

CITIZEN PARTICIPATION FOR RESPONSIVE GOVERNANCE (CPRG) PROGRAM

Fourth Quarterly Report

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I. EXECUTIVE SUMMARY

The Citizen Participation for Responsive Governance (CPRG) program, known locally in Honduras as *Impactos* and referred to as the “Program” in this report, is a five-year initiative funded by USAID and implemented by Counterpart International in partnership with the International Center for Not-for-Profit Law (ICNL) and Management Systems International (MSI). The *Impactos* program consists of two independent yet very intertwined and complementary components: 1) the CPRG component, which aims to increase the transparency and accountability of public institutions through support for civil society-led initiatives, and 2) the Community Action for Prosperity (CAP) component, which aims to improve citizen and community safety by strengthening local communities' and governments' ability to prevent threats from gangs and narco-trafficking. The program goal representing both components is framed by five programmatic objectives: (1) Improved effectiveness of civil society to advocate for transparency and accountability of public institutions; (2) Improved capacity of public institutions to address gaps in the enabling environment for transparency and accountability; (3) To improve multi-sectoral capacity to provide coordinated and comprehensive responses to changing security needs; (4) To improve municipal capacity to provide effective crime prevention services; and (5) To expand opportunities for community led initiatives. The *Impactos* approach consists of: supporting Honduran civil society in a sustained effort to increase transparency and public accountability of public institutions; employing a non-partisan and non-confrontational approach toward engaging the national government; understanding and engaging existing transparency institutions; integrating public transparency and accountability activities into sector-specific development programming; and, designing and disseminating targeted and transparent program grants. It also aspires to build communities' capacity to work collaboratively with municipal authorities, the private sector, civic organizations and *patronatos* (local councils) to plan and implement activities that address the root causes of insecurity at the grassroots level, taking into consideration the unique motivations of youth and other at-risk groups.

During the fourth Quarter (October to December 2011) the Program implemented significant activities for both components. The CPRG component awarded Training and Implementation Grants (TIGs) for a total of US\$200K to two ISOs who will act as partners; CPRG also awarded one Rapid Response Fund grant for a total of US\$48K to support the start-up of a Legal Assistance Anticorruption Center with the support of Transparency International. Additionally, CPRG has also initiated the grant process for 12 National Government Oversight Grants, eight Transparency and Research Grants and four Anticorruption Public Information Grants. Meanwhile, CAP awarded US \$200,000 in Institutional Support and Civic Participation grants with five grants of \$40,000 each to selected CSOs to implement violence prevention models in 19 target communities of Tegucigalpa, San Pedro Sula and Choloma (eight more communities than originally planned). Further, the Program launched the Public Information Campaigns Grant component with four CSOs pre-selected for the US\$20,000 grant. Although the political context has become more complex and security for program staff and for partner organizations becomes a challenge, CSOs have still shown enthusiasm and commitment and are actively supporting Program activities.

As member of the CARSI-USAID Group, CAP staff have dedicated a lot of effort and time in designing a joint proposal between CARSI-USAID projects to be submitted to the National Congress with the purpose of accessing resources for violence prevention from the Security Tax, approved in 2011. The purpose of this initiative is to obtain national resources to expand the scope and work towards the sustainability and institutionalization of violence prevention programs in Honduras.

ICNL's primary focus this Quarter was to support Honduran civil society partners and Government officials in drafting regulations to implement the *Special Promotion Law for Non-Governmental Development Organizations* (the "NGO-D Law"), signed into law on June 27, 2011 by President Porfirio Lobo. ICNL engaged throughout the Quarter with Impactos and the Federacion de Organizaciones para el Desarrollo de Honduras (FOPRIDEH), which assumed the leadership of a commission of civil society organizations (CSOs) preparing proposed regulations for the sector. ICNL provided extensive comments on successive versions of the draft regulations, as well as suggestions on the process most likely to produce enabling implementing regulations acceptable to the sector and Government.

II. POLITICAL CONTEXT

During the last Quarter of 2011 Honduran society lost significant trust in public institutions and a decreased perception of citizen security and corruption. The murder of two young university students by members of the National Police Department triggered an investigation that uncovered complex networks of systemic corruption and abuse operating at all levels within the Police.

One of the students murdered was the son of Julieta Castellanos, Chancellor of the National Autonomous University and renowned political figure who, for many years, has advocated for crime and violence prevention. After the death of her son, Mrs. Castellanos demanded a thorough and diligent internal investigation and cleansing of the Institution. At the end of this Quarter, despite the citizen's outcry, the Honduran society has not seen any direct, significant and open action on behalf of the Government to ensure real changes to decrease the high levels of corruption and impunity that currently characterize public institutions like the Police Department. This police crisis forced the Government to re-address the issue of security, but not to impose concrete anti-corruption actions inside the Police or any other public institution.

