

Strategic Objective:
MORE INCLUSIVE AND EFFECTIVE
DEMOCRATIC PROCESSES

**Results Package
and New Activity Description:**

DEMOCRATIC PARTICIPATION AND GOVERNANCE

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Strategic Objective: **MORE INCLUSIVE AND EFFECTIVE DEMOCRATIC PROCESSES**

Results Package: DEMOCRATIC PARTICIPATION AND GOVERNANCE

El Salvador is in the very early stages of democratic consolidation, struggling to develop the inclusive and effective democratic processes essential to a lasting, mature, sustainable democracy. In order to support this transition, USAID/EI Salvador has developed Strategic Objective No. 2, More Inclusive and Effective Democratic Processes. This SO includes five Intermediate Results (IR). This Results Package (RP) and New Activity Description - DEMOCRATIC PARTICIPATION AND GOVERNANCE - outlines the basic structure and illustrative USAID activities to achieve three of these five IRs: **a More Politically Active Civil Society¹; Impartial and Effective Electoral Administration; and Improved and Transparent Stewardship of Public Finances²**. The New Activities described herein include assistance to the Legislative Assembly, under the Component titled "Increased Opportunities for Political Participation", and expanded activities with civil society organizations, as described in the Component "More Effective Citizen Advocacy".

II. PROBLEM STATEMENT

The emerging culture of Salvadoran democracy is threatened by unfulfilled expectations for increased economic opportunities and the limited credibility of key democratic processes. Other elements of USAID/EI Salvador's strategy addresses increased economic opportunities.

Analysis of the credibility issue indicates that the problem is twofold, stemming from the low levels of political participation by citizens, and especially women and the rural poor (USAID's primary customers) and citizen dissatisfaction with the lack of integrity in public decision makers and processes, particularly in areas related to management of public funds. This lack of integrity and inclusiveness in Salvadoran democracy derives from numerous historical and cultural factors, including a history of authoritarian rule, a lack of tolerance of opposing views, and an inability (and/or lack of political will) of previous democratically elected administrations to address long-standing problems of corruption.

Since the return to democratic elections in the early 1980s, there has been only modest growth in the level of political participation. The decrease in electoral participation is only one measure of the citizenry's dissatisfaction in the political process. While the numbers and percentage of Salvadorans registered to vote has increased nearly threefold, from 1.1 million in 1985 to 3 million in 1997, the number of votes cast in the 1997 elections has grown by

only 50% compared to the number cast in 1985. Thus, despite significant donor and host country efforts to promote broader electoral participation through a reduction in

¹ Throughout this document the term civil society and civic organization are used interchangeably to refer to organized expressions of citizen interests, including non-governmental organizations, professional associations, social and economic groups organized around issues as pressure groups, etc.

² See the Results Framework for a fuller description of the development hypothesis underlying this SO and concurrent IRs.

bureaucratic/administrative obstacles to voting (e.g., improving the registration process), 24% less of the electorate voted in 1997 than in 1985.

In addition, since the late 80s there has been dramatic growth in the numbers of nongovernmental organizations legally registered at the national and municipal levels. However, most of these organizations restrict themselves to service provision. Few of these organizations have demonstrated interest and skills needed to participate effectively in the decision making processes at the municipal, regional or national levels. Moreover, most organizations do not maintain active communication links to their constituents, provide effective outreach to potential members, or effectively tap volunteer resources. Also, many of the civic organizations are hierarchical and authoritarian, as well as highly ideological, making coalition building with other organizations around specific issues a difficult task.

Successful integration of civil society depends as much on the will and ability of the people to organize and participate as on the opening of the system to universal political participation. Even if civil society in El Salvador suddenly developed an effective advocacy capacity, few would find real openings for their participation. The legislative process typically functions behind closed doors. At the municipal level, *cabildos abiertos* (town meetings) and the occasional open council session are among the few opportunities for civil society to participate. The combination of a growing commitment by the central Government to deconcentrate and devolve authority to municipalities; enhanced municipal capacity; and a multi-party legislature committed both to consensus and representation of constituents' interests, provides a propitious environment to increase the informed and active participation of Salvadorans in the political process.

Strengthening the integrity and inclusiveness of the democratization process in El Salvador will depend on overcoming the legacies of an authoritarian, centralized government, and addressing at least four other constraints:

attitudinal: As the University of Pittsburgh survey data has shown, Salvadorans (as many other Central Americans) have a limited willingness to extend key democratic liberties - such as freedom of expression and the right of opposition members to seek office - to groups with beliefs different from their own (i.e. low "tolerance"). While some improvement has been made since the origins of the Peace Accords, a 1995 poll indicates that as many as a third of the Salvadoran populace would still restrict the rights of those who question the current government to seek political office or to demonstrate. Related to this, there is continuing tension between government and civil society regarding the need for the Executive to regulate non-governmental organizations through potentially restrictive registration/reporting procedures.

lack of knowledge/educational: Even for interested and educated citizens, it is difficult to obtain and corroborate information from the media and civic organizations about what the government is doing. The constraint at its most basic level begins with a population uninformed about who does what in the government. Moreover, the concept of constituency is just beginning to take root with legislators, other elected officials and the citizenry. The physical and social proximity of the local government leadership, availability of direct appeal to authority, and the frequency of open town meetings has contributed to a stronger sense of constituency in municipality-citizen relations. However, in the Legislature, the concept of constituency is only

now emerging. The absence of an explicit link between the legislator and a represented district³ reduces the incentive for the elected official to transmit information to the population, and focuses their attention on responding to the party, rather to those they represent. This has contributed to the relative lack of importance of civic organizations as conduits by which citizens learn about and influence their government. Finally, the lack of understanding of the tasks of elected or appointed officials by both the officials and the populace is a barrier to judging whether the government is accomplishing what it promised the public it would do.

institutional: Institutional constraints are found on both the demand (civil society organization) and supply (public institution) sides of the equation.

