



USAID
FROM THE AMERICAN PEOPLE

AFRICA ANTI-CORRUPTION INITIATIVE (ACI) SECOND ANNUAL REPORT 2005

DECEMBER 2005

This publication was produced for review by the United States Agency for International Development. It was prepared by Management Systems International.

AFRICA ANTI-CORRUPTION (ACI) SECOND ANNUAL REPORT 2005



Management Systems International
Corporate Offices
600 Water Street, SW
Washington, DC 20024

DISCLAIMER

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

Contents

- 1) BACKGROUND AND RESULTS 1**
 - i) Missions Included 1
 - ii) Explanation and Planned Results 1
 - iii) 2004 Performance 1
- 2) 2005 IMPACTS..... 1**
- 3) CHALLENGES 2**
- 4) ADAPTATIONS TO MISSION STRATEGIES 3**
- 5) ILLUSTRATIONS OF EFFECTIVE OUTPUTS IN 2005..... 4**
- 6) LEVERAGE AND SYNERGY 5**
- 7) SOME LESSONS 5**

APPENDICES

Appendix A: Table of Anti-Corruption Programs and Results

Appendix B: Initiative-Level Indicators and Results

Appendix C: Initiative-Level Indicators

Appendix D: Mission Reports

1) BACKGROUND AND RESULTS

I) MISSIONS INCLUDED

In 2004, under terms of the Africa Anti-Corruption Initiative, twelve USAID Missions (three of them regional and eight bilateral) were allocated Africa Bureau Development Assistance funds to pursue the programs included in their proposals. They were: 1) Benin, 2) Kenya, 3) Madagascar, 4) Mozambique, 5) Nigeria, 6) Rwanda, 7) South Africa, 8) Tanzania, 9) Zambia, 10) RCSA, 11) REDSO and 12) WARP.

II) EXPLANATION AND PLANNED RESULTS

In order to achieve impacts in the area of anti-corruption under the Initiative, one needs first to get resources to the Missions (this step is referred to as **inputs**) which are used to provide training and technical assistance to local organizations (referred to as **outputs**). While inputs and outputs are essential to an effective program, the targets set for the Initiative are focused mainly on achieving **impacts**. *This will be measured by the number of USAID Missions in which anti-corruption institutions and/or processes are strengthened.*

In 2004 (effectively the first year that the Initiative became operational for most of the Missions) it was anticipated that progress achieved would relate primarily to inputs and outputs. It was planned that impacts would be observed and measurable from **2005** (the second year of the program) onwards. The ultimate target for 2007 is that 10 out of a total of 12 Missions will be achieving impact level results.

III) 2004 PERFORMANCE

Initiative level performance is based on an aggregation of the performance of the 12 Missions. As explained, it was anticipated that in 2004 all Missions using ACI money would have made progress with inputs and outputs, but none were expected to have achieved impact level results. In terms of results (as reported on by the Missions), **the initiative was ahead of schedule**. Two Missions were behind by a few months on outputs; this was because of change in personnel or/and a decision to re-think strategy in light of in-country realities. These Missions commenced their programs before the end of the calendar year. On the positive side, all the rest of the Missions completed output level achievements. In addition -- this is where the results were ahead of schedule -- *five made positive impacts* (most of these were relatively modest ones) on the anti-corruption institutions and processes with which they were working.

2) 2005 IMPACTS

The ACI target was for 4 of the 12 missions to register some positive impacts in 2005.

In this regard the initiative is again ahead of schedule. The following 7 missions have made some observable impact insofar as anticorruption institutions or processes have been strengthened as a direct result of programs to which USAID's ACI has made some contribution: Benin, Madagascar, South Africa, Zambia, Kenya, Tanzania, Nigeria.

Benin: As a result of fraud detected by the Inspector General of Finance during an audit of the Directorate of Secondary School Exams, the former Director and the staff were brought to court and sentenced. About \$407,000 was recovered and the indicted officials have been barred from holding any high position in the public administration. In addition service providers involved have been excluded from all public procurements for five years.

Madagascar: The first government mechanism to accept anti-corruption cases (BIANCO) was established in 2004. As of September 2005, a total of 6,063 cases had been submitted, 5,250 in 2005, and 343 cases had been investigated.

