worked closely with the magistrates and the president of the Supreme Court to establish clear parameters and standards for selection of candidates for the constitutional court. This resulted in a public ruling in which the justices stated their support for a process ruled by transparency; publicity; merit-based selection (including a strong performance record and a record of ethical behavior); open voting processes; objectivity and independence. Ultimately, the CSJ conducted the selection process in a highly transparent way, following the key steps outlined by MPJ: (1) public call for candidacy; (2) presentation of candidacies with full requested documentation; (3) initial evaluation of candidates based on clear criteria; (4) publication of preliminary list of candidates in communications media; (5) open social auditing process and public hearings to receive objections and for the candidates to defend their positions; (6) short-listing of six of candidates; (7) publication of short-listed candidates and final selection based on absolute majority vote.

c) Advocacy with the Superior Council of the University of San Carlos (CSU)

The Superior Council participates in the selection of 1 magistrate to the Constitutional Court. MPJ worked with the CSU to urge transparency in the selection process, emphasizing the importance of independence, objectivity and merit-based decision-making. In part as a result of MPJ's efforts, the CSU adopted a transparent selection process, including a public call for candidacies; reception of candidacies; publication of the list of aspiring candidates; receipt of evidence-based objections; notification of candidates regarding objections; selection of a principal magistrate and his substitute and congressional notification regarding selected candidates. It is important to note that by increasing the transparency of the process, unsuitable candidates were quickly vetted. Unlike past selection processes, where magistrate selection occurred behind the closed doors of the CSU this time all but two members (38 of 40) of the CSU published their votes. The public nature of the process surprised the public, arguably increasing confidence in the selection process. This marks a strong precedent for future transparency efforts in the selection of public officials.

d) Advocacy with the Guatemalan Congress

The Guatemalan Congress selects 1 magistrate for the CC. MPJ has advocated closely with the Guatemalan Congress for over 10 years supporting multiple legal processes and the transparent selection of high-ranking public officials. For the selection of magistrate MPJ worked closely with the President of Congress to urge the adoption of standards of transparency in the selection process. Subsequently, MPJ and the President of Congress sponsored open forums in which potential candidates presented their formal applications. Finally, Congress conducted its vote publicly ensuring maximum transparency in the process. Like in the processes described above, the process was

handled in a transparency manner, including a public call for applications; reception of candidacies and documents; and selection based on merit.

e) Advocacy with the President's Office and the Cabinet

The President selects on magistrate for the CC. MPJ initiated its advocacy efforts with the President's Office by issuing a letter requesting a meeting with the President regarding the selection of magistrates to the Constitutional Court. The letter, which never received a response from the President's Office, requested public transparency and objectivity in the selection of magistrates. Given the president's apparent secretiveness, public pressure for transparency increased. A group of 39 university students sought legal recourse to force the President to select the magistrate based on a transparent process; however, this effort proved fruitless. At the same time, MPJ appealed to the United Nations Special Rapporteur for the Independence of Judges, which published a press release in March demanding transparency in the selection of magistrates, especially on the part of the President's Office. The President also ignored this request. The President was quoted as saying, "...I tell the ministers what to do, and I make the decision. Period..." Ultimately, the President's final magistrate selection was harshly criticized as a result of the alleged close personal family ties between the selected candidates and the President's family. The lack of transparency in the selection process resulted in a loss of credibility in the President and the Cabinet.

Indicator: Number of People affiliated with non-governmental organizations receiving USG supported anti-corruption training. (USG FACTS – GJD 2.4 "F" List indicator).

Baseline Value	Y2 FY11 (Oct 2010 - July 2011)		VARIANCE	DEFINITION/COMMENTS
Baseline YR	Target	Actual	Y2	
1634 (2008)	500 250W/250M	500 246W/254M	0 -4W/+4M	<p>DEFINITION: Persons may not be from government. Training refers to all training or education events, whether short-term or long-term, in country or abroad. Data will be disaggregated by Gender.</p> <p>COMMENTS: USG FACTS - GJD 2.4 "F" List indicator. FY2009 Baseline is established in 1,634 (726 F908 M). Baseline data corresponds to achieved outputs for FY2009 under former USAID Guatemala Transparency and Anticorruption Program (contract DFD-1-03-03-00139-00).</p>

1) Training for CSO and GoG leaders at Transparency International's 14th International Anti-Corruption Conference (IACC) [4 people trained: 2 male, 2 female]

Transparency International's 14th International Anti-Corruption Conference (IACC) was held in Bangkok, Thailand from November 10-13, 2010. PTI provided support for the participation of four representatives from Guatemala: Ms. Alma Aguilar, Mr. Emanuel Callejas, Mr. Francisco Viau and, Congresswoman Rosa Maria de Frade. PTI selected participants for the meeting based on: (1) their participation with PTI activities; (2) relevance of the meeting to their daily functions in Guatemala; (3) no previous participation in TI's IACC; (4) leadership skills, experience and influence; and (5) knowledge of English (the language of the IACC).

The IACC is considered the principal world forum in which heads of state, government representatives, civil society, academics, journalists and private sector representatives meet to discuss and analyze solutions to the problems presented by corruption. Throughout the plenary sessions and discussion groups, the conference provided participants with updated information on transparency and new tendencies in corruption. In addition, participants had opportunities to learn about corruption in terms of climate change and in compliance with the Millennium Goals. The main objective of the conference was to develop strategies to overcome the effects of corruption. One of the key outcomes of the conference was the “Bangkok Declaration: Restoring Trust” which confirms the IACC’s relevance in fostering debate on the global challenges in facing corruption and in defining an action plan to combat it.

On December 14, 2010 PTI staff met with the conference attendees to discuss the experience and identify innovative practices for replication in Guatemala. As a result of their participation in the IACC, one of the participants was asked to participate in the Global Youth Forum Against Corruption held in Nairobi in April. At the same time, as a result of her experience in the forum the congresswomen Rosa María de Frade together with members of Guatemalan civil society formed the Roundtable for Transparency, Accountability and Quality of Public Expenditure as an avenue to develop concrete proposals to improve transparency in public spending.

2) Citizens trained in the Law of Access to Information [128 citizens trained: 93 male, 35 female]

Between October and December 2010, PTI provided a subgrant to Acción Ciudadana (AC) to train members of civil society in the Law on Access to Public Information as a tool for social auditing. The training is focused on CSOs, civic groups or individuals that conduct social auditing activities. The training was organized around the principles of information exchange, understanding and use. The training included an explanation of the principles of the right to access information and the contents of the Law; participatory analysis of the law to ensure understanding; and completion of requests for information. In accordance with USAID’s Mission Order MO 253 “Training for Development/Visa Compliance for Exchange Visitors”, which includes a signed letter of agreement as well as initial and final evaluations to gauge learning.

3) Citizens trained in Access to Public Information as a tool for social auditing through San Carlos University Cursos Libres program [22 citizens trained: 7 male, 15 female]

In February PTI offered a course through San Carlos University’s (free) Adult Education program entitled Access to Public Information as a Tool for Social Auditing. The course was prepared by PTI staff and conducted for 10 Saturdays between March and May. The objective of the course was to train interested citizens on the Law on Access to Public Information to enable them to complete requests for information through Access to Information Units at government offices. Participants in the Curso Libre included university students in the social sciences, union members, secondary students, and other interested citizens. In accordance with USAID’s Mission Order MO 253 “Training for Development/Visa Compliance for Exchange Visitors”, this includes a signed letter of agreement as well as initial and final



evaluations to gauge learning. The results of initial final evaluations are included in the graphic above; participants increased their knowledge of International Conventions and LAIP by 51%. As a final requirement for the course, each student completed a request for information.

4) Youth from San Marcos Trained in the LAIP [48 youth trained: 33 male, 15 female]



During the second quarter of the year PTI organized training for 48 youth from Paz Joven, a national organization that promotes democratic participation and a culture of peace. The objective of the training was to increase youth understanding of LAIP and how to access information for use in local social auditing activities. The methodology included a presentation to describe LAIP, analysis of its contents and application, and the completion of requests for public information based on participant interests as a practical exercise. As the graphic at left

shows, participants increased their knowledge by 22 percent.

5) Participants from local women's organizations in Morales, Izabal trained in LAIP [11 people trained: 3 male, 8 female]

In April PTI facilitated training for the Municipal Committee for Women (COMUJER) en Morales, Izabal in the east of Guatemala. COMUJER is an organization that promotes the participation of women in decision-making and the municipal level. Given their interest in conducting social auditing activities, COMUJER requested PTI support for training in themes related to corruption, transparency and the use of LAIP and information requests for social audits. PTI provided the theoretical content about the topics with special emphasis on IACAC and UNCAC as well as LAIP, and then guided participants through the process of developing requests for information. In total, participants completed 11 information requests regarding municipal projects paid for with public funds.