In the middle of the police crisis, the previously announced "2011-2014 Transparency and Anti-Corruption Plan" that was approved by the Executive Branch had been relegated by the security issue with no clear plan or intention to implement this plan. The 2011 "perception of transparency" indicator published by Transparency International continues to land Honduras within the range of countries with highest levels of perception of corruption¹. Consistent with this perception, Honduras again did not qualify for the Millennium Challenge Account because it did not comply with several indicators including control of corruption.

¹ 2011 Honduras Grade of Perception of Corruption (IPC): 2.6

Yet there were several actions announced in favor of public administration transparency: the implementation of training workshops conducted by the National Office for Integrated Development of Internal Control (ONADICI), aimed at high-ranking officials of Government agencies with the purpose of training public servants in carrying out day-to-day business with high transparency; and, the announced efforts of the Institute for the Access to Public Information (IAIP), and the Anti-corruption National Council (CNA), to succeed in ensuring that all public institutions comply with the Access to Public Information Law.

In the face of this corruption is a motivated civil society that is gaining momentum to stem corruption however they can. The Program Intermediary Support Organizations (ISOs), along with their more than 80 partner organizations, have manifested enthusiasm and commitment to implement anti-corruption projects in different sectors. These groups will rapidly be motivated to initiate a strong and consistent civic movement demanding greater transparency for the benefit of all Hondurans.

Irregularities in the legislative process are routine in Honduras, adding complexity and unpredictability to the legal environment for civil society. President Lobo's three month delay in signing the NGO-D Law, which was far in excess of the time frame for Presidential action on passed legislation according to Honduran law, is just one example of this pattern. To date, there has still been no Presidential action on the Framework Law on Social Public Policies (the "Social Policy Law"), passed on April 10, 2011. The legislation is not publicly available, though the last mark-up of the bill is favorable overall for the sector. As mentioned above, the Law on Volunteerism was passed under unusual circumstances, reportedly on a date that the Congress lacked a quorum, and without publicity. Like the Social Policy Law, the Law on Volunteerism reportedly remains unsigned by the President and unavailable to the public.

In this context, where neither the Executive nor Legislative branches are apparently honoring legislative procedural requirements and time lines, monitoring legislative developments and advocating for proper implementation of laws is exceedingly challenging. FOPRIDEH has proceeded in its negotiations with the Secretariat on the NGO-D regulations based on the understanding that implementing regulations must be issued within six months of the NGO-D Law's July 17, 2011 effective date. Compliance with this deadline by the Secretariat is not likely. In light of concerns with the draft regulation in its current state, a delay might be welcome, as it could afford representatives of the sector and the Government additional time to produce improved regulations.

Of final note, according to preliminary data from the Violence Observatory, Honduras ended year 2011 with a homicide rate of approximately 88 for every 100,000 inhabitants, the highest rate registered at the end of the first decade of the twenty-first century and the highest in the Central America region. In this context, the cities of La Ceiba and San Pedro Sula appear in the first places of the cities with highest homicide rates in the country, placing them among the 50 most violent cities in the world.

III. ANALYSIS

According to the Honduran sociologist Victor Meza, corruption has become an issue of such magnitude and importance that it can neither be underestimated nor ignored. Its increasing expansion and undeniable capacity to reproduce and diversify through the country's institutional and social fabric grant it a disintegrating capacity and make it a key factor to explain and extend Honduras' crisis. Narco-trafficking has also slowly been creating the conditions for new, more organized, wider and professional models of corruption. It has created networks within government institutions, especially those related to crime and public safety. Nevertheless, there is a growing awareness within the country, including CSOs and donors of the need to take action against corruption. Through the Program, CSOs will have the opportunity to build their capacity to advocate for greater transparency within the public administration. At this point, particularly for the CPRG component, the Program foresees great challenges but also important opportunities, such as:

- CSOs' widespread and visible enthusiasm and will to participate in anticorruption activities despite personal risk;
- Media participation in investigating corruption and making results public;
- Open demands of important public figures to increase transparency in public administration;
- Creation of new political forces, particularly of the newly formed Anticorruption Party led by a well-known sport spokesman.

Regarding Counterpart's CAP component following is a description of a few important elements the staff has learned during this period of implementation that do not align with the original Program proposal design.

1. The CSOs that have implemented prevention models based on the community and with youth participation are scarce. The majority of the organizations working with youth have valuable experience with general issues such as health, education, environment, and even community development projects. Violence prevention models have not yet been systematized. Thus, Program intervention methodologies must be carefully developed, evaluated, and systematized.
2. The vast majority of CSOs that participated in the contest processes promoted by CAP, especially those with medium and small structures, lack basic technical capacities. This has limited their ability to develop coherent technical proposals that reflect their field experiences. This is one of the main weaknesses that have been detected in previous months and which, according to project possibilities, could turn into one of the areas to strengthen in the CSOs implementing partners through Institutional Support and Civic Participation grants in the coming years. To improve the CSOs capacities in program proposals design CAP staff will develop at least two workshops in the beginning of the next Quarter.
3. The knowledge accumulated in previous months on the main strengths and weaknesses of the CSOs suggests the need to maintain an ongoing and close accompaniment and monitoring, at least during the first year or two. This will technically assist CSOs staff, especially in field work, so that the results that the Program seeks can take shape.