An active, pluralistic civil society comprised of organizations that express the interests of their membership to government is a requisite for stable democracy. They serve as a check and balance to state power and a means for making political leaders accountable to the citizens. While many non-governmental organizations and professional organizations exist, few play an active, effective role in the political process. Most organizations do not maintain active communication links to their constituents, provide effective outreach to potential members, or effectively tap volunteer resources. Moreover, many of the civic organizations are hierarchical and authoritarian, as well as highly ideological, making coalition building with other organizations around specific issues a difficult task.

Furthermore, public sector institutions, whether in the Executive or Legislative Branch, provide few openings and/or encouragement to civic organizations to get involved in decision-making. And, when opportunities are provided, few civic organizations are able to move beyond ideologically-charged positions to concrete concerns and specific recommendations that will motivate geographically and economically disperse groups to present a common front and affect the decision-making process.

Given the importance accorded to the electoral process, special mention needs to be made of the continuing institutional obstacles to wider voter participation. In the past, donors have provided significant levels of assistance to address weaknesses in the operational aspects of running elections, but these inputs have met with modest success. Reforms to modernize the complicated, inefficient voter registration and voting day procedures and amelioration of underlying structural problems with the Supreme Electoral Tribunal are urgently needed. On the eve of the 1994 elections, President Alfredo Cristiani remarked that

³ El Salvador uses a complicated formula to select Legislative Assembly members based on both departmental and national vote totals. See the Project Paper for the Democratic and Electoral Processes Project (519-0391) for a more complete description of this system.

...[the above mentioned obstacles] these obstacles contribute to erode the one-person one-vote principle by making it more difficult for ordinary Salvadoran citizens to vote. It is institutionalized distrust that lurks behind many of the idiosyncrasies of the Salvadoran electoral system⁴.

Furthermore, most observers agree that reforms to provide for pluralistic representation on municipal councils, legislative districts, the presentation of platforms by all candidates seeking public election, and the possibility of forming local or regional parties (a constitutional constraint) would provide incentives to a broader segment of the Salvadoran populace to participate in the political process.

economic/financial: Public opinion polls carried out during the last two years indicate that the primary concern of the Salvadoran populace is finding employment and/or economic security, followed closely by halting crime and improving public safety. Salvadorans don't see opportunities for civic/political participation as directly related to addressing these concerns, and understandably, many put other more pressing activities and concerns above participation in civic activities. Civic organizations work under significant financial constraints, as well, which limit the range of activities they can pursue, particularly use of mass media given the high cost of TV, radio and print spots and the absence of public service announcements.

III. RELATIONSHIP TO USAID/EL SALVADOR STRATEGY

The Civil Society Annex, submitted in the Fall 1996 as an addendum to the Mission Strategy for 1997-2002, describes the focus of our Democracy Strategic Objective (SO) No. 2 as improving the inclusiveness and effectiveness of the democratic processes, by working in three priority areas: the rule of law, local governance, and citizen participation. The Mission's FY 1997 Results Review and Resources Request (R4) document clarified the strategy further, articulating five key intermediate results. Two of these, increased participation in strengthened local governments and more effective legal/judicial protection for all citizens, are the subjects of separate results package documents. The **Democratic Participation and Governance** results package combines three previous stand-alone activities in the areas of citizen participation and civil society development (currently funded under the Democratic and Electoral Processes Project), legislative strengthening, and integrated financial management and transparency, into a related set of complementary activities. Concurrent with the new grouping of activities, the approach to activity management within the SO Team as a whole has been refined to reduce the "stove piping" of efforts and build upon complementarily of activities and results. For example, this RP will address issues such as pluralistic representation and passage of the Administrative Procedures law, adding synergy to efforts being pursued through the Municipal Development and Rule of Law RPs, respectively.

⁴ Baloyra, Enrique A. Elections and Political Rehabilitation in War-Torn Societies: El Salvador 1993-1994. October 1996. Draft

Activities in this Results Package are fully supportive of the GOES' 1994-1999 development plan, entitled "El Salvador: Country of Opportunities". Linkages between the RP and the development plan occur in the following areas: strengthening and consolidation of the peace process and national reconciliation; decentralization, local development and increased participation of private agents and organized communities in the production and provision of public services; consultation and validation by citizens of local and regional development plans; and increased participation of women and respect for the basic rights and equality⁵.

Activities implemented under this RP and the Economic Growth and Poverty Alleviation Strategic Objective are mutually supportive. In working with the Legislative Assembly, for example, priority will be given to working with the Standing Committees dealing with economic development issues, ensuring that citizen concerns related to economic security, employment and income are effectively placed before policy makers. The University of Pittsburgh's surveys and analysis on citizen participation and factors of influencing this participation also suggest that higher levels of income and completion of primary and secondary education are highly correlated with higher levels of citizen participation. Thus, we expect that the success of the Economic Growth SO Team's activities will contribute to achievement of this RP's objective of stimulating higher levels of citizen participation.