Information requests completed by COMUJER:

1. Copy of the contract for a project to increase water access to Arapahoe Viejo village
2. Physical and financial status report of project for dragging the River Bobos
3. Request for the organizational chart of the municipality of Morales
4. Costs for the road construction project in El Mitehal neighborhood
5. Investment figures for municipal water projects
6. Information regarding a drainage project in Herman Patria neighborhood
7. Status of the purchase of land for a football field in the Nuevo Arriba community
8. Information regarding road construction on Río Blanco street
9. Status report regarding classroom construction in the Aldea Creek Zarco School

At the time of this report, no responses had been received regarding any of the the requests. To ensure use of the concepts from the training, participants agreed to: (1) follow up on their requests; (2) create an inter-institutional

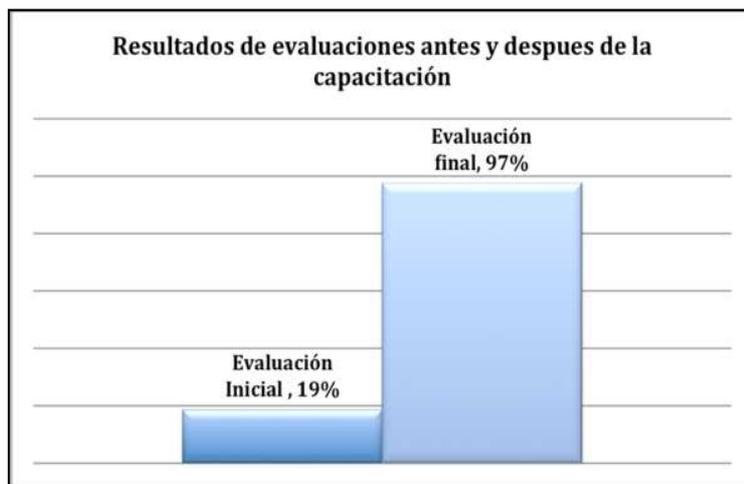
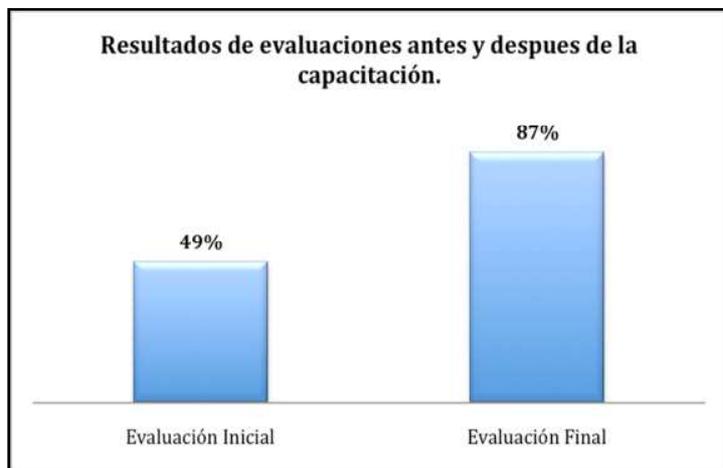
transparency plan; (3) establish a roundtable to develop an advocacy training center for Izabal in coordination with the CSO Ernesto Shneider Troyer, the Catholic Church's Social Development arm and local NGO Foster Parent Plan; and (4) work with other stakeholders in Izabal to strengthen social networks in support of improved municipal transparency. In accordance with USAID's Mission Order MO 253 "Training for Development/Visa Compliance for Exchange Visitors", which includes a signed letter of agreement as well as initial and final evaluations to gauge learning. As the graphic

above demonstrates, participants in the training increased their knowledge regarding IACAC, UNCAC and LAIP by 38%.

6) Students from the University of San Carlos Law School trained on LAIP [157 students: 62 male, 95 female]

In March PTI established an agreement with the University of San Carlos' School of Social Sciences, Faculty of Law to provide training for law students regarding LAIP. PTI chose this group as a result of the important potential role they will eventually play in supporting, defending and advising about citizens' right to access state information. The training program was divided into two sessions. In the first session, students received theoretical information regarding LAIP and completed information requests to increase their practical understanding of the process.

The second session was used to reflect on the process and describe the procedures to follow in the case of a negative response to a completed request for information. In accordance with USAID's Mission Order MO 253 "Training for Development/Visa Compliance for Exchange Visitors", which includes a signed letter of agreement as well as initial and final evaluations to gauge learning. As the graphic above shows, participants increased their knowledge by 78 percent.



7) Training for civil society groups in Jalapa, Chiquimula, Sololá, Chimaltenango and Suchitepéquez in LAIP [113 citizens trained: 47 male, 66 female]

Location	No. Trained
Jalapa	21: 21 female
Chiquimula	17: 9 female, 8 male
Sololá	37: 20 female, 17 male
Chimaltenango	20: 12 female, 8 male
Suchitepéquez	18: 4 female, 14 male

In April 2008 the Law on Access to Public Information came into effect, facilitating citizen participation in national and local affairs by making key information available to the public. To support application of the law, PTI signed an agreement with the Group for Mutual Support (GAM) to train members of civil society in the purpose and process to request public information and how to use that information as a social auditing tool. GAM trained 113 citizens from across the five regions of Jalapa, Chiquimula, Sololá, Chimaltenango and Suchitepéquez in LAIP and how to use it as a social auditing tool. The evidence of increased knowledge among participants in this case was the completion of requests for access to information, discussed above under social auditing activities.

8) Journalists trained in Transparency and Anti-Corruption themes [17 journalists trained: 7 males, 10 females]

Recognizing the nascent capacity of Guatemalan journalists to effectively cover issues related to corruption and transparency- and in an attempt to encourage increased coverage of such themes- PTI developed, financed and implemented a practical training course for journalists using PTI staff and expert local and international consultants. The course- directed at investigative journalists from across the national mass media in Guatemala- takes place between February and July and is recognized and credentialed through the University of San Carlos' School of Communications. The course focused on specific themes such as campaign finance and impunity, as well as providing reliable sources of data regarding corruption. At the end of the cycle, journalists were expected to use their new knowledge to develop articles or other media productions related to corruption and transparency in Guatemala. The methodology utilized included an hour of classroom training, followed by questions, answers and discussion. Complementary reading materials were also provided.

One of the key characteristics of the training was that presenters/consultants- many of them key figures in Guatemala- were provided a space to discuss relevant topics "off the record", ensuring that they could speak freely without worrying that their observations would end up on the front page. Following the sessions, participants were encouraged to follow-up with the presenters about themes they were interested in developing into media pieces. At that point the presenters/consultants were free to speak off-the-record, on-the-record, or refer journalist participants to additional information regarding their stories of interest. This process itself was highly practical, increasing journalists' skills and knowledge through hands-on practice.

PTI established alliances with multiple organizations- including The International Commission Against Impunity in Guatemala (CICIG), UNDP, the UN High Commissioner for Human Rights (UNHCR), National Democratic Institute (NDI), Center for Guatemalan Studies (CEG), and the Guatemalan Institute for Comparative Studies in Penal Law (ICCPG) in order to leverage funding for international consultants and increase impact in the process.

A total of 19 journalists from 9 communications media including the national dailies Siglo XXI, Nuestro Diario, Al Día; television programs Plaza Pública, Guatevisión, T13 Noticias, and radio programs Radio TGW, Radio Universidad and Radio Punto. As a result of the training, participant journalists have developed multiple media pieces regarding corruption and transparency.

LLR 2.1.2 – Private sector more active and committed with the fight against corruption.

Indicator: Number of Activities carried out in alliance with Private Sector entities that promote GoG transparency.

Baseline Value	Y2 FY11 (Oct 2010 - July 2011)		VARIANCE	DEFINITION/COMMENTS
	Baseline YR	Target	Actual	
0 (2009)	3	2	0	<p>DEFINITION:</p> <p>"Private sector" refers to firms, chambers and/or other groups of the corporate sector whose ownership is private and whose shares may not be offered for public subscription. The private sector is that part of the economy which is both run for private profit and is not controlled by the state. Activities are defined as a specific action, function, or sphere of action.</p> <p>COMMENTS:</p>

1) Program for Transparency in Fiscal and Monetary Policy in Guatemala

Through its activities to support improved fiscal and monetary policy in Guatemala, FUNDESA supports an improved environment for the Guatemalan private sector to grow. As discussed above under social auditing, FUNDESA coordinated multiple meetings and workshops with government authorities, journalists and experts to present Guatemala's score on the eSF index and generate dialogue regarding measures for improving Guatemala's performance on the index as a means to improving the environment for private investment.

2) Defining Corruption Indicators affecting micro, small and medium enterprises

As mentioned under social auditing activities above, PTI supported FUNDES to define the key vulnerabilities of MIPYMES, develop a manual highlighting key anticorruption practices and train MIPYMES in key anti-corruption practices. Given the fundamental role of MIPYMES in Guatemala's economy and employment generation- as well as the detrimental impacts of corruption on MIPYMES ability to grow and flourish- these activities will strengthen MIPYMES, making the less vulnerable to corruption, while increasing profits and reducing losses.

LLR 2.1.3 – Mass media publishes high quality information to control corruption and promote accountability.

Indicator: Number of articles / media productions published as result of journalists / media training activities.