4. Since the Program is short-staffed, it is necessary to consider the possibility of expanding the project technical team, especially in the second year when the number of communities the Program works in will expand.
5. The grant amounts for the Institutional Support and Civic Participation (CSO grants) in the CAP project are very low (US\$ 40,000) for the level of activities demanded by the project, especially given the dual purpose of the grants (CSO strengthening and sustainable participatory community processes). While some organizations are willing to compete for this level of funding, the quality of implementation and real organizational improvement may suffer, and it will be important to consider a possible increase in CSO funding.

IV. SUMMARY OF ACTIVITIES

By the end of this Quarter the two components – CPRG and CAP – have rapidly moved forward, especially regarding grants delivery. CPRG has awarded two Training and Implementation Grants and one Rapid Response Fund grant for a total of almost US\$250,000, and has launched the grant process for 24 grants, representing 25% of the total grant pool. In addition, CPRG has initiated government and CSO dialogues to identify potential transparency opportunities.

Project highlights during the reporting period include:

- Awarded two Training and Implementation Grants to FOPRIDEH and FOSDEH who will act as our Intermediary Support Organizations during 2012. (US\$200K)
- Awarded one Rapid Response Fund grant to ASJ (*Asociación para una Sociedad mas Justa*) to establish a Legal Assistance and Anticorruption Complaint Center with the support of Transparency International (US\$48K)
- Received letters of interest for National Government Oversight Grant, through which 12 grants will be awarded for an estimated total of US\$600K
- Received letters of interest for Transparency, Research and Advocacy Grant, through which eight grants will be awarded for an estimated total of US\$300K
- Received letters of interest for Public Information Anticorruption Campaigns Grant, through which four grants will be awarded for an estimated total of US\$200K
- Established joint CSO Program Observatory to monitor anti-corruption challenges and opportunities; the Observatory will meet once a month and will receive feedback from local organizations supported by the Program

REPORT BY OBJECTIVES UNDER CPRG COMPONENT:

Objective One: Improve Effectiveness of Civil Society to Advocate for Transparency and Accountability of Public Institutions

1.1 Conduct Rapid Assessments on Civil Society and Anti-Corruption Institutions. Both the civil society assessment and anti-corruption institutions assessment have been completed and both were submitted to USAID for approval before sharing findings and recommendations with different Program audiences.

1.2 Establish and Initiate CPRG Grant Facility. The Program now has the capacity to carry out competitive grant delivery to CSOs under both components.

1.3 Competitively Select Two Intermediary Support Organization (ISO) Partners. The ISO partners have been selected and the corresponding Training and Implementation Grant agreements have been signed with FOPRIDEH and FOSDEH. These two organizations were the highest ranked of the ten short-listed organizations.

- FOPRIDEH’s project includes strong capacity building on transparency and accountability for 25 CSOs, 15 CBOs (Community Based Organizations) and five Government Institutions, creating a “Transparency and Democratic Governance Commission” and establishing dialogues between the public sector and civil society organizations to promote an enabling environment for greater transparency and improved governance.
- FOSDEH proposes to work with over 20 organizations in four different regions to strengthen their advocacy capacities, particularly in public policies related to the approval and implementation of the National Budget. FOSDEH proposes to advocate for the construction of an open and orderly financial public administration system, particularly at the level of the Ministry of Finance and also to increase citizen participation in municipal budget planning and implementation. For the latter, FOSDEH proposes to establish an observatory that will specialize in the enforcement of municipal fiscal policies providing feedback for fiscal analysis at a local and national level. FOSDEH has also included training for their project staff on National Budget planning, implementation, monitoring and evaluation with a gender focus to enable them to train their partner organizations.

1.4 Design and Deliver Customized Program Trainings. During the past Quarter the Program investigated and compiled various methodologies, manuals and toolkits in digital formats related to social auditing, advocacy processes and social impact to design and deliver customized trainings to CSOs. Because the Program has had the chance to interact more closely with the potential ISOs, and despite the fact that all trainings will be custom delivered, Counterpart has already identified the following training areas in particular: 1) institutional capacity building for ISOs and their regional members including access to public information and social citizen control; and 2) training in methods for gender analysis in public budgeting and economic policies. This will be confirmed once a detailed assessment of their capacity has been completed. During the month of December, the Program began the assessment of training needs with a network sample from FOPRIDEH, utilizing a specially-designed survey tool and customized database to track and analyze the information provided by the CSOs. During the next Quarter, the sample will be expanded to the participating CSOs supported by FOSDEH.