Kenya: A spate of newspaper articles on high level corruption and a more active investigative system resulted in trials of two high ranking government officials.

Nigeria: A major civil society coalition, Publish What You Pay, has been assisted to gain access to, and made some progress toward playing a constructive role in, deliberations of the Nigerian Extractive Industries Transparency Initiative.

South Africa: By September 2005, the Forensic Auditing Unit of the Department of Justice had uncovered 142 cases of suspected fraud and embezzlement, of which 42 have been or are being prosecuted, and 34 are being investigated by the police or are being handled as an internal disciplinary matter. Four of the cases have resulted in convictions.

Tanzania: Data provided on the website of the Tanzanian Governance Noticeboard has been incorporated in the State of the Public Service Report issued by the President's Office, and helped uncover omissions (some of which have been corrected) and shortcomings in methodology (which have been included in a comprehensive review of reporting formats) in the official statistics of the Auditor General's reports.

Zambia: Some important changes, nine in all, were made to Parliamentary standing orders which give members of parliament considerably more influence. For example private bills may be prepared at House expense, Ministers will be required to table performance reports on their ministries, and the Estimates Committee has the mandate to act as the "Budget Committee." Also, Parliamentary Committees have received more submissions from civil society and the general public.

*While the Initiative is ahead of schedule, it is worth noting **that these are again modest level impacts.** They provide examples of success but do not in themselves demonstrate substantive changes in institutions or processes. At this stage, the second year of the program, this should be considered an appropriate level of progress, given the modest resources applied in a field as complex as anti-corruption (see next section). 2006 should test the Missions' abilities to make more progress both in terms of number of Missions and in terms of depth of change.*

3) CHALLENGES

About half of the missions reported setbacks, some of them serious, in the broader political and corruption environment in which they were operating:

The **Benin** Mission observed increasing Government harassment of some leading anti-corruption CSOs.

Kenya noted a serious loss of will on the part of the Government, including the Department of Governance and Ethics (DGE) ceasing to play any anti-corruption role and the resignation or dismissals of key figures such as the Permanent Secretary of DGE, the Director of Public Prosecutions and the

Transparency International (TI)-Kenya Executive Director. The Mission also observed a weakening in civil society capacity and will to monitor Government.

Madagascar reported that attitudes and behavior were proving difficult to change, that corruption was systemic and pervasive, and that the country's Transparency International Corruption Perceptions Index (CPI) ranking deteriorated in 2005.

In **South Africa** the appointment of a new Minister of Justice delayed progress in work with the court system. Further, the Mission reported that there had been sporadic outbreaks of violence in townships over poor service delivery and the lavish lifestyle of local officials. Programs that address corruption were therefore viewed by the Government as highly sensitive, and consequently more restrictive requirements on donors hindered progress.

RCSA reported that the **Swaziland** constitution did not provide for an enabling environment for fighting against corruption; and that in **Botswana** (where the level of corruption is low) businesses saw corruption as increasing slowly and the public saw it as increasing among the police. Also because of the economic and political crisis and high inflation rate in **Zimbabwe** RCSA had to renegotiate grant agreements with TI-Zimbabwe causing delays.

REDSO's report speaks of a turbulent political environment in East Africa. It observes that both Kenya's and Uganda's commitment to address corruption appeared to weaken during the year and key government reformers were no longer able to contribute effectively to anti-corruption efforts.

In **Zambia** where progress was reported on new standing orders that are intended to empower Members of Parliament and Committees, the Government nevertheless has insisted on leaving full power in the hands of the Speaker to determine order of business and appointments to Committees. This is not an example of corruption, but it may impede progress in creating greater transparency and accountability of the Executive Branch.

4) ADAPTATIONS TO MISSION STRATEGIES

Partly in response to the political changes noted above and partly because of other lessons learned, half of the Missions reported that they altered their programs during the course of 2005, some of them significantly. This will cause some delay in results but demonstrates effective and realistic adaptations by management and should result in more targeted and effective achievements.

For the purpose of maximizing impact, the **Benin** Mission amended its ongoing activity under the Decentralization IQC to better integrate its anti-corruption concerns. The objective is to increase civil society participation in anti-corruption work at the national and local levels and more effectively focus on better governance and anti-corruption at the local level. This new program began in June 2005.