Baseline Value	Y1 FY11 (Oct 2010 – July 2011)		VARIANCE	DEFINITION/COMMENTS
Baseline YR	Target	Actual	Y2	
0 (2009)	12	16	+4	<p>DEFINITION: A media/news production on transparency and/or anticorruption is a piece presented in a print, Internet or other mass media such as newspaper, newsletter, news magazine, radio, TV, etc. Training refers to the acquisition of knowledge, skills, and competencies as a result of the teaching of vocational or practical skills and knowledge that relates to specific useful skills.</p> <p>COMMENTS: Published media productions to be counted are those resulting from Project direct intervention (journalist/media training activities).</p>

1) Media Publications resulting from training for Journalists in Transparency and Anticorruption themes [12 newspaper articles, 4 radio/television programs]

Through the training discussed above under LLR2.1.1, participant journalists were required to present a report or media production regarding a corruption or transparency-related topic in order to receive their diploma from the University of San Carlos School of Communications. This training cycle achieved two key objectives: (1) to improve the investigative journalism capacity of the mass media journalists in Guatemala in themes related to corruption; and (2) to ensure that the public has access to information regarding corruption (or suspected corruption) cases and their effects in Guatemalan society. Under the second objective of the training course the following articles and media productions were completed:

Mass Media	Journalist	Date	Title and Contents
NEWSPAPERS			
Siglo 21	Suseth Casasola	26 Feb 2011	Corrupción: País incumple 12 de los 19 compromisos Front page story explaining Guatemala's poor performance on the OAS Convention Against Corruption.
Siglo 21	Byron Vasquez	28 Feb 2011	Jurista: Acusados de corrupción deben devolver fondos Piece in the "National" section regarding the need for guilty verdicts to be accompanied with a return of stolen goods/money. Uses Interview with international consultant Ricardo Gil Lavedra as the basis
Nuestro Diario	Emilio Pacheco	15 Mar 2011	Nunca hubo ningún informe This and the following two articles are series regarding corruption in a cooperative in Huehuetenango, including the theft of approximately \$10M, stories of the victims and an interview with the person responsible for overseeing the activity of cooperatives.
Nuestro Diario	Emilio Pacheco	16 Mar 2011	Historias de los afectados Experts demand control over cooperative members
Nuestro Diario	Emilio Pacheco	17 Mar 2011	Interview with Susan Rojas, supervisor of the Intendencia de Verificación Especial (IVE).

Nuestro Diario	Claudia Vasquez	17 Dec 2010	Urgen contra impunidad. Afirman en foro que la unidad es vital National story regarding the public forum "The battle against corruption: Latin American Experiences", emphasizing that unity across sectors is vital in the fight against corruption.
Prensa Libre	Marielos Monson	21 Dec 2010	Vencer la Impunidad Opinion column addressing the main concerns from the public forum "The battle against corruption: Latin American Experiences"
La Nación, Costa Rica	Francisco D'Allanese	28 Dec 2010	Impunity- Columna del Comisionado del CICIG Opinion column by the CICIG Commissioner addressing the main concerns from the public forum "The battle against corruption: Latin American Experiences"
Diario de Centroamérica	Irene Yague	7 Jan 2011	Rafael Michelini: "El tema no es quejarse de que Guatemala es injusta. El temas es qué estamos haciendo para que mañana sea menos injusta de lo que es hoy" Interview regarding the need to work for transparency and application of justice in Guatemala
La Hora	Ricardo Marroquín	15 Feb 2011	La apuesta por la Democracia Opinion column regarding the need to defend democracy through justice system strengthening and fighting against impunity / corruption
Prensa Libre	Marielos Monson	22 Feb 2011	Del respaldo al sabotaje Opinion column addressing the main concerns from the public forum "The battle against corruption: Latin American Experiences"
Diario de Centroamérica	Maby Lopez	16 Feb 2011	Aconsejan crear un órgano anticorrupción en el país National news note about the decalaration of an Argentine specialist about the need to create an anticorruption body, preventive measures, reducing discretionary acts and penalizing offenders
RADIO AND TELEVISION			
Canal Antigua, Noticiero 8:45	Juan Luis Font	14 Dec 2010	Senador Uruguayo dicta conferencia con el propósito que proceso electoral sea transparente TV news regarding news conference with Uruguayan Senator Rafael Michelini regarding transparency and campaign finance.
Canal Antigua, Noticiero 8:45	Juan Luis Font	14 Dec 2010	Financiamiento de la política, grupos de poder y transparencia Interview with Uruguayan Senator regarding campaign finance reform
T13 Noticias Canal 13 TV	Allan Martinez	18 Dec 2010	Entrevista a senador Rafael Michelini: "La Transparencia" Interview regarding causes and consequences of poor campaign finance control.
Guatevisión	Haroldo Sánchez	23 Dec 2010	Entrevista a senador uruguayo, Rafael Michelini: Lucha por la Transparencia y contra la Impunidad Interview regarding corruption and impunity in the Latin America region

SUB IR 2.2

Key Executive Branch Institutions with increased capacity to oversee and implement anti-corruption measures.

Indicator: Number of USG-supported anti-corruption measures implemented by the Executive Branch (USG FACTS – GJD 2.4 “F” List indicator / Disaggregated).

Baseline Value	Y2 FY11 (Oct 2010 - July 2011)		VARIANCE	DEFINITION/COMMENTS
Baseline YR	Target	Actual	Y2	
0 (2009)	3	4	+1	<p>DEFINITION:</p> <p>Anticorruption measures may include new laws, regulations, procedures, consultative mechanisms, oversight mechanisms, investigative/prosecutorial initiatives, public information initiatives, civil society initiatives, and other measures taken -in any sector- with the objective of increasing transparency about public decision making, conflicts of interest, resource allocation, etc; decreasing impunity for corrupt acts; increasing demand for reform or awareness of the problem; increasing knowledge about corruption and its costs; and reducing opportunities for corruption.</p> <p>Only anticorruption measures implemented in the Executive Branch will be counted.</p> <p>COMMENTS:</p> <p>Disaggregation of USG FACTS - GJD 2.4 "F" List Indicator.</p>

1) Archive manual for the Guatemalan Office of the Vice Presidency

Since the passage of the Law on Access to Information (LAIP), state institutions have an increased need to properly order and manage institutional archives to facilitate effective response to requests for information. The Commission for Transparency and the Fight Against Corruption requested support from TPI to strengthen its archives. In September 2010, PTI hired the consultant Ana Elisa Corado Guzmán to support the development, design, management and organization of a new archive system for the Office of the Vice President through the development of an archive manual.

The first step in the process was the completion of a capacity assessment to identify existing strengths and gaps. The assessment identified three key issues: (1) Archive personnel is not adequately trained to perform their functions; (2) the Central Archive Unit, while a formal institution within the Vice President’s Office, does not have the basic instruments to effectively function; and 3) there is inadequate physical space to archive physical support documents generated by the administrative units of the Vice President’s Office.

Using the results of the assessment, the consultant developed a draft of an archive manual (Manual de Organización y Funciones del Archivo de la Vicepresidencia de la República de Guatemala) with four key objectives: 1) provide administrative units in the Office of the Vice President a clear conceptual framework for understanding the importance of well-managed archives; 2) provide clear guidance for VP staff regarding appropriate data and information management protocols; 3) establish a clear organizational structure in the VP archives to ensure appropriate controls and management; 4) establish clear mission, vision and operational objectives for the archives. To guarantee

effective use of the protocols, PTI organized a training session using the new manual. In total 22 public officials participated in this training session. At the same time, once the manual establishes clear guidelines, the assumption is that this will create pressure on the Vice President's Office to provide sufficient space for the archive. PTI will follow up on the need for physical space through its work with the UAIs, which works closely with the archive office.

2) Manual for the Open Wolf Program

In order to facilitate electronic requests for information within the context of the LAIP, the Commission for Transparency and the Fight Against Corruption, the Guatemalan Community for Free Software, the Ministry of Economy, the Guatemalan Technical Institute for Training and Productivity (INTECAP) and the Director General of Training for the Office of Municipal Development (INFOM) began the process of developing a Workflow On Line Facility (Open Wolf) to automate and facilitate citizen access to information while protecting the personal data of the person requesting information. Although the Open Wolf system was developed in FY10 and operational early in FY11, there was no manual to support its effective use. As a result, PTI supported the development of the Open Wolf Users' Manual to support effective rollout of the system as part of PTI's Plan for Strengthening Access to Information Units.

PTI hired the Guatemalan consulting firm Rojo y Azul Global, S.A to develop the manual, which was delivered to the Commission for Transparency and the Fight Against Corruption on July 28, 2011 for use in staff training and orientation to the system. Although Open Wolf is not an obligatory system, it has been adopted by 14 Access to Information Units and has proven to facilitate their work significantly.

3) Procedure manuals for Access to Information Units

As a result of the passage and application of the LAIP, the GoG has been obliged to create new institutional structures to promote transparency in public management. One of these new norms is the creation of Public Information Units (UAI) that serve as contact point between citizens and state institutions supporting and guaranteeing access to public information. As part of its ongoing Plan for Strengthening the UAI PTI conducted a capacity assessment to identify strengths and gaps within the existing units. One of the most significant gaps identified was the lack of a clear user manual for UAI staff regarding appropriate protocols to effectively manage requests for information. The lack of this manual creates several challenges, including: (1) it violates a key norm from the Comptroller General's Office regarding the need for clear procedural and process manuals; and (2) not having a manual facilitates discretionary actions by public employees, decreasing transparency and increasing the potential for corruption. As a result of this finding, PTI hired the Guatemalan consulting firm Rojo y Azul Global, S.A to develop a UAI Users' Manual to describe the process and activities that should be completed by public employees within the UAI to comply with the LAIP. The introduction of the Users' Manual will help standardize processes across the UAI and increase transparency in UAI operations. Once the manual was completed, 22 UAI were invited to participate in training based on the Users' Manual. Of these, 19 participated.

4) Training program for UAIs

State institutions need ongoing training in order to effectively implement transparency measures. The LAIP in its article 51 obliges public institutions to establish ongoing training programs for relevant staff through courses, workshops and training sessions. To support this process, PTI conducted a capacity assessment (mentioned above) One of the primary gaps identified was the lack of a training program within the UAIs. As a result, PTI signed an agreement with the Center for National Economic Studies (CIEN) for the creation and implementation of a training program consisting of five key modules: 1) Administrative transparency and anticorruption efforts; 2) Application of the LAIP; 3) Exceptions to Access to Public Information; 4)

Office of the Ombudsman for Human Rights
Office of the Vice Presidency
SEGEPLAN
State Secretariat for Intelligence
Supreme Electoral Tribunal (TSE)
Ministry of the Interior
Ministry of Economy
Judicial Branch
Secretariat of Agrarian Affairs
National Council on Adoptions
Ministry of Energy and Mining
Ministry of National Defense
Ministry of External Relations
Institute for Public Defense
Ministry of Culture and Sport
Ministry of Communications, Infrastructure and Housing
Ministry of Public Finance
Secretariat for Social Welfare
Secretariat for Food Security and Nutrition

Application of Habeas Data; and 5) Archive Access and Management. Training was provided to 40 public employees from across the 19 UAIs in early July. As part of their commitment, the UAI employees agreed to replicate the training program to other staff members within their UAIs. The UAIs that participated in the training program can be seen in the table above right.