1.4 Design and Deliver Customized Program Trainings. As stated above, FOPRIDEH CSOs responded to a survey of training needs. Training needs for FOSDEH’s partners will be identified next Quarter. An assessment of current satisfaction of CSO officials regarding the training they have received from our ISOs in the past and the relevance between the training received and their applicability to their daily work has also been carried out. The assessment will serve as a baseline to evaluate training provided by ISO partners through the Program to participating CSOs.

Additionally, during this period Counterpart HQ provided training to the Honduras team on the use of Counterpart’s Management Information System (MIS). This system will be used

throughout program implementation to monitor grants and trainings. The team will transfer the achieved knowledge to participating CSOs for them to also be able to properly use the MIS, making it a useful and agile tool that will help to efficiently and effectively implement and report projects under the Program. Beginning next Quarter, the M&E Specialist will provide training to all CSOs that receive grants through CPRG and CAP. The MIS system will be installed for each CSO to be able to register project activities. The M&E Specialist will monitor the information registered against project quarterly reports.

1.5 Support the Establishment and Activities of a National Transparency Coalition and Civic Movement. This activity foreseen to be conducted during the implementation of the Training and Implementation Grants that have been awarded to the ISO partners has been initiated with the first two workshops with FOPRIDEH’s participating CSOs. In these workshops mechanisms were defined to coordinate advocacy agendas at local, regional and national levels and also to identify possible sectors and specific issues linked to the experience of the CSOs regarding social audits and their findings. The objective was to establish a common anti-corruption advocacy platform and strategy. Although the platform and the strategy are still under construction, the CSOs have jointly agreed to establish a “Transparency and Democratic Governance Commission”, which will represent FOPRIDEH in all activities and entities that have to do with the topic. This initiative is the first step towards the establishment of a national coalition of CSOs towards transparency and against corruption.

1.6 Award National Government Oversight Grants and Support CSO Watchdog Capacity and Activities. Requests for letters of interest were published and responses received at the end of the Quarter. It is estimated that 12 National Government Oversight Grants (NGOG) will be awarded in the following Quarter for a total amount of US\$600K. These grants will focus on organizations working at both the central and local levels.

1.7 Provide Targeted Consultations on National Government Oversight and Increased Government Transparency. Through a public announcement on the internet and on the basis of pre-established criteria, Counterpart received 24 resumes from which seven potential consultants were selected. Selection criteria included academic background, experience and specific areas of expertise particularly related to transparency, citizen participation, public policy impact, organizational networks, and gender. The following table indicates the selected potential consultants, noting that this cadre can be expanded over time:

Name	Area of Specialty
Gustavo Irías	Surveys on corruption practices, methodologies for social audits & participatory budgets
Lester Ramirez	Citizen participation mechanisms at local and national levels
José Filadelfo Martínez	Social audits and other social control mechanisms; political context analysis.
Manuel Torres	Public campaigns on advocacy and Access to Public Information Law
Eugenio Sosa	Corruption analysis, corruption surveys, citizen participation mechanisms
Rómulo Rodezno	Development of methodologies for trainers
Carmen Flores	Training with gender approach

1.8 Develop a Self-Regulatory System to Improve CSO Accountability Practices and 1.10 – Support Efforts to Improve Civil Society Operating Environment. ICNL’s primary objective during this Quarter was to support a regulatory drafting process that was participatory, broadly socialized, and informed by international law and best practices. ICNL received and reviewed the sector’s initial draft NGO-D regulations, revealing literally dozens of concerns, including, most significantly, inconsistencies with the NGO-D Law and other flaws that would have:

- *Introduced ambiguities where the NGO-D Law was precise* – for example, defining NGO-Ds as “apolitical,” instead of the Law’s “apolitical in the partisan sense,” which could have created discretion to restrict NGO-Ds active in matters of public policy;
- *Inserted greater Government discretion in the review of NGO-D by-laws*, by requiring Government “approval” rather than simply recognition;
- *Limited the scope of acceptable NGO-Ds activities*, by defining NGO-D development activities according to a closed rather than open-ended list;
- *Restricted the rights of Hondurans and foreigners to associate*, by prohibiting NGO-Ds with membership that is less than 70% Honduran;
- *Granted the Government limitless discretion to investigate NGO-Ds*, “at any moment or circumstance”;
- *Demanded information unsupported by the NGO-D Law* and inconsistent with international best practices, including required documentation of potential funders, Government agencies the organization intends to collaborate with and even the resumes of board members; and
- *Provided no time at all for NGO-Ds to learn and adapt to the new requirements*, by making the regulations effective just one day after publication.