Kenya had to make a substantive change during the course of 2005. As a result of the GOK loss of focus on corruption, as noted above, USAID Kenya had to terminate support for the DGE. It re-programmed funds to support the oversight elements of its follow-on program with the National Assembly with a focus on committees; to provide support to two key civil society partners to advance their anti-corruption work; and to expand the range of Civil Society Organizations (CSOs) engaged in monitoring government.

In **Mozambique**, the implementer's public information activities fell through when additional anticipated funding from another donor did not materialize. USAID is processing a budget realignment to support

those services. Further, the Mission carried out a corruption assessment in August and is redesigning its anti-corruption portfolio, of which ACI funds form a part, to better concentrate on civil society capacity and coalition building.

In **Rwanda**, where the Mission is incorporating its ACI funds into a much larger national health and decentralization program (Twubakane), progress was complicated and delayed by a new Government Territorial Reform initiative which required a redistricting process. This changes the implementation areas and administrative entities with which the Mission is working. This required renewed consultation, re-planning and adaptation of objectives and indicators.

RCSA redesigned its regional strategy in the course of 2004. In accordance with that, it signed two new agreements, one for surveys, in April 2005, and one with TI-Zimbabwe, in June 2005, and commenced implementation.

REDSO, faced by weakening support of key Government partners, and consequent reduced interest among USAID country Missions in working with Governments, re-oriented its own approach toward the private sector as an effective entry point for intervention. This caused some delay. The Mission believes this new private sector emphasis will more effectively encourage a transparent business environment and reduce opportunities for public sector corruption.

5) ILLUSTRATIONS OF EFFECTIVE OUTPUTS IN 2005

To give a better sense of how Missions are using the ACI funds, a few examples of constructive outputs that are anticipated to lead to impacts are provided:

In **Madagascar** the data from two USAID-funded anti-corruption assessments on tourism and on industry and crafts were used by the government to develop a national anti-corruption strategy. The Mission also provided logistical support for 2 regional workshops to consult on the national strategy, funded a feasibility study on the creation of multi-sectoral corruption observatory networks in 3 regions, trained 52 Malagasy judges to process anti-corruption cases, supported training of 70 government representatives in mediation principles, and taught citizens to file corruption cases relating to land titling.

In **Rwanda** the USAID-supported Health and Decentralization Project (Twubakane) organized strategic planning workshops in four provinces, a national service delivery conference, and with Rwandese Association of Local Government Authorities (RALGA), drafted a code of conduct and training strategy for members of RALGA.

In **Zambia** USAID supported relevant study visits to Tanzania and Kenya and travel by the Estimates Committee to inspect government projects, provided three budget analysts to support the Estimates Committee and train National Assembly staff, and held a workshop for all MPs to explain the implications of the new Standing Orders.

RCSA has channeled funds to support the Afrobarometer surveys implemented by *Idasa*. This enabled *Idasa* to provide technical field support to their national partners. Surveys in most countries are complete, and public presentations have already been made in some. Findings about Botswana, for example, have been helpful in highlighting those public service sectors, such as the police, that need to be targeted for anti-corruption interventions.

REDSO, in addition to its work at the regional level related to the Federation of East African Freight Forwarding Association and the Northern Corridor, has provided considerable anti-corruption technical assistance to individual countries; e.g. to help Somalia and Burundi to develop anti-corruption programming options, Djibouti to design an election administration program, and Ethiopia to develop a program on anti-trafficking.

WARP is working on the networking and communication capacity of key peace-building and transparency-promoting civil society organizations in the Manu River Union States of Guinea (MRU), Liberia and Sierra Leone. A needs assessment of the 13 NGO networks in the Manu River Union was conducted, and Information Technology equipment and training have been delivered to 9 of the 13 non governmental organizations.

6) LEVERAGE AND SYNERGY

In approximately half of an estimated 36 programs undertaken by the 12 Missions, ACI money was used in conjunction with other USAID resources, and in all cases the undertakings supported other transparency/anti-corruption, democracy and governance and/or economic growth programs.

ACI funds were used strategically as leverage or in support of other anti-corruption programs or other important initiatives in several missions. Examples include the Nigerian Mission applying ACI money to support the Extractive Industries Transparency Initiative, WARP concentrating on the delivery of assistance in the areas of anti-retrovirals and peace building in the Manu River Union area, REDSO's focus on trade and transport in the East African Northern Corridor, and attention to crime in South Africa and trafficking in Ethiopia. A number of Missions used ACI money to bolster their existing decentralization, parliamentary strengthening or peace-building initiatives.