LLR 2.2.1 – Freedom of Information Law widely disseminated and implemented by the Executive Branch and other national institutions.

Indicator: Access to Information Index in the Executive Branch

Baseline Value	Y2 FY11 (Oct 2010 - July 2011)		VARIANCE	DEFINITION/COMMENTS
	Baseline YR	Target	Actual	
.52 (2008)	NA	NA	NA	<p>DEFINITION:</p> <p>Access of Information Index measures degree of compliance of Access to Information Law by Executive Branch Institutions in Guatemala. Universe of this study involve 38 institutions that compose the Executive Branch. Methodology for the development of Access to Information Index involves the evaluation of six main areas. This evaluation will measure compliance with the law regarding the information to be made public on the internet and/or to have readily accessible in Access Information Units, and the information to be made available upon public request. The six main areas of are: 1) Transparency obligations, specifically the publicity of information required to be presented through institutional web page (articles 10 and 11); 2) General dispositions, specifically regarding the update of information (article 7); 3) Access to Information Units existence and operation (articles 19 and 20); 4) Performance in responding Access to Information Requests, and information delivery (articles 18, 20, 25, 26, 38, 39, 40, 41, 42, 43 y 44); 5) Compliance and Quality of Reports to be presented before the Ombudsman Office (article 48); and 6) Implementation of Training programs (article 51). The Unit of Measure: Score that ranges from 0 to 1, where one reflects the highest degree of compliance.</p> <p>COMMENTS:</p> <p>The Access to Information Index for the Executive Branch in Guatemala is carried out bi annually.</p>

This indicator will be reported in FY12 once the index has been reviewed and administered again.

Indicator: Number of UAIs receiving technical assistance from the Project.

Baseline Value	Y1 FY11 (Oct 2010 - Sept 2011)		VARIANCE	DEFINITION/COMMENTS
	Baseline YR	Target	Actual	
0 (2009)	6	19	+13	<p>DEFINITION: Access to Information Units (UAI) are formal offices specifically constituted for the implementation of FOIL in each public institution. This indicator refers to the number of UAI agencies that have received technical assistance and/or training provided by the Project. "Technical Assistance" is defined as a relationship in work or education settings in which an expert with specific technical/content knowledge provides information to address an identified need. Specific goals are designed to utilize recognized 'best practices' by organizations or individuals seeking answers to specific questions. Technical Assistance is customized to meet the needs of the client, and offers solutions to a specific identified challenge.</p> <p>COMMENTS:</p>

1) Capacity building for Executive Branch UAIs [19]

To strengthen the UAIs, in May PTI organized a meeting with representatives of each unit to complete a participatory capacity assessment (described above) of physical infrastructure; administration and human resources; and information management performance. This capacity assessment was used to develop the UAI Strengthening Plan, focused on the following deliverables: 1) Development of a UAI User's Manual; 2) Development of the Open Wolf User's Manual; and 3) Development and delivery of training modules for UAIs. As mentioned earlier, these products were developed through contracts with Guatemalan consulting firm Rojo y Azul Global S.A. and a subcontract with the CIEN. PTI currently implements the UAI Strengthening Plan with 19 UAI.

In the next reporting period PTI will continue supporting the UAIs through capacity strengthening activities to ensure application of LAIP. PTI will also ensure validation and institutionalization/adoption of the newly developed manuals. At the same time- in line with one of the recommendations of Rojo y Azul Global S.A., the project will support the development and distribution of LAIP CD with an easy-to-use interactive menu to facilitate navigation of and understanding of the law and its application.

LLR 2.2.2 – A National Anti-corruption Body created and functioning.

Indicator: Law initiative for the creation of a National Anti-corruption Body.

Baseline Value	Y2 FY11 (Oct 2010 - July 2011)		VARIANCE	DEFINITION/COMMENTS
Baseline YR	Target	Actual	Y1	
No (2009)	YES			<p>DEFINITION:</p> <p>Development of Legal framework by which a national anticorruption body of Guatemala is proposed to be created. This anticorruption body is expected to replicate the Secretary of the Public Function in Mexico model. Legal framework proposal will be in the form of a Law to be approved by Congress.</p> <p>COMMENTS:</p> <p>The Transparency and Integrity Project will provide technical assistance to GoG Commission for Transparency and against Corruption under the responsibility of the Vice President in the development of the legal framework proposal by which a national anticorruption body is created.</p>

This indicator has been modified to more accurately reflect the country and program context and will not be reported in this period. The new indicator will be reported in FY12.

LLR 2.2.3 – International Anticorruption Treaties disseminated and implemented by GoG strengthened.

Indicator: Number of recommendations of the IACC Committee of Experts addressed by the GoG

Baseline Value	Y2 FY11 (Oct 2010 - July 2011)		VARIANCE	DEFINITION/COMMENTS
Baseline YR	Target	Actual	Y1	
				<p>DEFINITION:</p> <p>The Committee of Experts recommendations are limited to only a few of the areas covered by the IACC. Recommendations are intended to improve specific areas identified as a weakness of IACC compliance. Recommendations addressed are those that have been undertaken or are in process of being implemented by the GoG.</p> <p>In September 2005, the OAS Committee of Experts identified 15 recommendations for Guatemala in connection with the first round of implementation of the Inter-American Convention against Corruption.</p> <p>More recently, in June 2008 the OAS Committee of Experts on the Inter-American Convention against Corruption issued a second set of recommendations, adding 11 new recommendations to the 15 preexisting ones, 26 in total.</p> <p>COMMENTS:</p> <p>A new set of recommendations is expected as outcome of the third round evaluation.</p>

This indicator will be reported in the annual M&E report.

Indicator: Number of Government Officials receiving Project supported anti-corruption training, specifically related to areas of intervention derived from International Anti-corruption Treaties.

Baseline Value	Y1 FY11 (Oct 2010 - July 2011)		VARIANCE	DEFINITION/COMMENTS
	Baseline YR	Target	Actual	
0 (2009)	75 30W/45M	90 26W/64M	+15 -4W/+19M	<p>DEFINITION:</p> <p>Persons must be from government. Training refers to all training or education events, whether short-term or long-term, in country or abroad. Data will be Disaggregated by Gender.</p> <p>COMMENTS:</p> <p>Anti-corruption conventions and instruments are of key importance. These texts, agreed by governments, recognize corruption as a worldwide and cross-border problem, and express a high-level political commitment to address the problem collectively. The conventions/instruments establish rules and standards (many of them binding) that promote domestic action and facilitate international cooperation. Many of them adopt a comprehensive approach to corruption, calling for a wide range of measures to prevent it, measures to punish it when it occurs, measures to check corruption-related money laundering and facilitate the return of assets acquired through corrupt means; and measures to provide assistance to countries where required. The most comprehensive of them is also the most recent, the landmark United Nations Convention against Corruption (UNCAC) from 2003, global in its reach and with the most extensive approach to addressing the corruption problem.</p>

1) Government Officials trained on International Anticorruption Treaties [51 officials trained: 36 male, 15 female]

Guatemala is committed- through the Inter-American Convention Against Corruption (IACAC) and the United Nations Convention Against Corruption (UNCAC)- to adopt the necessary measures to combat corruption and increase transparency in public administration. One of these commitments is to increase public access to state information. The Planning and Programming Secretariat of the President's Office (SEGEPLAN)- responsible for the UAI in the President's Office- requested PTI support to train UAI staff as part of its commitment to the IACAC and UNCAC. Training was conducted in Guatemala in February; subsequently, in June, the same training was provided for SEGEPLAN staff in the departments of Totonicapán, Quiché, Jutiapa, Quetzaltenango, Chiquimula, Petén, Zacapa, Retalhuleu, Huehuetenango, Alta Verapaz, Izabal, Jalapa, San Marcos, Chimaltenango, El Progreso, Santa Rosa, Sololá, Sacatepéquez, Escuintla y Baja Verapaz.



The objectives of the training were: 1) to increase knowledge among UAI staff of the IACAC and the UNCAC; 2) to increase knowledge and understanding of the Law on Access to Information; and 3) to increase utilization of SEGEPLAN's information management tool, MANTIS. Responsibility for training was shared between PTI's Transparency Specialist, the Executive Secretary of the Commission for Transparency and Against Corruption and the chief of SEGEPLAN's UAI. As the graphic on the left shows, participants in the training

increased their knowledge by 56 percent.

This training was particularly important for SEGEPLAN staff in remote areas such as Santa Cruz Barillas, Huehuetenango, Ixcán, Quiché and Petén, since they had never received any previous training regarding transparency or access to information. During the rest of FY11 and into FY12, PTI will conduct monitoring and follow-up visits to ensure replication of the training modules to staff that were not present in the trainings.