Each of these concerns was resolved by the civil society commission in subsequent versions of the draft regulations, but several of ICNL’s observations were unaddressed. Moreover, additional problematic provisions were incorporated into later drafts. Most significantly, one subsequent draft included the following provisions:

- *Termination of the free association rights* of any director or representative who is determined by his or her NGO-D to have violated a prohibition on conflicts of interest, through both expulsion from that NGO-D and also ineligibility to even belong to any other NGO-D for an indefinite period; and
- *Providing for the forcible dissolution of an NGO-D for failing to retain the minimum number of members*, with just a 30 day grace period to recruit additional members.

The Program highlighted additional concerns in further written comments and via teleconference, and the two concerns listed above were resolved. Additionally, ICNL ensured that its consultant, a local expert, was present and involved in all drafting sessions between civil society representatives and Secretariat officials, which were often contentious. By the end of the Quarter, negotiations over the consensus regulations had stalled, due principally to the Secretariat’s insistence on incorporating monetary sanctions into the regulations that are not mentioned in the NGO-D Law.

The current version should continue to be improved. In addition to removing the monetary sanctions from the regulations, gaps in definitions and other provisions should be filled.

Additionally, several technical errors related to membership requirements for foundations should be resolved. The Program will continue to provide technical assistance to the negotiators from civil society and, if possible, the Government, to produce the most enabling NGO-D regulations possible under the circumstances.

While ICNL prioritized technical assistance on the NGO-D regulations, it also analyzed the new Law on Volunteerism, which was passed by the Honduran Congress on September 28, 2011 and has yet to be made publicly available or signed by the President. The Law features ambiguous requirements that CSOs, including NGO-Ds, be *accredited* in order to operate with volunteers. The absence of any criteria for this accreditation in the Law on Volunteerism means that a new agency could wield unbridled discretion to limit the free association rights of NGO-Ds that work with volunteers by denying the necessary accredited status. Moreover, several of the Law's provisions are inconsistent with international best practices, including cumbersome reporting requirements and intrusive provisions guaranteeing volunteers the right to participate in CSO internal operations. ICNL will present its comments on the Law on Volunteerism to *Impactos* and its CSO partners early in the next Quarter.

1.9 Support Targeted Anti-Corruption Public Information Campaigns. This activity will be carried out through anticorruption Public Information Campaigns. The grant process has been initiated and after a public announcement, 19 letters of interest were received. The Program expects to award four grants estimated at \$50k each in the next Quarter.

1.11 Support Non-Partisan Policy Research and Advocacy Initiatives. The grant process was initiated through the request for letters of interest. Thirty-two letters of interest were received and the Program expects to award eight Training, Research and Advocacy Grants (TRAG), estimated at \$35k each. The corresponding RFA will be issued in the next Quarter. These grants may include research on the impact of corruption in a certain sector (example: infrastructure or education) along with an advocacy campaign to encourage adoption, implementation or enforcement of specific related legislation; analysis of the cause and effect of corruption and the loss of opportunities; or, hopefully, the relationship between corruption and citizen security

1.12 Organize CSO Networking, Collaboration and Coordination Events. The Program has met with World Bank and Inter-American Development Bank representatives to explore possible synergies between CPRG and their related transparency and governance programs. One of the potential activities that can be coordinated is a follow up on the social audit that CSOs are implementing on the “Bono Diez Mil” Program with the support of these two donors. Counterpart will consider issuing an RFA for a National Government Oversight Grant for this particular program.

Objective Two: Improved Capacity of Public Institutions to Address Gaps in the Enabling Environment for Transparency and Accountability

2.1 Conduct Ongoing Joint Transparency Challenge and Opportunity Mapping. The methodology for the implementation of the Transparency Observatory was discussed with the two ISO partners and everyone agreed to include the local ISO partner organizations to provide

recommendations on the transparency challenges and opportunities at local and regional levels. It has been agreed that the Observatory will meet on the first Thursday of every month and the meeting point will be rotated to facilitate the participation of the local organizations. In the next Quarter the Program will hire a consultant to define a basic toolkit including mechanisms for data recollection and for direct identification of challenges and opportunities for the Observatory.

2.2 Facilitate Collaborative Partnerships and Dialogue Channels between CSOs and Public Entities. CPRG has established contact with the National Office for Integrated Development of Internal Control of Public institutions (ONADICI) to identify potential areas of opportunity for CSOs to develop social audits with support from the Program and in support of the framework of the National Control System of Public Resources (SINACORP). CPRG will sponsor the first joint meeting in the first Quarter of 2012 between the ONADICI and CSO partners to initiate a process of mutual understanding and explore other potential actions that can be developed. FOPRIDEH has also begun to establish dialogues with five government institutions in which social audits will be carried out through the TIG grants.