The Mission's Health and Environment Strategic Objectives both include policy results package, which can be enhanced through more active citizen support and participation in decision-making processes around key policy issues as well as technical support to the Legislative Assembly in its analysis of draft laws. Close coordination among the SO teams will be practiced, so as to ensure synergy among this RP's activities and the policy results of the other SO teams.

IV. ANALYTICAL/CONSULTATION PROCESS

S02 Extended Team members, partners, customers and donors participated in four major workshops during CY96. These workshops included presentations of the Democracy Strategic Objective framework and subsequent discussions in small, RP-focused work groups. The goal of these meetings was to solicit feedback and detailed analysis of the strategic framework, including the definition and delimitation of the strategic objective statement and its intermediate and sub-intermediate results, and their respective measurement indicators. As a result of these meetings, the Democracy SO went through major changes in strategy during 1996, including modifying the framework in its entirety and adjusting our activity strategies to achieve a more equal balance between support to enhance participation of civil society in democratic reform and decision making, and institutional strengthening to improve responsiveness of key government institutions.

⁵ Policies noted are a few examples taken from the document. Plan de Gobierno de la Republica de El Salvador, 1994-1999. Para Convertir a el Salvador en un Pais de Oportunidades!

Smaller working group sessions were held in the Fall of 1996 to discuss issues related to USAID's approach in the area of elections. Based on the relatively high current voter registration rate of 95% achieved and the absence of political will to adopt and implement key electoral reforms such as professionalization of the TSE, the SO Team concluded that further work on voter registration and elections administration was not cost-effective. Thus, the focus of this RP will be on building the constituency for electoral reform. If and when electoral reforms are adopted and actions taken to implement them, a limited amount of technical assistance could be provided to aid in the planning and early implementation stages of the above mentioned and other reforms. USAID also would work closely with the GOES to facilitate other donor financing for the heavy investments that will be required in implementing these reforms.

In a similar fashion, our customers and partners have indicated that corruption remains as a significant concern to them and therefore, is a serious threat to democratic consolidation. In our opinion, wider and more direct public concern and involvement in ensuring improved stewardship of public funds are needed to compliment the IDB/World Bank effort, which is focussed on implementation of an integrated financial management system and improved auditing. RP activities will, therefore, include a modest level of effort to foster greater demand for transparency and accountability for public finances as well as other decision-making processes. As we test the approaches described in the following pages to achieve results, we will continue to consult periodically with clients and development partners to share experiences, evaluate results, and modify implementation approaches if and when needed.

During this consultative process, numerous synergies were identified between the activities included in this RP and those supported by other RPs in the Democracy SO area, as well as in other USAID strategic objectives. With respect to other RPs under the Democracy SO, closer coordination between the Local Government and Rule of Law RP Teams is taking place so as to guarantee an effective use of resources and increase the potential for achieving desired results. For example, in terms of increasing civil society's participation in the management and supervision of the elected officials' performance in office, the Local Government RP is focusing on developing participatory skills through training of community leaders and community-based NGOs as one of its sub-intermediate results; emphasis is also being given in the development of the local agendas, to participation in the budgetary process and follow-on monitoring. In the Rule of Law area, the focus of new activities will be on expanding access to legal protection through increased legal awareness and greater involvement of community service/development organizations in the resolution of conflicts and legal disputes among parties.

Activities designed to foster greater citizen participation can be found in RPs supporting all three of the other USAID Strategic Objectives. Through closer coordination and sharing of experiences with other SO Teams, the likelihood of attaining our intermediate results of more politically active civil society and improved stewardship of public finances can be increased. For example, environmental public awareness activities will be a continuing activity, designed to not only increase public knowledge of environmental issues but, more importantly, to serve as a powerful lobby to support improved management of natural resources. Success in bringing citizen concerns to bear on the formulation of the water law, for example, could provide impetus for other interest groups as they see that public input in the legislative process is possible. Establishing a coordinated approach involving the Mission's activities with the Ministry of Education will provide the basis for developing a civic education program within the formal

school system. This approach will guarantee a long-term, sustainable activity and should result in an increase in future voter participation, during and after elections.

Risks and assumptions discussed during the development of the Results Package and Results Framework which may impair or enhance the attainment of the expected results include:

With the timing of the Presidential elections and initiation of campaigns rapidly approaching, political parties represented in the legislature may be unwilling, despite popular support, to enact reforms to the electoral process prior to the 1999/2000 elections because of their uncertain impact on voting behavior and outcome (i.e., they know how the current rules affect their parties and may be reluctant to change the rules of the game at this point in time). Moreover, even if enacted tomorrow, some of the reforms (e.g., single identity card) could not be implemented in time for the 1999 Presidential election.

- * The credibility of political parties and leadership continues to decline, negatively affecting both voter registration and participation levels, notwithstanding widespread civic education programs. USAID should be cautious in setting targets for increased electoral participation in light of the underlying credibility issue. In terms of other forms of political participation, USAID's target population for this intermediate result lives in remote areas and is primarily concerned with meeting the more pressing issues of finding employment or augmenting family income than in engaging in issues they perceive as only indirectly related to their priority needs. This weak identification between advocacy efforts directed at public officials and USAID's primary customers is a further constraint to increased political participation.