In a number of cases too there is evidence of working with other donors, e.g. in Kenya where USAID remains the lead donor in the Thematic Group on Ethics, Integrity and Anti-Corruption; Nigeria where a number of donors are assisting with the EITI process; Tanzania where the donors' Governance Working Group has expressed interest in using the Noticeboard, for example, to track funds on projects; and Zambia where USAID cooperates with a Parliamentary Reform Donors' Group.

7) SOME LESSONS

As contrasted with 2004, a larger number of Missions reported on political problems, some of them of a serious nature, negatively affecting their anti-corruption programs. These have been discussed above under Challenges. This proves again the complexity of working on corruption. Governments new to power may appear to be determined to fight corruption but soon lose the will to persevere.

This may be for a number of reasons. The political will may never really have been there – statements about anti-corruption may have been no more than pronouncements meant to please donors (concern about donor dependence was discussed last year) or potential investors. Governments may have seen their acceptance of these programs as no more than way of responding to an overt or covert conditionality. It is possible too that anti-corruption in the abstract is acceptable. But once the processes set in motion begin to approach too close to home, threatening power or interests of political or bureaucratic leaders or those close to them, or challenging long-embedded systems of patronage those leaders may well lose interest. It

is possible too that as Governments realize how difficult it is—how long it takes, how complicated it is, and how many obstacles there are in the way— that they may lose enthusiasm.

Human resources remain a challenge in a number of countries. Expertise and experience among investigators, prosecutors, judges, journalists and civil society watchdog groups are often lacking; and examples of success are few. Material or other incentives are also often inadequate for both officials and the ill- or well- intentioned public to follow the rules. A number of missions refer this year to a (sometimes unanticipated) weakness in civil society which needed to be addressed.

Partly for the above reasons, and partly because as a result of rethinking earlier plans, a number of missions have altered their strategies, as well as their plans for performance measurement (see section above on Adaptations). This is to be expected early on in an initiative like the ACI. However, fiscal year 2006 will be the third full year of implementation of the program, and the Africa Bureau should anticipate more continuity of programming and greater achievement of the results that missions have determined for themselves.

Similarly it has taken some missions time to establish mechanisms for disbursing funds and implementing their strategies, both original and adapted. Given the demands of designing an effective program that makes the best use of a relatively small amount of money (although for some missions, the ACI funds are a relatively large portion of the overall DG budget)—notably finding synergies with other programs, USAID procedures and all the local stakeholders, demands and sensitivities — this is understandable. But again, the Africa Bureau should be able to anticipate next year that most missions move beyond contracting and project initiation to achieving results.

Leveraging a program or finding synergies clearly makes sense with limited resources. This can be done by applying the funds to a larger government, regional, or donor initiative. However it may not always be an unmixed blessing. There are a number of examples in this year's reports of delays caused by changes in government policies and practices or in another donor failing to live up to its commitment.

To summarize 4 points from last year that are again relevant to 2005:

- a) While decentralization or simply moving operations away from the capital is commendable in theory, it is often difficult to find high-level people (who could benefit from training) in outlying provincial or district towns or, having trained them, to get them to go and stay there.
- b) Regional missions face extra complications in building the anti-corruption capacity of regional organizations. These tend to be slow moving, large organizations that lack resources and involve complex politics and bureaucracies.
- c) There remains a lack of a tradition or culture of transparency and accountability in some of these countries. In practice corruption is complex, deeply embedded and often widespread. There is also often deep-seated cynicism that anything can be done about it.
- d) Change in leadership of governmental or non-governmental anti-corruption agencies or programs (such as the transfer of an activist Minister or Director) can result in a loss of a 'champion,' and dramatic loss of drive or momentum.