2.3 Deliver Targeted and Demand-Driven Training and Technical Assistance to Government Officials. After having awarded the TIG grants, the Program team discussed the scope and objectives of the training modules for Government Officials with ISO partners. The discussion brought out the need to clearly define communication and approach strategies between CSOs and Government Officials of the selected institutions. Trainings will include subjects such as good governance and transparency, citizen engagement, access to public information, dissemination of information on local and national public budget, and financial accountability. All training will be within the framework of compliance to Honduran legislation for public administration.

2.4 Support Joint CSO/Government Transparency Project Initiatives and 2.5 International Learning Exchange. The project initiatives described in activity 2.4 will derive from the experience of activity 2.5. The Exchange will be discussed in the second Quarter of 2012 and will take place late September after key government champions have been identified and have been engaged in Program activities.

2.6 Establish and Award Rapid Response Grants. During the Fourth Quarter the Program awarded a Rapid Response Fund grant of US\$48K to the *Asociación para una Sociedad mas Justa (ASJ)*, who presented a request to finance the establishment of a Legal Assistance and Anticorruption Complaint Center with the support from Transparency International.

REPORT BY OBJECTIVES UNDER CAP COMPONENT:

Objective 1. Improve multi-sector capacity in order to provide coordinated and integrated responses to security changing needs

1.1 Select and train up to eleven CSOs implementing partners. In agreement with Counterpart HQ and USAID, the number of CSOs was expanded from three to five and the number of communities was expanded from 11 to 19 distributed accordingly: 1. Tegucigalpa (2 CSOs and 8 communities); 2. San Pedro Sula (2 CSOs and 8 communities); and 3. Choloma (1 CSO and 3 communities). This past Quarter CAP implemented the full grant selection cycle to

identify the eight implementing partners through SELCOM grading and selected 12 short-listed CSOs. RFA guidelines were shared with the short-listed groups for fuller response and site visits of the short-listed groups were conducted. Proposals were reviewed and grant agreements were signed. The five CSOs selected are: CIPRODEH (Tegucigalpa), Center for Human Development (CDH–Tegucigalpa), Friend of Children Program-Children International (San Pedro Sula), Mennonite Social Action Committee (CASM–San Pedro Sula), and the National Foundation for Honduras Development (FUNADEH–Choloma).

1.2 Conduct Project outreach activities. With grant agreements signed at the end of the Quarter, outreach activities will begin until next Quarter with the approval of work plans and disbursement of funds. Next Quarter the grantees will commence Program activities in the target community level, including meeting with grassroots organizations.

1.3 Conduct a community rapid assessment in the potential communities of intervention. During the CSO selection process, the CAP staff conducted rapid assessments of its potential target communities. Part of this site visit included gathering data on the applicant short-listed CSOs, assessing their activities and the communities in which they operate. The narrative results of the information collected and the site visits are being collected in CAP’s Desk Review document. The document will be shared with relevant audiences during the next Quarter.

1.9 Identify Municipal Development and Security Committees in each Municipality. Meetings were held with Municipal Government officials from San Pedro Sula, Tegucigalpa, and Choloma to share information on the CAP project and seek consensus on the best mechanisms to integrate activities with existing Municipal Prevention and/or Security Committees. For the next Quarter, coordination meetings with Committees from the three cities are foreseen. The CAP team assured that the RFA included precise terms of action regarding CSOs roles in establishing and strengthening communication and coordination channels with municipal authorities involved in violence prevention actions. The five approved proposals contain precise results in this sense.

Objective 2. Improve municipal and community capacity to provide efficient crime and violence prevention services.

2.1 Support Public and Outreach Information Campaigns for the citizens and communities. Terms of reference were prepared to request letters of interest from CSOs and private companies with experience in the implementation of information campaigns on violence prevention issues for audiences similar to those to be approached by CAP implementing partners. The request for LOI was published in the media with national coverage. An information session to distribute the content of the LOI was held with the participation of 15 CSOs and Communication Companies. A total of nine CSOs and private communication companies responded to the call and submitted their letters of interest. A Selection Committee (SELCOM) was created for the evaluation process of the LOIs. Evaluation criteria were determined and the review and scoring of the LOIs took place. In the month of December the short-list of five CSOs/companies that qualified to the second round of the selection process was submitted to USAID and approved accordingly.

Objective 3. Expand social opportunities for youth with leadership in the communities

3.4. *Facilitate the creation of civic networks of youth and exchange of experiences.* While formal activities are pending CSO implementing partners' work plan approvals, the CAP team has continued to identify youth groups and networks in Tegucigalpa and San Pedro Sula to schedule future coordination meetings.