USAID's support for NGOs or civil society has been misinterpreted by some as support for the "opposition". The transparency of processes used to select groups with whom we work, as well as greater efforts to explain to our partners and counterparts our focus on democratic processes, are vital to correcting this misinformation.

Assumptions identified which may influence achievement of the results include:

- Political parties will improve their outreach to citizens through changes in their strategy as well as be responsive to citizen requests for establishment of platforms and public accountability.
- Should funding become available for a "Kids Vote" program, the GOES and especially the Ministry of Education, would not block (and ideally collaborate in) the expansion of the program and the development of curricula materials for use in the public and private schools curricula.
- The Executive and Legislative branches will follow through with verbal commitments contained in the Administration's Modernization Plan and the Assembly Protocol that recognize the importance of, and facilitating openings for, greater civil society participation in managing the country by increasing awareness of citizens' responsibility in the management of their government at both the local and national levels.

The international donors have played an important role in supporting fair and free elections and an expanded role for civil society. Many consultative meetings have been held among donors to ensure coordination of the scarce resources allocated by the donor community for the 1997 elections and a common donor position with respect to electoral reform. The Netherlands and Canada provide significant levels of support for civic education programs, and last year supported a local NGO Consortium's voter education program in 62 of the 262 municipalities nation-wide. The UNDP, with the financial contribution of Great Britain, Sweden, Norway and Denmark, has and will continue to support the work of the "Junta de Vigilancia" of the Supreme Electoral Tribunal for the verification of free and fair elections. The Government of Japan, working with USAID under the framework of the Common Agenda on the participation of civil society in democratic development, hopes to expand its work with civil society, building upon the successful experience of the voter registration and political party training conducted this year.

V. SUMMARY OF ACTIVITIES/EXPECTED RESULTS

Activities implemented under this RP since the beginning of FY 1997 have been primarily focussed on the 1997 elections and included: a voter awareness campaign that made 322,161 door-to-door visits to encourage people to retrieve their voter cards (carpet) and urged them to vote on election day, 238 voter education events held during the month previous to the election, and participation of 28,524 citizens in orientation training for voting; rural transportation on voting day; motivation for rural women to register; and facilitation of an effective working relationship between the TSE and NGOs. All these activities were implemented by the International Foundation for Elections Systems (IFES), an institutional contractor, which coordinated the work of 22 local NGOs working closely with TSE employees in 82% of the total municipalities in the country. As a result of this IFES/NGO/TSE program, some systemic barriers to obtaining carpets and voting, particularly by those living in areas with historically low voter turn-out, were removed. Another result was reducing logistical barriers to voting through the provision of rural transportation on voting day, covering 100 of the country's most inaccessible municipalities. The goal of 70,000 persons transported was easily surpassed, as the final figure is close to 85,000.

The Legislative Strengthening project created a policy research unit comprised of policy analysts which provides technical support services for Assembly members. Several key laws have been approved incorporating the results and analyses conducted by this research unit. Activity assistance also helped the Assembly carry out workshops to broaden the Legislators' vision of their role and to upgrade their technical skills. A series of seminars to prepare the Assembly in the review of the nation's budget and to sharpen the analytical skills of the Assembly's members have taken place with very positive outcomes. The Assembly also implemented a civic education and public relations strategy to improve its image and relations with constituents.

Great progress has been achieved on the policy front by passage of legislation modernizing and decentralizing financial management responsibilities to the GOES ministries and creating post-audit framework for the entire government. USAID has also provided financing for training of GOES financial managers and auditors in new financial management systems and auditing techniques as well as for public debate fore to increase public awareness about the need for transparency and integrity in government and in society as a whole.

As of May 1, 1997 the pipeline in Project No. 519-0391 is \$3.5 million, of which \$3.2 is obligated with IFES.

The RP Team's evaluation of these activities, recommendations from the democracy assessment, customer and partner feedback, and the need to consolidate and focus activities based on resource and staff reductions have led the RP team to group previously disparate activities into this single RP, under the following three components:

Component A: More Effective Citizen Advocacy

The activities under this component will focus on increasing the understanding of USAID's customers of issues under debate and the decision-making process, strengthening civil society capabilities in the area of political advocacy strategy formulation, and the use of communication media, and promoting the formation of citizen/civil society coalitions around policy issues so as to improve the effectiveness of civil society organizations in influencing policy decisions and/or the legislative process. Support for general civic education programs will be replaced by more targeted assistance for civil society networks/coalitions around identified issues. Preliminary consultations with customers and partners, including IFES, suggest the following areas of potential focus:

1. Building support and consensus for the National Civil Registry (Registro Nacional de Personas Naturales - RNPN) and electoral reforms, through increased understanding of issues and formation of one, strong, civil society front on this issue. Activities could include: training for leaders and staff of key civil society organizations and institutions in electoral issues using analysis on political participation from El Salvador and elsewhere; design of a nation-wide campaign sponsored by civil society organizations targeted to support advocacy work on priority electoral reforms; and training programs for journalists on electoral subjects, so as to promote articles and more in-depth electoral processes coverage.
2. Promotion of greater women's role in politics, targeted especially to promoting participation of rural women in their local governments. These include: training of women belonging to political parties or holding public offices; building strong grass root women's organizations that focus on supportive action for women's rights; and establishing an on-going training program for rural women on organizational skills and participatory approaches.
3. Other issues (e.g., juvenile justice, domestic violence, water, environment, transparency/integrity, etc.) preferably consistent with and/or supportive of USAID's geographic and sectoral strategy. These activities could be coordinated with other RPs and other SOs in the Mission, and could include: training/round tables for journalists and community radio operators on specific subject matters in public debate, such as the role of and access to a public broadcasting system, the need for a transparent privatization process, and the implications of a decentralized form of government.
4. Civics education for school-aged children. Subject to availability of funds, this RP could develop a "Kids Vote" program with the aid of mass media and the formal education system. Activities would include: training of teachers on the Kids Vote methodology, which covers Kindergarten through High School grades; massive promotion through public announcement/media; and follow-up monitoring activities to gauge the impact the program has on new voters vis-a-vis actual election voter turn out.
5. Support (technical assistance and grants) to local organizations and/or NGOs for advocacy of specific issues identified by customers.

Through additional training and technical assistance, USAID would also support the development of a Leadership Network that includes leaders of different levels and types of organizations, including some government institutions, both at the municipal and national levels. The purpose of such a network is to promote sharing of successful advocacy strategies and to establish a closely knitted interaction between civil society and government leaders.

Component B: Increased Opportunities for Political Participation

The focus of this component is on working with the political elite and policy-makers in opening up the decision-making process. Primary emphasis will be given to: a) the Legislative Process, through a follow-on activity with the Legislative Assembly, and b) technical assistance to convince key policy makers of the urgency and feasibility of implementing the RNPN. USAID's approach to this latter area will emphasize the RNPN as an important element in the overall GOES modernization strategy, an effort which could be supportive of other GOES priorities such as fighting crime, fiscal modernization and regional planning, as well as the basis for residential voting and a single identity card. In the area of legislative strengthening, continuing USAID activities will build upon past efforts by emphasizing the consolidation of technical support for strengthening the committee system through workshops and seminars for Assembly members, legislative analysts, and technical staff to broaden the legislators' vision of their role and to upgrade their technical skills. In addition, technical assistance will be provided to appropriate committees to conduct studies related to bills presented for their approval. Also, technical assistance will be provided for the establishment of a legislative development program to work with universities, civil society organizations, professional associations, and individuals to carry out studies or analyses of draft bills presented to the Assembly. A new Assembly, more assertive and knowledgeable about its role in the policy formulation process, may want to reform its Internal Rules; if so, technical assistance could be provided under this component. Finally, the Assembly can be strengthened with technical assistance to increase contact and communication between the Legislature and citizens.

The local government RP will contribute to expanding opportunities for political participation, through the development of mechanisms for citizen participation into the municipal decision making process.

With future year obligations, USAID could respond to other limited technical assistance needs to implement reforms, e.g., to the Ministry of the Interior on approaches to NGO registration, or to the Ministry of Labor on registration of unions. These activities would be contributing directly to the achievement of one of the sub-intermediate results under the Politically Active Civil Society IR, *Increased "Ease" in Forming Associations*. Other types of activities could be working with "think tanks" and universities on political research capability.

Component C: Transparency and Integrity in Governance

USAID's previous investments in this area have been focussed on creation of an integrated financial management (IFM) system and improved governmental auditing. With USAID assistance, great progress has been made on the policy front by passage of legislation decentralizing financial management responsibilities to the GOES ministries and creating a post audit framework for the entire government. Currently, USAID efforts focus on the much needed training for the GOES financial managers and auditors to enable them to implement the new systems and audit methodology required as a result of the new legislation. As a result of the progress made, the GOES negotiated a loan with the IDB to continue with the financial management modernization effort. To address the demand side of the equation, USAID during the past year contracted a local NGO (ISPADE) to carry out a series of seminars to make citizens aware of the impact of corruption on society. This assistance was provided with the knowledge that improved systems alone do not guarantee elimination of corruption --citizens and public officials also need to be educated about the essential need for integrity and transparency in governance.

With the IDB assuming the lead role in improving the central government's financial management system, USAID will now focus on (a) ensuring the application of IFM to local governance (an activity financed under the municipal development RP), and b) building upon the pilot work done with ISPADE by expanding our support for civil society work to raise awareness about the magnitude and impact of corruption on issues such as government spending for education and other public services. Special emphasis will be given to working with civil society organizations such as associations of journalists who have the capacity to serve as monitoring/watchdog groups to identify major areas of corruption and demand improved transparency and probity in government officials and processes. As a preventive measure, these civil society organizations will be asked to educate the public about the vital need for integrity and honesty as a major civilizing and constructive force in the process of building a healthy, sustainable democratic society.

A limited range of activities may also be pursued with public sector institutions, to support efforts of policy makers to root out corruption. For example, USAID-financed training of Ministry of Labor inspectors is intended to help the Ministry improve the integrity of the inspection process. USAID resources could also assist the GOES in the drafting of a Code of Ethics (standards of conduct with its related training) for the government, help the Legislative Assembly improve its financial oversight capability, and to assist the municipalities in the process of becoming more responsive and transparent to their citizens. For this purpose, seminars, conferences and training courses could also be designed in fraud detection and audit/investigation skills.