2) Training for Public employees from the TSE on the IACAC/UNCAC and the Law Against Money and Asset Laundering [39 public servants trained: 11 female, 28 male]

The Supreme Electoral Tribunal (TSE) was established in 1985 and is responsible for organizing and administering elections in Guatemala. Given their role as the guarantors of democratic processes in Guatemala, PTI worked closely with the TSE to organize training for TSE staff regarding the role of public employees in the application of the IACAC and UNCAC as well as the Law Against Money and Asset Laundering. PTI developed the training program and hired an expert in Money and Asset Laundering to present the information to 39 TSE authorities, technical and administrative staff, including staff from the Inspector General's Unit, Planning, Internal Audit, the General Secretary's Office, the Finance Office, Citizen's Registry and a magistrate from the TSE. The training lasted three hours and included presentations by Alvaro Ferrandino, PTI's Chief of Party, as well as Gabriel Gómez, Magistrate of the Supreme Court of Justice. In addition, participants had the opportunity to ask questions and clarify concepts. At the end of the training participants were expected to be able to:

- Identify Guatemala's commitments to the IACAC and UNCAC;
- Identify preventive measures established in the UNCAC;
- Describe the action promoted in the UNCAC to effectively and efficiently prevent and combat corruption;
- Describe key concepts related to corruption such as influence trafficking, blackmail, bribery, conflicts of interest, nepotism and illicit enrichment;
- Identify the relevant Guatemalan legal frameworks to combat money and asset laundering; and
- Identify the institutions and individuals responsible for applying the law against money and asset laundering.

LLR 2.2.4 – Mechanisms to pursue allegations of corruption established and working in key GoG institutions.

Indicator: Number of existing mechanisms (units) that pursue administrative felonies and allegations of corruption that receive Project technical assistance.

Baseline Value	Y2 FY11 (Oct 2010 - July 2011)		VARIANCE	DEFINITION/COMMENTS
	Baseline YR	Target	Actual	
0 (2009)	3	5	+2	<p>DEFINITION:</p> <p>A "mechanism that pursues administrative felonies, and allegations of corruption" is a process undertaken- through its completion- to investigate and/or process administrative felonies and corruption allegations. The indicator refers to existing mechanisms adopted in institutions of the Executive Branch that are to be supported by the Project.</p> <p>COMMENTS:</p> <p>Projects intervention will be limited to strengthening existing mechanisms (units), new mechanisms (units) are not expected to be created.</p>

1) Study regarding the number of units/mechanisms that receive and follow-up on corruption allegations [5 existing mechanisms/units]

In September 2010, PTI hired the consultants María Isabel Bonilla y Ruth Hernández, to develop a diagnostic study of the Units that receive and follow-up on alleged corruption cases in the Executive Branch and its corresponding offices. The diagnostic identified five units within the Executive that currently do so including: 1) the Interior Ministry; 2) the Ministry of Finance; 3) the Ministry of Education; 4) the Ministry of Communications, Infrastructure and Housing; and 5) the Secretariat for Executive Coordination of the President's Office. The study also identified weaknesses in the way that these offices handle alleged corruption cases. In particular, none of the offices currently has a "clearinghouse" or other unit responsible for filing, classifying and processing cases (including identifying valid cases and discarding those without foundation).

To strengthen these areas the consultants recommended three principle activities: 1) training and consciousness-raising so that citizens can differentiate between acts of corruption and bad service (there have been reported cases of corruption that have actually turned out to be complaints regarding the quality of service provision); 2) training for staff of the identified units to effectively receive, process and follow-up on alleged cases/complaints; and 3) establishment of a single central entity responsible for prevention and sanctioning corruption with clear responsibilities and capacity to support increased transparency and disincentives to corruption.

In the following reporting period PTI will provide training to authorities from the existing units in the reception, classification and processing of complaints/alleged corruption cases and provide a manual to support these functions.

SUB IR 2.3

A more active role of Key Oversight Entities promoted.

Indicator: Number of USG-supported anti-corruption measures implemented by Key Oversight Entities (USG FACTS – GJD 2.4 “F” List indicator / Disaggregated).

Baseline Value	Y2 FY11 (Oct 2010 - July 2011)		VARIANCE	DEFINITION/COMMENTS
	Baseline YR	Target	Actual	
				DEFINITION: Anticorruption measures may include new laws, regulations, procedures, consultative mechanisms, oversight mechanisms, investigative/prosecutorial initiative, public information initiatives, civil society initiatives, and other measures taken (in any sector) with the objective of increasing transparency about public decision making, conflicts of interest, resource allocation, etc; decreasing impunity for corrupt acts; increasing demand for reform or awareness of the problem; increasing knowledge about corruption and its costs; and reducing opportunities for corruption. Only refers to anticorruption measures implemented in the Key Oversight Entities.
				COMMENTS: Disaggregation of USG FACTS - GJD 2.4 "F" List Indicator.

1) Bilateral Agreement between the Comptroller General's Office and the Public Ministry (MP)

Given the allegations on the part of social organizations and communications media against the previous Comptroller General, PTI provided a subgrant to MPJ to monitor the election process for the new Comptroller. When the new Comptroller, Nora Segura de Delcompare, was elected and took on the position, PTI began to meet with her to gauge her interest in Project technical support. During that process, she expressed the need to establish improvement in the inter-institutional relationship between the Comptroller General's Office and the Public Ministry. To support her request, PTI facilitated a meeting between the Attorney General, Doctor Claudia Paz y Paz, and the Comptroller and their respective advisors to begin dialogue and lay the foundation for shared interventions. Both agency representatives recognized the need to establish permanent coordination and communication mechanisms. As a result, PTI supported a series of meetings to develop clear and efficient communications protocols. On March 24, 2011, the Comptroller General's Office and the Public Ministry publicly signed a bilateral agreement to support the application of the law and promote transparency and the fight against corruption. In particular, the agreement establishes a protocol through which the results of (forensic) audits conducted by the Comptroller's Office can be transmitted to the Public Ministry for criminal investigation and eventual processing of identified cases of corruption.

2) Law Reform 43-23 for the Organic Law of the Legislative Branch for the Nominal Electronic Vote

In Guatemala, Congressional votes have traditionally been private, with a simple show of hands, undermining the democratic process by legitimizing secrecy in the legislative process. To support increased transparency, PTI worked with Congressional leaders and civil society to advocate for legal reforms introducing an electronic- and fully transparent- voting process in the National Congress. PTI provided financial support for multiple roundtable

discussions and public fora to encourage discussion and refinement to the proposed measure and to encourage public opinion regarding the reform. The legislative process regarding this reform was highly publicized, increasing visibility and public awareness, and thus exerting pressure on Congress to act decisively. The process of selection of magistrates to the CC was an important opportunity for PTI to leverage project resources to achieve greater impact since MPJ also advocated for open voting as part of their overall strategy to increase transparency in the selection of magistrates to the CC. It is also important to note that the current election cycle was an important factor in the approval of the measure; in an election year very few potential candidates want to appear as working against increased transparency. The position of the Congressional Commission for Transparency was strengthened through the passage of this law because it was one of the only congressional commissions to achieve passage of important legislation during the legislative period.

LLR 2.3.1 – Regulatory framework and ad hoc legislation to combat corruption is promoted by the Congress in performing its oversight role.

Indicator: Number of transparency / anticorruption bills promoted by Congress receiving Project assistance.

Baseline Value	Y2 FY11 (Oct 2010 - July 2011)		VARIANCE	DEFINITION/COMMENTS
	Baseline YR	Target	Actual	
1 (2009)	4	4	0	<p>DEFINITION: "Bill" is a draft of a legislative proposal, which, when it has been passed by the Legislative Assembly becomes law.</p> <p>COMMENTS: The Project expects to support Congress in the "promotion" of transparency / anticorruption bills. "Promotion" activities are all of which urge the adoption of the abovementioned bills.</p>

1) Promotion of transparency and anticorruption legislation [4 bills]

PTI provided CEG with a donation to promote multiple anticorruption and transparency bills through advocacy and technical assistance, including a study of the political and legislative landscape; political mapping; meetings with the President of the Congressional Commission for Transparency (charged with promoting and advancing transparency and anticorruption bills in Congress); roundtable discussions to bring relevant stakeholders together to discuss and finalize technical inputs for bills; and public forums. Through these activities PTI promoted 4 key anticorruption bills through the sub agreement with CEG.

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b) Promotion of bill 4094: the Law on Public Trust Funds

Trust funds are a relatively unregulated financial instrument in Guatemala, often used to circumvent established controls for the use of public funds. By opening a trust fund- which requires only the signature of a representative of the interested party, a representative of the bank, and an auditor in order to move funds- state entities have sought to increase “agility” in contracting processes, ultimately evading standard procurement and purchasing processes and enabling corruption. Based on GoG procurement standards there are clear checks and balances to ensure transparency in the award and management of state contracts. By establishing and using trust funds these controls are avoided, facilitating significant corruption, including contracts awarded to family members of public officials. In order to close this large loophole in the law, PTI supported the promotion of the bill for the Law on Public Trust Funds (Bill 4094) to better regulate the use of public trust funds and to ensure that expenditure derived from them adheres to GoG procurement standards. Because trust funds are a useful mechanism for facilitating expenditure for time-sensitive government activities and programs- such as in health- Bill 4094 seeks to improve regulation and adherence to existing norms rather than eliminate trust funds as a vehicle for public finance. Trust funds are a useful mechanism to ensure that time-sensitive bilateral or multilateral donations such as money from the Global Fund are available within a reasonable timeframe (rather than requiring that they pass through the cumbersome and time-consuming central government budget). Nonetheless, with this proposed reform the money within any state-established trust funds is still subject to GoG procurement rules, eliminating or reducing significantly the chances of misuse.