V. MONITORING AND EVALUATION

During this Quarter, M&E's technical support focused on the following main areas: a) evaluation of CSO proposals submitted in response to the respective grant programs; b) monitoring the achievement of Program work plan activities and PMP indicators; and c) participating in MIS training with Counterpart HQ. CAP and CPRG staff and a HQ M&E expert co-facilitated the roll-out of Counterpart's Civil Society Management Information Systems workshop. The purpose of the workshop was to train Program staff in the Knowledge Management portal (a comprehensive, web-based information portal that will serve as a repository of information about and for local partners and partner networks, current affairs in Honduran civil society and government), specifically in the following topics: MIS in general and MIS at Counterpart; document management system; and local contacts database. Discussions were conducted during the workshop with Program Senior Managers and relevant staff on M&E systems, quality control of data collection, and roles and responsibilities for data collection in the Knowledge Management Portal. In addition, a working meeting was developed on current M&E systems to discuss necessary enhancements and adjustments, how to integrate MIS reporting into daily staff routine, and how to follow up on any outstanding issues that will result from program monitoring.

Specific M&E activities for CPRG are outlined below:

- Technical support was provided in the selection committee of the short-listed organizations and final selection process of the two ISOs selected to receive TIG grants. The objective of this grant is to design and deliver tailored CPRG training and consultations to all of CPRG's grantees, participating civil society organizations and public institutions. The ISO partners will also assist in implementation activities such as organizing roundtables, workshops, conferences, and exchange of experiences among grantees.
- Design of the M&E Plans for both grantees selected in the TIG process, those plans include monitoring activities on the basis of their main objectives, place, date, and information needs to follow up on their programmed activities.
- Drafting of the M&E sections of the ISO and Rapid Response Fund grant Agreements to ensure adherence to the logical frameworks and achievement of established indicators. The section also included the frequency with which grantees will deliver program reports to the CPRG project.
- Updating the grant timeline for all grants in adherence to CPRG's technical proposal, so that the greatest efficiency in project implementation and impact on the target population results, as well as effectively support financial disbursement timelines.

Specific M&E activities for CAP are outlined below:

- Technical support was provided in the selection committee of the short-listed organizations and final selection process of the five CSOs (CIPRODEH, Centro de Desarrollo Humano,

Programa Amigo de los Niños-Children International, Comisión de Acción Social Menonita, and Fundación Nacional para el Desarrollo de Honduras) that were selected to receive CSO grants. The objective of this grant is to build the capacity of CSO partners to participate in the Program and coordinate CAP activities in their communities. These institutional-support and civic-participation grants will also support community dialogues, planning around policy reform, and local advocacy initiatives, as well as ongoing public information and outreach campaigns about the CAP project and its successful initiatives, addressing community perception challenges.

- Technical support was provided in the selection committee of the short-listed organizations of the Public Information and Outreach Grants. The objective of this grant is to support targeted messaging focused on crime prevention, particularly directed to youth.
- Drafting of the M&E sections of the RFA for the CSO grants, including a logical framework of the project, project implementation, and project management and monitoring.
- Drafting of the M&E sections of the CSO grant agreements to ensure adherence to the logical frameworks and achievement of established indicators. The section also included the frequency with which grantees will deliver program reports to the Program.
- Updating the grant timeline for all grants in adherence to CAP's technical proposal, so that the greatest efficiency in project implementation and impact on the target population results, as well as effectively support financial disbursement timelines.
- Drafting of M&E documents sent to HQ in order to describe how CAP can most efficiently use the results from CARSI evaluations, as well as highlight its linkage with the impact indicators from CAP's PMP and the CARSI framework from USAID.
- Technical support was provided in field visits at San Pedro Sula, Choloma, and Tegucigalpa, with the purpose of collaborating in the institutional assessment as well as conduct field visits to potential communities from the short-listed CSOs.

VI. ACHIEVEMENTS

- Under CPRG, performed the security assessment and Institutional Analysis and submitted to USAID for approval.
- Started the grant process to commit almost 25% of total CPRG grant funds through 24 grants.
- Awarded two TIGs under CPRG for a total of US\$200K to selected ISO partners.
- Under CPRG, awarded a Rapid Response Fund grant of US\$48K to establish a Legal Assistance and Anticorruption Complaint Center.
- According to the approved work plan, CPRG achieved approximately 70% of projected activities with the remaining 30% to be executed the next Quarter
- Selected 5 CAP partner CSOs to work in 19 communities (an increase over the original 3 CSO partners working in 11 communities) and awarded each of the partners \$200K in Institutional Support and Civic Participation Grants.
- The CAP team conducted site visits to 8 short-listed CSOs to evaluate their strengths and weaknesses to carry out project implementation. As a result of these assessments, the team is better positioned to support the partners and have more effective coordination and monitoring.