APPENDIX A: TABLE OF ANTI-CORRUPTION PROGRAMS AND RESULTS

| USAID Missions receiving and using ACI Funds | Type of anti-corruption program (only programs for which Missions reported using ACI money are included here) | ACI funding: Total 100%, Primary 60%+, Partial 60%- | Description of project | Results achieved 2005 |
|--|--|---|---|--|
| 1) Benin | i) Reinforcing Supreme Audit Institutions' (SAI) capacities and ii) Improving Competition and Transparency in Public Procurement | Primary | Provide assistance to support SAIs in investigating, tracking and denouncing corrupt behaviors. | <i>**As a result of fraud detected by the Inspector General of Finance during an audit of the Directorate of Secondary School Exams, former Director and staff were brought to court and sentenced. About \$407,000 was recovered & the indicted officials barred from holding any high position in public administration. Service providers involved have been excluded from all public procurements for 5 years.</i> |
| | iii) Strengthening Civil Society's Role in Anti-Corruption | Primary | Training, advocacy, and monitoring. | |
| | iv) Increasing local governments' transparency/outreach to encourage greater citizen/CSO involvement in local development decision-making | Primary | Foster partnerships among NGOs, communal governments and private sector for shared management of micro-projects. | |
| 2 Kenya | i) Strengthening GOK Department of Governance and Ethics (discontinued mid-year) | Primary | Supported the DGE's Strategic Plan, the establishment of the office, operations, capacity building among staff, communications and outreach programs, and systems design of the Public Complaints Unit. USAID terminated support to the DGE after the Permanent Secretary for Governance and Ethics, John Githongo resigned and other setbacks to anti-corruption work occurred. | Before program was terminated, DGE hosted an international experts' meeting on the challenges that "new governments" face when tackling corruption following a political transition." |
| | ii) Parliamentary Strengthening | Partial | Contribute to building the capacity of key oversight committees: the Public Investments Committee, the Public Accounts Committee, and the Finance Committee. | |

| | | | | |
|--------------|---|---------|--|---|
| | iii) Media Strengthening | Primary | | 17 reporters trained. <i>** A spate of newspaper articles on high level corruption have resulted in trials of two high ranking government officials.</i> |
| | iv) Civil Society Support | Partial | Enhance advocacy capacity and thereby increase public demand for anti-corruption reform. Work with CSOs in the areas of promoting judicial reforms through researching the economic implications of corruption in the Judiciary; advocate for the enactment of key anti-corruption legislation related to freedom of information, procurement, privatization and banking reforms; build and strengthen anti-corruption coalitions in the civil society, private and public sectors; and conduct research to establish benchmarks of integrity and efficiency in public organizations. | |
| 3 Madagascar | i) Government responding to anti-corruption case | Total | Activities included anti-corruption assessments on tourism and on industry and crafts; logistical support for 2 regional workshops for consultation on a national strategy; training of 52 judges to process anti-corruption cases; team building for the army, police and Anti-corruption Independent Bureau, and Courts of Appeal in one Region. | <i>** A total of 6, 063 cases have been submitted to BIANCO. 5250 were received in 2005 and 343 cases were investigated.</i> |
| | ii) Civil Society engaged in anti-corruption measures | Total | Support to Transparency International Madagascar (TI/M); Malagasy Arbitration & Mediation Center (MAMC). | TI/M has a workplan, has expanded outside of the capital city, conducted public awareness campaigns; MAMC developed work & funding plans.). MAMC trained 100 arbitrators and lawyers, 70 members of mediation institutions. |

| | | | | |
|-----------------|--|---------|--|---|
| | iii) Increased public awareness about corruption | Total | Activities include: help with national anti-corruption strategy, regional Learning Info Centers, anti-corruption prevention campaigns, and awareness campaigns. | |
| 4 Mozambique | i) Corruption Reporting Centers | Partial | Provide citizens with mechanisms to report corruption. | Met target of seven Corruption Reporting Centers. |
| | ii) Municipal Anti-Corruption Activities | Total | Improve transparency of municipal management systems and reduce opportunities for corruption in municipal service delivery. | |
| | iii) Corruption Assessment | Partial | The corruption assessment allowed USAID/Mozambique to design programs to strengthen CSOs' capacities to take action against corruption. Activities to include in new program design: mainstreaming workshop, 3-year umbrella anti-corruption activity to build a CSO coalition and strengthen organizations, and to train in journalism. | |
| | iv) Strategic Planning and Monitoring & Evaluation | Primary | Provide technical assistance on strategic planning and monitoring & evaluation to the Attorney General's Office and the NGO Ethica Mozambique. | |