Expected Results

As described in the introduction of this document, this RP includes activities contributing to three Intermediate Results, i.e., a **More Politically Active Civil Society, an Impartial and Effective Electoral Administration, and Improved and Transparent Stewardship of Public Finances**. The relationship of proposed activities in this RP to the three IRs is summarized below, making specific reference to the lower level results (or sub-IRs) identified in the S02 results framework.

IR: More Politically Active Civil Society

The RESULTS FRAMEWORK for S02 identifies four lower level results important to achieving this IR, as follows: *Increased "Ease" in Forming Associations, More Effective Advocacy Skills, Increased Opportunity for Civil Society to Influence Decision-Makers, and an Educated and Informed Citizenry*.

The RP's grant support, technical assistance and training directed at civil society organizations and leaders of such organizations are aimed at the two sub-IRs related to the "demand" side of the equation -- strengthening organizational skills in advocacy as well as educating leaders, who can in turn educate others, about the public policy making process and appropriate interventions to influencing the decisions taken by public sector organizations. Concurrently, RP assistance to the Legislative Assembly under this RP and to other selected national level institutions such as the RNPN, and technical assistance provided to municipalities under the municipal development RP, stress the importance of citizen participation in the effective implementation of policies and programs, and provides system operators and elected officers with tools they can employ in obtaining citizen input in a productive manner.

The ease in forming associations is at present highly dependent on the will of the Ministry of Interior and its department of NGO registration, as well as on municipal councils who have authority to grant legal status to municipal level associations. RP activities designed to build coalitions among disparate groups around issues of national importance (but not so politically charged as, say, privatization) are intended to contribute to diminishing the image of civil society organizations as politically partisan and anti-administration.

Indicators the SO Team will use to monitor progress in reaching the IR and sub-IRs include:

- a) Number of legislators, cabinet members, public officials, and municipal councils who report civil society influence in a specific policy outcome or resource allocation process
 - 1.) Type and breadth of citizen coalitions formed around key issues
 - 2.) CSOs having specific advocacy strategies;
- b) Percent of Citizens reporting participation in civil society organizations (political parties, religious groups, NGOs, neighborhood groups)
 - 1.) Number of legally registered municipal and national level CSOs;

c) Changes in the legal framework and/or application of existing legislation which facilitate the organization and operation of civil society organizations

1.) Publication of regulations at municipal and national level clarifying procedural steps for obtaining legal status

2.) Frequency of open council meetings and open public hearings on key issues;

d) Percent of citizens reporting knowledge of key issues and legal reforms

1.) Percent of citizens citing the media as key source of information about specific issues.

I.R. Impartial and Effective Electoral Administration

Three sub-IRs are identified in the results framework: *A Transparent and More Accessible Registration Process, Voting Made Easy and Accessible to All Eligible Voters, and Prompt and Transparent Election Results Reporting*. As noted in previous sections of this document, the RP Team believes that in the absence of a broader consensus on electoral reform and a clear commitment of the responsible institutions to implement reforms such as professionalization of the TSE, USAID activities should focus on educating a wider segment of the leadership of civil society and government as to the available technological options being employed by Honduras and other neighbors which are well within the reach of the country. Therefore, our focus will be on supporting an informed debate among community leaders, political and economic sectors, on priority electoral reforms, while simultaneously seeking opportunities to permit serious journalists to participate in training programs and other events which would enhance their understanding of key issues in (or which should be in) the public limelight.

Indicators the RP team will use to monitor progress include:

a) Changes in the legal framework or operating procedures to facilitate voter registration, residential voting and/or local independent monitoring of electoral results

1.) State and quality of debate on the issue of electoral reforms

b) Voter registration and participation rates, as well as non-participation rate and reasons for the lack of participation.

I.R. Improved and Transparent Stewardship of Public Finances. The sub-IRs are: *More Effective Use of Audit as Mechanism to Ensure Stewardship, Improved Public Sector Financial Management Systems, Effective Prosecution of Corruption, and Citizens Begin to Hold Public Officials Accountable*. As noted earlier in this document, the IDB has assumed the lead financial role for the implementation of the new integrated financial systems required by the 1996 IFM law as well as assistance to improve government use of auditing. USAID's primary focus has, therefore, shifted to strengthening civil society's role in promoting good governance, improving financial transparency and integrity of public decision-making processes, and strengthening the ability of the justice system to effectively prosecute cases where the public's trust has been violated. This IR has strong linkages to our new Rule of Law RP, as well as the Municipal Development RP, that include technical assistance to municipal councils to strengthen their financial management and use of audit, and the establishment and promulgation of a code of

ethics for municipalities as well as other public officials. Achieving this IR is highly dependent on other donor efforts focussed on the national treasury functions. Progress in attaining this RP will be monitored using the following indicators:

- a) Frequency of dissemination of information with regards to budget, procurement, and audit processes, at National level and in targeted Municipalities; and,
- b) Establishment of codes of ethics and application of such standards by key public sector institutions to its employees.

VI. FEASIBILITY ANALYSES

For the ongoing activities under the Democratic and Electoral Processes Project No. 5190391, numerous analyses were conducted and included in the Project Paper dated September 28, 1992. These analyses⁶ and studies include:

1. Beneficiary Analysis⁷

The focus of this RP continues to be the same beneficiary population as Project 519 0391, specifically rural residents and women. Rural people make up 60% of the adult population; women comprise 55 % of the adult population.