- The CAP team conducted site visits to the majority of the 19 communities in which the 5 implementer CSOs will develop their projects. As a result, CAP is in a better position to support and coordinate CSO activities.
- CAP short-listed 4 organizations and/or communication companies to participate in the second round of selection process for the Public Information Campaign Grants. This campaign will allow the development of positive messages on violence prevention and opportunities for the communities, with youth in particular, which will be transferred to the beneficiary population by alternative means of communication. The first Public Information Campaign Grant is expected to be awarded during the first Quarter of 2012 for US\$20K.
- According to the approved work plan, CAP achieved approximately 85% of projected activities with the remaining 15% to be executed the next Quarter upon approval of the CSO work plans.
- Provided technical assistance to a commission of CSO representatives engaged in drafting regulations to implement the NGO-D Law. While the current draft of the regulations leaves room for improvement, it is vastly more enabling than the restrictive draft version first produced by the CSO group.

VII. CHALLENGES AND GENDER-BASED CONSTRAINTS

Due to the high levels of insecurity and the systemic corruption within most government institutions, the primary challenge faced by the Program during the reporting period has been to define the best approach and identification of key government champions considering the political context including the upcoming 2012 primary elections.

During this reporting period both CPRG & CAP projects contributed in drafting the Program's Gender Integration Document, which was submitted to USAID in early November. The document clearly describes how both projects will mainstream gender in their entire programming cycle.

FOPRIDEH's leadership within the civil society sector in negotiations with the Government over the NGO-D regulations brought advantages and challenges. While FOPRIDEH holds well-earned legitimacy with many Honduran CSOs and Government officials on this issue, it could benefit from greater capacity building on international best practices that ensure an enabling legal environment for the sector. Moreover, all Honduran CSOs would be better off if more sector representatives had the knowledge necessary to productively engage in legal reform advocacy.

One of the Program's goals for the upcoming Quarter is to build the capacity of other Honduran CSOs, particularly *Impactos'* local partners FOSDEH and FOPRIDEH, so that more organizations are prepared for leadership roles in advocating for a more enabling legal environment for the sector.

As reflected above in the report, irregularities in Honduran legislative practice also presented challenges in the Quarter. While ICNL has contracted a local expert to monitor legislative

developments related to the civil society sector, the failures of the legislative and executive branches to publish passed legislation in a timely manner complicates the monitoring process.

VIII. EXPENDITURES

Program Expenditures for the reporting Quarter amounted to US\$ US\$374,704.73. The total amount of expenditures as of December 31, 2011 is US\$1,066,675.26.

IX. PROGRAMMING PRIORITIES

Program priorities include a rapid implementation of the grant facility for both CPRG and CAP components. CPRG has started the grant process for all grants programmed for 2011 and 2012. This will allow for a greater impact with more CSOs carrying out anticorruption activities, including government oversight, research and advocacy, and public campaigns. The hope is to highlight corruption as an important issue in the public agenda. The Program will also focus on strengthening capacities of CSOs and training government officials.

Other priority activities for the next reporting period are summarized as follows:

- Award 12 National Government Oversight Grant (NGOG)
- Award 8 Transparency, Research and Advocacy Grants (TRAG)
- Award 4 Public Information Campaign Grants (PICG)
- Hire a consultant to create a toolkit for the Transparency Observatory
- Initiate identification of potential candidates for International Exchange
- Initiate customized trainings to selected CSOs
- Obtain final approval of both program component PMPs
- Identify Government champions that can support program activities
- Issue Rapid Response Fund grants if needs/opportunities arise
- As needed, provide discrete technical assistance and consultations to government agencies and CSOs
- Perform rapid gender assessment in participating CSOs
- Define methodologies for training modules for Government Officials
- Follow up on Security Assessment recommendations
- ICNL will assist the CSOs in drafting technically sound regulations to implement the NGO-D Law
- ICNL will support *Impactos* partner advocacy on the NGO-D regulations and related legislation
- Introduce ICNL and civil society legal reform to the new ISO, FOSDEH
- ICNL will assist the ISOs in developing an NGO legal reform capacity-building and leadership agenda
- ICNL will provide technical assistance in carrying out capacity-building of NGO-Ds and Government officials
- Under CAP, sign the agreements with the 5 selected CSOs
- Ensure the disbursement of CAP funds in adherence to the CSOs' approved work plans
- Prepare RFA to be delivered to short-listed CSOs through the selection process for CAP's Public Information Campaign Grant

- Train selected CAP CSOs on grant management, monitoring, and technical and financial execution
- Conduct information and outreach plan in the potential CAP communities of intervention, in coordination with the CSO implementing partners
- Identify and hold introductory CAP meetings with the Municipal Development or Prevention Committees in the cities of Tegucigalpa and San Pedro Sula
- Convene meetings with network leaders and youth organizations that have been identified by CAP project
- Articulate the initiative of CARSI-USAID projects implementation with CAP activities, mainly to determine mechanisms, times and communities where the Program can intervene
- Adjust CAP project goals based on new targets in number of communities and municipalities and review the effect on PMP annual targets
- Follow-up on the Prevention of Violence proposal that USAID is negotiating with the Government of Honduras for the investment of the security tax funds.