PTI provided funding and technical accompaniment for three stakeholder roundtables to support discussion and refinement of the proposal. Bill 4094, which originally included 117 articles, was presented to the Congressional Commissions for Finance and Currency and Economy and Foreign Commerce for their review and approval in 2009 and has not moved forward since. The Ministry of Public Finance and SEGEPLAN have reviewed and provided their feedback on the bill for incorporation into the bill. At the same time, since the introduction of the original version of the bill Rosa María de Frade has presented a new version that includes additional provisions. These two bills- along with the observations received- now need to be discussed, combined and refined and then reviewed and approved by the relevant commissions before moving forward to a vote, representing a long process ahead. Given the current electoral cycle and subsequent changes in Congress and other institutions there is likely to be very little movement on the bill over the next several months.

c) Bill 4182- Reforms to the law of the Executive Branch; Organic Law on Budget; Law on Development NGOs; and the Law on State Contracts

This group of laws seeks to regulate the use of NGOs as a means of circumventing established standards for managing public funds. NGOs, like public trust funds, have frequently been established in Guatemala as way to channel money for seemingly legitimate state activities into corrupt acts, such as providing business opportunities to family members, friends or phantom companies. In order to close legal loopholes and avoid contradictions in the law, all relevant laws need to be modified. As a result PTI has supported reforms to four key laws, all of which regulate NGOs. PTI provided financial support and accompaniment for over 20 roundtable work groups, bringing together

actors from across the legislative aisle and across sectors (including health, education and infrastructure) to incorporate their feedback into the final working legislative reform proposals, strengthening them and making them more viable. As a result of the participation of multiple actors, the reforms now also include a proposal to improve information sharing systems across government agencies to ensure that multiple state agencies do not execute the same activities (e.g. public officials in XX municipality decide to build a bridge already constructed by the national government in order to channel the money destined from that project into their own pockets). This proposal seeks to link information systems between key agencies of the GoG, including SEGEPLAN, the Ministry of Finance and the National Tax Agency (SAT).

The original bill was introduced to the Congressional plenary in March 2010 and has passed through several stages of review and discussion, including the roundtables mentioned above as well as review by the Congressional Finance and Currency Commission and the NGO and Cooperation Commission. Rosa Maria de Frade has developed a new version of the bill incorporating discussions and feedback from the various roundtables mentioned above. It is unlikely that the process will move forward over the next several months as a result of the upcoming elections and subsequent change in government.

d) Introduction of “illegal enrichment and connected crimes” into the Guatemalan Penal Code

Given the ubiquitous nature of corruption in Guatemala and high-profile cases such as that of Portillo, this timely reform seeks to comply with the UNCAC/IACAC and typify illegal “enrichment and connected crimes” within the Guatemalan penal code. This reform would create stiff penalties for illicit enrichment, including the misuse of public funds or assets for personal gain. PTI provided financial and technical support for a dozen roundtable discussions, meetings and working groups to gather feedback from key congressional figures as well as public officials from the Comptroller General’s Office and the Public Ministry as well as key international actors including the CICIG and the US Embassy. PTI also paid for two radio publicity spots to create public pressure on Congress to discuss and subsequently pass the law.

When efforts to establish this reform first began, three different bills were presented before Congress by distinct legislative blocks. These were ultimately combined, refined and presented before (and approved by) the relevant Congressional Commissions in 2008. As part of its support, PTI proposed further modifications to the bill. All legislative blocks as well as civil society, CICIG and the US Embassy in Guatemala have supported these modifications and provided additional feedback not move forward substantially over the next several months as a result of elections and the subsequent change in government.

LLR 2.3.2 – Mechanisms to pursue corruption cases are established and functioning in the Anticorruption Unit of the Attorney General Office.

Indicator: Number of executed arrest warrants in corruption related cases increases.

Baseline Value	Y2 FY11 (Oct 2010 - July 2011)		VARIANCE	DEFINITION/COMMENTS
Baseline YR	Target	Actual	Y2	
15 (2009)	22			<p>DEFINITION: A warrant for arrest is typically issued by a judge after a request by the police or other law enforcement agency. Arrest warrants must include evidence of probable cause that a specific crime was committed by a specific person. Increment in executed arrest warrants is directly proportional to effective criminal investigation.</p> <p>COMMENTS: FY2011 will be 2 months shorter. Rate of apprehension will increase from 1.7 per month in FY 2010 to 2 per month in FY2011. The Transparency and Integrity Project expects to strengthen the Anticorruption Unit capacity by providing targeted technical assistance, training programs, and promoting institutional development and interinstitutional (multi agency) coordination mechanisms.</p>

This indicator will be reported in the Annual M&E report.

LLR 2.3.3 – Comptroller General Improves its performance in selected areas of intervention.

Indicator: The new elected Comptroller General adopts a work plan as result of project intervention that includes an operational transparency / anticorruption component.

Baseline Value	Y2 FY11 (Oct 2010 – July 2011)		VARIANCE	DEFINITION/COMMENTS
Baseline YR	Target	Actual	Y2	
0 (2009)	1	0	-1	<p>DEFINITION: A "work plan" is a strategic management tool used to improve performance by outlining direction, priorities, and resources by the Office of the Comptroller General to implement a series of activities. The work plan must include an "operational" component of transparency and anticorruption measures to be undertaken. "Operational" refers to specific and quantifiable actions for which resources- material, personnel, work space, etc- are allocated.</p> <p>COMMENTS: The Comptroller General Election Process begins four months before the new elected Comptroller General takes office in October 2010. During this period of time, the Project will support Civil Society Organizations to advocate for the development of a Transparency component/section to be included into the work plan of whichever candidate becomes the Comptroller General.</p>

The majority of PTIs efforts focused on supporting CSOs to audit the process of election of the new Comptroller General and improving coordination between the Comptroller General Office and the Public Ministry. These efforts- combined with the large workload of the Comptroller's Office this year in preparation for elections- impeded progress on this indicator. For FY12 this indicator has been modified to more accurately reflect the context and operating environment in Guatemala.

SUB IR 2.4

A more transparent political party financing system established and working.

Indicator: Number of Electoral Audit Mechanisms strengthened as result of project intervention.

Baseline Value	Y2 FY11 (Oct 2010 - July 2011)		VARIANCE	DEFINITION/COMMENTS
Baseline YR	Target	Actual	Y2	
10 (2009)	2	2	0	<p>DEFINITION:</p> <p>The word "audit" is derived from the Latin <i>auditus</i> (hearing) and is defined by the Oxford English Dictionary as an "official examination of accounts with verification by reference to witnesses and vouchers. To make an official systematic examination of (accounts) so as to ascertain their accuracy." From the earliest citations until the present epoch there is a close relationship between the concepts of audit, accountability, accounting, and accuracy. An "audit mechanism" is a process undertaken- through its completion for the systematic examination of data as to ascertain its accuracy. An "audit mechanism" may be manual or electronic.</p> <p>COMMENTS:</p>

1) Improvement of TSE electoral auditing functions

PTI hired a consultant (Mario Chavez) to develop an Operations Manual for the TSE Internal Mail System for Electoral Audit. The Internal Mail System is the mechanism through which electoral audits obtain supporting documentation from voting booths and centers across Guatemala. This documentation- key instruments of the Internal Mail System, completed at voting centers by local TSE authorities- facilitates electoral auditing, verification and cross comparison between actual votes and the official results emanating from voting centers. In its current form, the Internal Mail System does not have a standard operating manual to describe the systematic process and procedure for verifying votes.

To develop the manual, the consultant completed a diagnostic evaluation of the TSE electoral audit process. The diagnostic found that: (1) the TSE has insufficient human resources to effectively use the Internal Mail System; (2) the TSE does not have sufficient IT infrastructure or capacity to effectively carry out electoral audits; (3) the electoral auditing function of the TSE will be insufficient to handle the upcoming elections. Using this information as a guide, the consultant developed the manual to improve the Internal Mail System given these existing gaps. The Manual clearly describes the key processes and milestones required for the system to work properly during general elections and referenda, including internal communication protocols, reception and monitoring activities, administrative tasks, information processing and management protocols, temporary archiving and final adjudication of public offices. The purpose of the Operations Manual is to establish clear and concise guidelines regarding basic procedures and processes to ensure the Internal Mail System functions effectively. The manual- developed with visual maps and flowcharts- will facilitate understanding among both permanent and temporary staff regarding appropriate documentation, how it should be used and who should participate in the Internal Mail System. The manual is a technical guide directed for use among permanent and temporary staff of the TSE during elections.

In addition to the manual, the consultant provided a series of recommendations based on the diagnostic study: (1) development and implementation of an integral management information system (MIS) that permits staff at all levels to effectively conduct key tasks; (2) conduct ongoing and discrete training for permanent and temporary staff of the TSE; and (3) consider the Internal Mail System as a key function for electoral audit. The consultant also recommended software design specifications to facilitate MIS design, as well as draft Terms of Reference for a consultant to construct, test and launch the MIS.

The manual was completed and delivered to the Electoral Auditor General's satisfaction in early March 2011. Shortly thereafter, the consultant conducted training for 16 electoral audit staff of the TSE in use of the Internal Mail System using the new manual as a guide. The Electoral Auditor General requested that, given security concerns as a result of the sensitive nature of the electoral auditing process, the manual not be published for wide distribution.