2. Social Analysis⁸

This analysis points out the importance of the participation of Civil Society in the democratic process. Without an organized and resourceful civil society, fragile democracies will not survive. The study briefly discusses the importance of citizen participation at the local level and the use of the mass media as an important tool; also, it makes comparisons on gender, education levels, the difference between urban and rural population and age groups.

⁶ See Project Paper, pages 37 through 44.

⁷ See Project Paper ~VI. Project Analysis Summary", page 37

⁸ See Annex C of the Project Paper

3. Institutional Considerations⁹

This annex considers the institutional capacity, management, reach and population sectors of NGOs involved that could strengthen El Salvador's emerging democracy. It also explores the types of activities the NGOs promote, networks and potential inter-institutional collaboration, and the NGOs perceived obstacles for greater political participation.

4. Technical Considerations¹⁰

This annex considers work with Civic Organizations. The principal implementing mechanism for the Project is the technical assistance contract for promoting citizen involvement through the work of NGOs. These organizations (see Annex C of the Project Paper, Institutional Analysis) currently appear to have the greatest outreach and institutional capacity to reach women and the rural population. These civic organizations have been screened through a selection criteria.

VII. CUSTOMER SERVICE PLAN

The purpose of the Participation and Transparency RP Customer Service Plan (CSP) is to develop an ongoing, collaborative and extremely interactive relationship with both ultimate and intermediate customers. For our purposes, the ultimate customers for the Participation and Transparency RP are the rural poor population, especially women and youth, and the intermediate customers are our partners (institutional contractors and local NGOs). Activities will preferably take place in targeted municipalities and model municipalities pre-established by the Mission's strategic plan.

The CSP is designed and implemented in coordination with our partners and other external audiences, with the objective of developing a sense of ownership by all parties involved so as to guarantee the activities' success and sustainability. The standards we have set to maintain an efficient customer service Plan are:

- * Responsiveness to customers reflected in the flexibility in our activities;
- * Relevance of our activities to a community-based reality;
- * Openness to listen to new and creative ideas to problem-solving;
- * Precision in data collection;
- * Integrity in the use of the collected information; and
- * Maximum teamwork and participation by USAID, partners and customers.

The Participation and Transparency RP CSP is, then, a working document that serves as the mechanism to obtain and share information needed to: (a) learn what is important to customers; (b) assess the effectiveness of the activities and redirect their implementation if/when needed; (c) report on progress towards achieving planned results; (d) allocate resources in a

⁹ See Annex D of Project Paper

¹⁰ See annex E of Project Paper.

timely fashion; and, (e) design future activities based on early detection and prioritization of needs, problems and issues of concern to ultimate customers.

To adequately collect the information needed for the continuous improvement of our CSP, the Participation and Transparency RP will: 1) perform field visits to areas assisted by our activities and conduct interviews, home visits, and attend community meetings, whenever possible; 2) conduct a series of focus groups and/or rapid appraisals to generate feedback from our ultimate customers/users on each of the systems and/or services we are working to improve; 3) conduct periodic customer surveys and public opinion polls/surveys which are intended to measure progress indicators towards the achievement of our planned results (see Monitoring and Evaluation Plan attached); and 4) incorporate into the CSP all the valuable information obtained through independent technical evaluations or other means of activity assessment

The CSP is a flexible document and the components listed above are meant as a guideline. As we enter into agreements with new partners, we will review the components of our CSP and make changes where necessary. We will develop and/or refine a mutually acceptable CSP with our partners using the above-mentioned guidelines. This development of a mutually acceptable CSP is a prerequisite to our partners being selected to implement activities under this RP. In-other-words, partners will be selected not only for their technical ability, but for their willingness and/or to incorporate a CSP into their implementation of activities.

VIII. HUMAN CAPACITY DEVELOPMENT NEEDS

The human capacity development needs of this RP include short-term technical training for public officials (e.g., on computer systems for employees of the RNPN, if implemented, or budget analysis skills for legislators) and democratic leadership training for leaders and staff of civil society organizations. Training activities will be a small, but vital, component of the integrated technical assistance and support programs negotiated with partners. Packages may include specialized technical assistance, on-the-job and targeted organizational development interventions, and training to improve communication skills. Work with civil society organizations would include technical assistance and on-the-job training in participatory techniques, advocacy; and sustainable development strategies (for both organizational self-sustainability and development activity sustainability).

The contract with the International Foundation for Electoral Systems (IFES) for our Democratic and Electoral Processes Project runs through mid-1998 and includes funds for training and technical assistance in the areas of electoral processes and a more politically active civil society. At the termination of this contract, or when new training activities are initiated under the RP, the RP team will work closely with the Mission's Human Capacity Development Unit to assess the appropriateness of using the Mission HCD contractor for the specific short-term training needs of the RP. All participant training will be handled by the Mission's HCD contractor. No formal academic or long-term training is envisioned at this time; however, periodic training needs assessments will be conducted to identify other areas of importance, type and length of training, and funding sources.