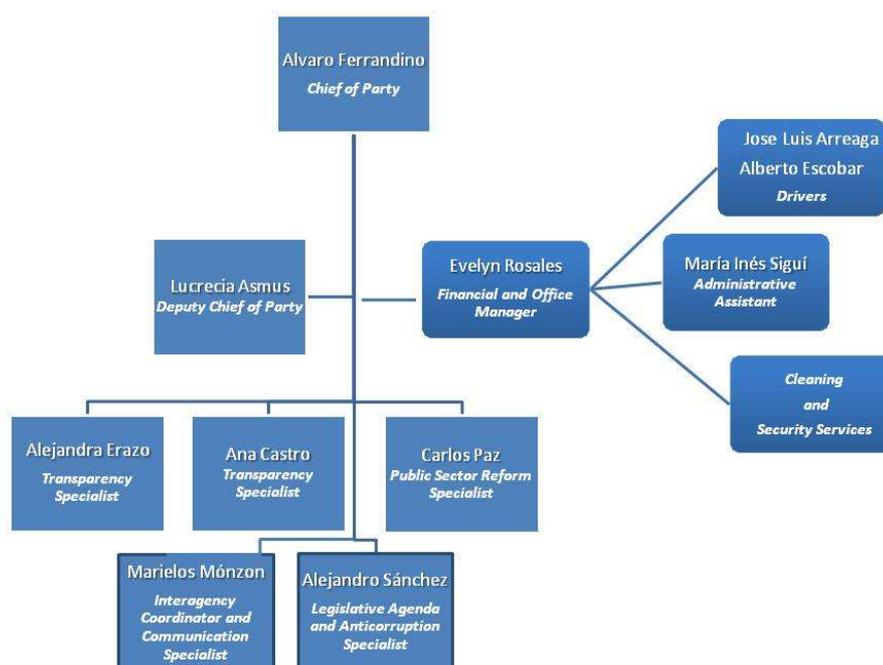
2) Support to the General Electoral Audit Office to ensure effective audit of voting results from general elections

Within the Operations Manual for the Internal Mail System, the consultant developed a systematic and standard process for verifying final voting results and declaring final winners in elections. Given the importance of this part of the electoral process for democracy (and citizen trust in democratic institutions) in Guatemala, this component of the manual was given special emphasis. The final decision regarding voting outcomes (naming officials elected through democratic votes) is the responsibility of the TSE together with Departmental Electoral Boards and the Electoral Board of the Central District. The Electoral Auditor General's Office is responsible for ensuring transparency in the process.

The confirmation of election results is one of the most important parts- and certainly the desired end result- of election processes. The follow-up and verification process during elections facilitates the identification of errors or anomalies in the voting process and corrections in voting tabulations prior to final confirmation of winning candidates. This module of the Operations Manual includes a glossary of key terms and ideas within the verification process, explains the system for validating or disqualifying votes and describes special cases involving vacancies and substitutions. This portion of the manual is meant to help avoid mistakes and misinformation during the electoral process. As mentioned above, the consultant provided training for 16 TSE staff on the Operations Manual, placing particular emphasis on the procedures for verifying and declaring final election winners.

8.0 SPECIAL REPORTING

8.1 ADMINISTRATIVE ISSUES



Carlos Paz, Public Sector Reform Sector Specialist, presented his resignation effective April 15, 2011.

8.2 ENVIRONMENTAL REGULATIONS

There will be no impact on the environment under this project. The scope of work of the project is mainly technical assistance and training.

8.3 “KEY ISSUES” REPORTING

The PTI has been requested to report on the following three key Issues:

Anticorruption

This Key Issue cuts across all Functional Objectives and relates to activities that discourage corrupt practices by promoting transparency and accountability in the use of public resources and authority. These activities may be carried out in any or all development sectors. Preventive reforms and enforcement measures targeting government (e.g., procurement, financial management, and auditing functions; transparent budgeting and budget tracking; regulatory reform; merit - based civil service reforms and asset declaration for public authorities; freedom of information; transparency in the management of extractive and natural resources; electoral processes and financing issues; anticorruption authorities; and judicial processes), as well as building monitoring, advocacy, and oversight capacity in civil society organizations, legislatures, academia, the press, and the private sector should be included.

The Project continued its work this quarter to provide technical assistance to strengthen 19 Access to Public Information Units.

The technical assistance to strengthen the Access-to-Information Units addresses the following areas: 1) organizational structure, 2) training programs, 3) processes and procedures, 4) information systems, 5) file and document management and archives, and 6) infrastructure.

The Project produced the following documents (reports or handbooks) in regard to the initial assessment of the 19 units:

- ✓ Physical layout evaluation reports for each UIP and a description of operational structures;
- ✓ User manual to access information through the use of “Open Wolf” learning software;
- ✓ Document containing the procedures as described in the Law On Access to Public Information;
- ✓ Procedures manual for each one of the 19 UIPs that covers all of the procedures as described in the Law on Access to Public Information, and
- ✓ Checklist to verify compliance with archive management requirements (Article 20, Paragraph 5 of the Law on Access to Public Information) for each one of the UIPs listed in the scope of work for the consulting contract.

The Project continued its activities this period to provide technical assistance to the National Anti-Corruption and Transparency Commission under Vice President Espada. The Project consultant, Ana Corado, delivered her report entitled a “Catalog of Available 2008-2009 Documentation from the Office of the Vice President” to enable the office to track important documents, monitor applicable conservation dates and statutes of limitations, track confidential or restricted documents and identify the exact location of the archive documentation produced by each of the entities reporting to the Vice President.

PTI provided training this period to 28 government officials on the subject of international agreements and conventions against corruption. The training was designed for employees from the Presidential Secretariat for Planning and Programming (Secretaria de Planificacion y Programacion de la Presidencia – SEGEPLAN).

Project consultants Maria Isabel Bonilla and Ruth Hernandez completed their diagnostic assessment of the units and mechanisms set up to process complaints lodged to report corruption within the Executive, including the following findings and conclusions:

- As a rule, the assessment did not detect the presence of specialized units where citizens can lodge complaints alleging corruption or reporting on a lack of transparency nor is there an official or formal process for this within the public administration.
- There is no official unit within the central government or on the public administration organizational chart for this purpose.
- In the case of specific complaints filed to report corruption or a lack of transparency, none of the entities studied indicated that they had procedures set up to classify the reports or complaints, nor to pursue them appropriately.

The National Congress of Guatemala took a vote on April 5 and unanimously passed Legislative Bill No. 4323 (119 votes in favor and none against). The legislation mandates the use of electronic voting technology to encourage greater transparency in Congress. Now that the proposal has passed, Guatemalan citizens will be able to more closely monitor the performance of their elected representatives. The proposal will improve accountability and ensure greater transparency of the voting record of each one of the members of the National Congress.

A number of the CSOs that supported the proposal and awareness campaign are USAID/Guatemala PTI strategic partners and include: FUNDESA, GAM, ProJustice Movement (FADS, *Madres Angustiadas* and the Myrna Mack Foundation), *Un Joven Mas*, National Integrity Network, Youth for Guatemala, Youthful Peace and CEG.

In a similar vein, the Center for Guatemala Studies (CEG) continued this quarter to work on promoting the legislative bills listed below to address transparency issues: (1) Legislation to define and sanction the felonies under the Law Against Illicit Enrichment (LEI); (2) Law on Non-Governmental Organizations; (3) Law on Trust Funds; and (4) Modifications to public procurement legislation.

The Project developed several training modules for Public Ministry prosecutors to aide them in their difficult task of criminal prosecution by building capacity to take cases through the entire appeal process. The training includes the following:

- ✓ **Module: “Cassation Appeal Process for Criminal Prosecution”, and**
- ✓ **Module: “Petition for Special Appeals”**

The Project also provided training under a **Module: “The Banking System: identifying and recovering assets”**. The main objective of this module is to present the various circumstances under which the banking system may indirectly be party to illicit activities described under “Crimes of Corruption.”

The Project provided support this period to the Office of the Comptroller General to produce its annual report to Congress, submitted in May 2011. Just after submitting its report, the organization found itself with a work overload and political pressure to process a large number (just under 10,000) of release forms issued to incumbents that wish to run for re-election or for other public office.

In a joint effort with the World Bank, the Project has continued to work on hiring a consultant firm to perform an institutional diagnostic assessment, but the process was not completed this quarter. The excessive workload and the pending consultancy are delaying the Project’s efforts to develop the Institutional Strengthening Plan for the Office of the Comptroller General.

As soon as these constraints can be overcome, the Project plans to pick up its efforts to work closely with the CGC to develop a strengthening strategy that allows it to more fully play its role of overseeing national

revenues and expenditures. The institution provides a horizontal control over every state entity, at the national, regional and municipal levels, including de-centralized and autonomous organizations as well as over any individual that receives government funds or makes use of public resources. It also monitors public contractors or suppliers and any other individual that invests or administers public funds.

Media

This Key Issue cuts across all Functional Objectives. “Mass Media Outreach Activities” use mass media (newspapers, magazines, radio, television, Internet, text messaging, and/or other media) to disseminate information about any Objective, Program Area, or Program Element (e.g., health or education) typically involving the production of media materials and purchase of broadcast airtime, newspaper column space, and/or web pages. Ideally, media outreach activities may also include some parallel media capacity building (often called ‘media as an end’ activities) in order to enhance the future self - sustainability of the media message campaign by partner media outlets after funding for the media message campaign comes to an end. Examples of media outreach activities include media campaigns to increase public awareness about HIV/AIDS, Avian Influenza, and/or other diseases (under Program Area 3.1); radio soap operas intended to mitigate tensions among diverse groups after a conflict (under Program Area 1.6) or provide basic information on the rule of law (under Program Area 2.1); and media campaigns to promote gender equity, reduce domestic violence, or combat human trafficking. This Key Issue captures activities focused on media as a means, whereas Program Element 2.4.2 captures activities primarily aimed at strengthening the media as an end.