IX. IMPLEMENTATION/MANAGEMENT PLAN

Implementation of the activities included in this RP area will be guided by several basic principles:

1. Given the significant limitations on USAID funding for S02, activities supported in this RP will give priority to the areas of policy reform with greatest relevance to Mission priorities. Therefore, we will build upon the use of the policy change framework used in the democracy assessment, and only fund activities following: (a) an assessment by the RP team and partner institution of where the particular reform is positioned in the six-step policy change process, so as to assess feasibility of achieving the desired policy change, and (b) a stakeholder analysis to refine activity strategies. Emphasis is being given to this type of analysis since the RP hopes to stimulate greater political activism through word-of-mouth and confidence gained around successful policy advocacy work.
2. Grant assistance provided to civil society organizations will focus primarily on programmatic, non-personnel costs, such as development and printing of advocacy/ communication materials, logistical support for meetings, and per diem associated with training or regional meetings in third countries. Cost sharing contributions will be required, and selection of grant recipients will be carried out through competitive procedures.
3. In selecting activities, the RP will give priority to initiatives that complement and enhance prospects for achieving Mission objectives in the area of S02, other SOs, other donor programs and the rural poverty focus.
4. The RP team leader will have overall responsibility for management, but will actively engage the other members of the RP team in project management, delegating responsibility for specific activities to other team members in accordance with the division of roles outlined in the team charter. Greater emphasis will be placed on results management in our partner and institutional contractor relationships, as opposed to management of inputs and outputs.

The USAID staff devoted full time to management of this results package include the RP Team Leader/Project Management Specialist and a Project Management Assistant. The Deputy Democracy Team Leader, a senior financial analyst, human capacity development/training assistant, and the Senior Project Development Specialist, also dedicate significant amounts of their time to project direction and management, as indicated in the tables contained in the Financial Plan.

The RP Extended Team provides advice and participates in the periodic assessments of the RP strategy and impact. Membership in the expanded team is made up of the USAID RP Team members and representatives of our partners, which at present includes: Ricardo Córdova Macías (FUNDAUNGO); Debra Gish (IFES); Julio Menjívar Rubio (Fundación Buen Ciudadano); Herman Alberto Arene (FUCAD); Ildiko de Tesak (FUCAD/FEPADE/OEF); Mitchell Seligson (Univ. of Pittsburgh); and Margaret Popkin (WOLA). Members will be added and deleted as anDroDriate.

Implementation Mechanisms:

To assist the RP team in implementation, USAID currently has a contract with the US company, the International Foundation for Electoral Systems (IFES), to provide specialized expertise to USAID in electoral processes and participation, as well as to administer grants to local non-governmental organizations to expand civic education and citizen advocacy programs. In providing technical assistance and/or conducting training programs, IFES will contract with US, TCN and host country experts for such tasks as identifying technological options available to the country in implementing a new civil registry and single identity card. To improve prospects for the sustainability of activities and control costs, USAID will encourage IFES and other future contractors to maximize their use of local institutions to conduct training workshops, surveys, focus groups and diagnostics, so as to strengthen local capacity in these fields.

During the first semester of FY 98, USAID/EI Salvador will evaluate options available to continue activities with civil society organizations under Components A and C (i.e., more effective citizen advocacy and transparency and integrity in governance). Options include extension of the IFES delivery order, use of another G/DG IQC, and a competitively-let cooperative agreement(s) with US and/or Salvadoran non-profit organizations to manage technical assistance and civil society grants program. By the end of FY 97, priority needs of the newly elected Legislative Assembly should have been clarified and an implementing mechanism will need to be developed. While we will assess the feasibility of including all or a portion of the activities planned with the Legislature in the same implementing mechanism selected for Components A and C, at this time we believe the preferred option is contracting with an institution specialized in legislative modernization and research services.

Focus groups and participatory rapid assessments targeting rural women and youth will be used as tools to help inform the design of all activity interventions intended to reach these target populations. The same tools will be used through the life of the activity to monitor changes in issue awareness, understanding of voting and registration procedures, political participation, and reactions to media coverage of these target groups.

Biennial surveys (years 1998, 2000 and 2002) will be commissioned by USAID to provide information on progress against the activity's results indicators. These surveys will include some of the same variables used in the Seligson/Córdova 1995 Democracy Survey to allow for longitudinal analysis. Focus groups and participatory rapid assessments targeted to rural women and youth will again be used as part of these two evaluations to gather qualitative information about the elections and other forms of democratic participation.

X. FINANCIAL PLAN

Financial requirements have been estimated on Tables 1 through 4, as follows. Table 1 shows an analysis of cumulative obligations (\$10.13 million) through end of FY96, for project Nos. 519-0391, 519-0349 and 519-0360, comprised under this RP; the available pipeline as of that date (\$3.107 million); counterpart contributions for FY97 through FY02 (\$1.893 million); and additional obligations for FY97 through FY02 (\$5.13 million). Table 2 shows the estimated costs associated with USAID management of the RP as well as the GOES and NGO contributions; and Table 2-A specifies cost analysis by sub-components, including USAID management and direct costs. Thus, and as shown in Table 3, a total of \$7.489 million (which includes \$5.13 million in new obligations) will be expended beginning with FY97 and continuing through FY02. Table 3-A distributes costs according to activity components with the purpose of showing activity focus. Table 4 analyzes the USAID costs associated with the management of the RP for the third and fourth quarter of FY97. USAID management costs have been separated by those charged directly to the RP budget and those charged to other RPs and OE budget.