The Project continues to make headway with the communication media in Guatemala working on investigative journalism to focus more on transparency and anti-corruption efforts. Through IREX as its implementing partner, PTI launched the component to strengthen the investigative unit known as “Under the Microscope” (*Bajo la Lupa*) at the major newspaper, Siglo Veintiuno. The team of international experts, Steven Dudley and Douglas Farah, began their work on-site with a SWOT analysis of the investigation unit and then submitted their findings to the Board of Directors.

This quarter, PTI also continued working on professional development through its two-pronged approach: first, the Program for Journalists on Transparency and Anti-Corruption and a second one based on Reflection Circles or roundtable discussions for opinion-shapers and columnists to discuss transparency issues. The programs are based on personal presentations by a number of renowned public figures and authorities that addressed the groups this quarter, as follows:

- ◆ **Francisco Dall’Anese Ruiz**, Commissioner, CICIG;
- ◆ **Maria Eugenia Villareal**, Director, ECPAT Guatemala (End Child Prostitution, Child Pornography & Trafficking);
- ◆ **Miguel Ugalde**, Social Researcher, Justice Development Project, Rafael Landivar University;
- ◆ **Gabriel Gomez**, Magistrate, Supreme Court of Justice of Guatemala;
- ◆ **Delia Ferreira** (IFES Consultant), Argentine jurist and member of the Board, Transparency International;
- ◆ **Eduardo Nunez**, Costa Rican Political Scientist and Director for Central America, National Democracy Institute (NDI);
- ◆ **Rosa Maria de Frade**, President, Transparency Committee, National Congress of Guatemala;
- ◆ **Nora Segura Delcompare**, Comptroller General of the Republic, and
- ◆ **Oscar Martinez**, Investigative Journalist and Coordinator, The “Black Room” Project, El Faro, El Salvador.

Civil Society and Community Mobilization

This Key Issue cuts across all Functional Objectives and relates to activities aimed at strengthening the capacity of civic groups, community based organizations, professional associations, grassroots organizations, and other non - governmental advocacy groups to contribute to an active civil society, articulate and represent their members' interests and those of the public at large. Activities aim to strengthen citizen participation in public life; provide civic education; enable citizens and civil society to serve as reform advocates, monitor government processes, provide services, and function as anticorruption watchdogs; and increase government accountability to its constituents.

PTI supervised three grants this period to Guatemalan civil society organizations for a total of US\$679,924.35. The main purpose of the grant activities lies in empowering Guatemalan citizens to promote positive change in their communities and increase citizen awareness of the level of effort required to demand transparency and fight against corruption. The grantees this period are: Accion Ciudadana (AC), the DESC Foundation, the ProJustice Movement (MPJ), the Center for Guatemala Studies (CEG), Vital Voices Guatemala (VV) the Mutual Support Group (Grupo de Apoyo Mutuo GAM), the National Center for Economic Research (CIEN), the Foundation for Social and Economic Development (FUNDES) and the Foundation for Economic Development of Guatemala (FUNDESA).

Some of the salient aspects of the grant activities are described below:

- CEG continued to advocate in support of legislative efforts on behalf of transparency and the fight against corruption by promoting the following bills:
 1. Legislation against illicit enrichment, including definitions for the specific felonies encompassed by the legislation now known as the Anti-corruption Law;
 2. Law on Non-Government Organizations (NGOs);
 3. Law on Trust Funds;
 4. Modifications to public procurement legislation, and
 5. Bill No. 4323 entitled "Mechanisms for Transparency and Accountability in Parliamentary Management.
- Vital Voices successfully completed the Political Training Program. A total of 20 participants ranging from 20 to 45 years old from the provinces (departments) of Alta Verapaz, Baja Verapaz, Chimaltenango, Chiquimula, Guatemala, Huehuetenango, Jutiapa, Quetzaltenango, Sacatepequez, San Marcos, Solola and Suchitepequez completed the intensive three-week program. Three of the participants will go on to run for office as mayoral or congressional candidates.
- CIEN began work to set up a training program for officials heading the Access to Public Information Units. The training is comprised of five separate modules and will be provided to approximately 40 public servants. The modules will cover the following: transparency and the fight against corruption; applying the law on Access to Public Information; exceptions to the law on access to public information; the use of habeas data, and archive management.
- FUNDES is developing the activities for a diagnostic assessment on the degree to which the micro, small and medium enterprise (MSME) sector is affected by corruption.
- FUNDESA launched several activities to develop timely recommendations for Guatemala to improve its standing on the Financial Standards Index published by the eStandards Forum. The recommendations will focus specifically on increasing transparency as evaluated under the secondary indexes for 1) disseminating statistics and data, and 2) transparent fiscal policies.

8.4 LIST OF REPORTS SUBMITTED TO THE DEVELOPMENT EXPERIENCE CLEARINGHOUSE

N/A

ANNEXES

ANNEX A. QUARTERLY FINANCIAL REPORT FOR QUARTER ENDED 6/30/2011

Line Item	Contract Budget	Total Billings as of Mar-11	Billings for Apr-11	Billings for May-11	Billings for Jun-11	Billings Qtr. Ending 06/30/11	Amount Remaining	Projected Costs Quarter Ending 09/30/2011
Labor								
ARD Short Term USN & Home Office Backstopping	\$ 135,075.88	\$ 120,331.13	\$ 894.00	\$ 1,341.00	\$ 9,427.00	\$ 11,662.00	\$ 3,082.75	\$ 11,052.00
Short Term US Consultants	\$ 42,957	\$ 6,966.00	\$ -	\$ 8,127.00	\$ -	\$ 8,127.00	\$ 27,864.00	\$ 14,352.00
Short Term (TCN-CNN) Consultants	\$ 237,237	\$ 104,694.60	\$ 93,027.13	\$ (10,075.34)	\$ 22,750.01	\$ 105,701.81	\$ 26,840.80	\$ 29,973.60
Long Term (TCN-CNN) Professional Staff (include COP)	\$ 787,844	\$ 638,034.58	\$ 30,512.76	\$ 31,190.75	\$ 32,429.74	\$ 94,133.25	\$ 55,675.76	\$ 115,537.08
Long Term (TCN-CCN) Support Staff	\$ 177,032	\$ 143,581.36	\$ 8,116.66	\$ 8,503.17	\$ 8,503.16	\$ 25,122.99	\$ 8,327.23	\$ 30,385.41
Total Labor	\$ 1,380,145.25	\$ 1,013,607.67	\$ 132,550.55	\$ 39,086.58	\$ 73,109.92	\$ 244,747.05	\$ 121,790.53	\$ 201,300.09
Travel, Transportation & Per Diem	\$ 38,086.55	\$ 30,183.55	\$ 225.89	\$ -	\$ 858.00	\$ 1,083.89	\$ 6,819.11	\$ -
Allowances	\$ 102,484.48	\$ 74,479.92	\$ 3,623.23	\$ 4,138.36	\$ 18,440.71	\$ 26,202.30	\$ 1,802.26	\$ 16,782.48
Equipment	\$ 69,807.64	\$ 65,084.98	\$ 423.02	\$ -	\$ -	\$ 423.02	\$ 4,299.64	\$ 5,063.87
Other Direct Costs	\$ 297,291.12	\$ 245,358.57	\$ 30,645.48	\$ (7,809.63)	\$ 10,724.21	\$ 33,560.06	\$ 18,372.49	\$ 53,110.31
Activity Costs	\$ 155,863.17	\$ 138,579.47	\$ 5,923.89	\$ (1,769.08)	\$ 5,485.52	\$ 9,640.33	\$ 17,283.70	\$ 19,000.00
Grants	\$ 678,076.99	\$ 383,424.54	\$ 51,978.22	\$ 76,154.39	\$ 65,918.30	\$ 194,050.91	\$ 100,601.54	\$ -
Subcontracts	\$ 298,752.06	\$ 94,777.58	\$ 37,991.47	\$ 19,158.26	\$ 8,001.54	\$ 65,151.27	\$ 138,823.21	\$ -
Indirect Costs	\$ 95,313.26	\$ 77,455.91	\$ 6,753.67	\$ 1,135.22	\$ 6,016.07	\$ 13,904.96	\$ 3,952.39	\$ 10,917.20
Rapid Response Fund	\$ 184,859.35	\$ 112,733.23	\$ 20,036.09	\$ 30,492.57	\$ -	\$ 50,528.66	\$ 72,126.12	\$ 15,024.24
Total Cost	\$ 3,300,679.87	\$ 2,235,685.42	\$ 290,151.51	\$ 160,586.67	\$ 188,554.27	\$ 639,292.45	\$ 425,702.00	\$ 321,198.19

ANNEX B. LAW ON PUBLIC TRUST FUNDS

ANNEX C.MODULE:
“CASSATION APPEAL
PROCESS FOR CRIMINAL
PROSECUTION”

ANNEX D. MODULE:
“PETITION FOR SPECIAL
APPEALS”

ANNEX E. MODULE
“THE BANKING SYSTEM:
IDENTIFYING AND
RECOVERING ASSETS”

ANNEX F. NATIONAL
DIAGNOSTIC & RISK
ASSESSMENT IN TERMS OF
MONEY AND OTHER ASSET
LAUNDERING AND FINANCING
TERRORISM IN GUATEMALA

ANNEX G. ASSESSMENT OF
THE UNITS AND MECHANISMS
SET UP TO PROCESS
COMPLAINTS LODGED TO
REPORT CORRUPTION WITHIN
THE EXECUTIVE BRANCH

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