| | | | | |
|-------------------|--|---------------------------|--|---|
| 5 Nigeria | i) Civil society strengthening via the Nigerian Extractive Industries Transparency Initiative. | Exact Proportion unknown. | Develop specialized expertise and disseminate oil revenue data for policy-making purposes. Build civil society capacity through economic literacy. | Five Publish What You Pay representatives received industry-relevant training. PWYP developed a strategic plan, prepared a successful advocacy campaign to gain access to the NEITI Stakeholder Working Group, developed and implemented an information sharing strategy, and made substantial progress in forging a partnership with Ministry of Finance policy makers. <i>** These representatives gained access and now serve on the NEITI National Stakeholder Working Group's civil society steering committee.</i> |
| 6 Rwanda | i) Decentralization and Health Project (<i>Twubakane</i>) | Partial | Goals are to improve national systems and capacity to plan, finance and monitor decentralized district level services with an emphasis on health, and to link integrated health planning, budgeting and management to evolving decentralized fiscal systems. | Completed its start-up phase, participated in the drafting of a code of conduct, developed a training strategy, and designed a training needs assessment questionnaire for RALGA (Rwandese Association of Local Government Authorities) members. |
| 7 South Africa | i) Forensic Audit Unit at Department of Justice | Total | Improve capacity of Audit Unit to audit funds held in trust (i.e., bail money at courthouses). | 51 staff members trained. <i>**By September 2005, the Forensic Auditing Unit had uncovered 142 cases of suspected fraud and embezzlement, of which 42 have been or are being prosecuted, and 34 are being investigated by the police or are being handled as an internal disciplinary matter. Four of the cases have resulted in convictions.</i> |
| | ii) Commercial Crimes Court | Primary | Established to try complex white collar criminal cases (relating to fraud and corruption) with investigators and prosecutors working as teams. | 2 new courts opened. Conviction rate exceeds 90% because of team approach used. |
| | iii) Building prosecutorial capacity for corruption cases | Partial | Train prosecutors in the skills needed to secure convictions in corruption cases. | 164 prosecutors trained. |
| | iv) Local government policies | Total | Improve policies that govern hiring, procurement, and public housing allocation in 45 municipalities. | |

| | | | | |
|-------------------|--|--------------------------------|---|---|
| | v) Investigative journalism training | Primary | Train medial practitioners in investigative journalism skills. | |
| | vi) NGO support via a grants program | Primary | Provide support for civil society organizations to serve as anti-corruption watchdogs, and training of investigative journalists. | |
| 8 Tanzania | Tanzania Governance Noticeboard (TzGN): Strengthening of capacities for research & monitoring in civil society & media | Total | <p>Assist national think tanks to establish a web based database of official governance indicators; train CSOs, media, Parliament to use data base; develop model for budget tracking at the local level for replication &</p> <p>Develop a model for budget tracking at the local level (Public Expenditure Tracking Systems); train civil society, media and parliamentary actors in the use of the database; and assist a national think tank to establish a dynamic web-based database of official governance indicators.</p> | <p>The database is live; the website has been developed and has received many accolades; 20 CSO representatives have been trained in local government financial reporting procedures; and four districts initiated Public Expenditure Tracking Systems in cooperation with civil society organizations.</p> <p><i>**Data provided on the website of the Tanzanian Governance Noticeboard incorporated in the State of the Public Service Report issued by the President's Office, and helped uncover omissions (some of which have been corrected) & shortcomings in methodology (which have been included in a comprehensive review of reporting formats) in the official statistics of the Auditor General's reports.</i></p> |
| 9) Zambia | i) Develop fiscal oversight capacity to reduce public sector corruption (integrated with parliamentary reform project) | Primary or Partial (not clear) | Improve capacity of National Assembly for fiscal controls; support the role of Auditor General and NGOs to provide inputs to the watchdog function (public debate and public demand) of National Assembly and its fiscal committees. Activities include study tours, fiscal committee travel, staff training, and workshop for MPs, women entrepreneurs, youth, and small and medium business associations. | <i>** Important changes, nine in all, were made to Parliamentary standing orders which give members of parliament considerably more influence. For example, private bills may be prepared at House expense, Ministers will be required to table performance reports on their ministries, and the Estimates Committee has the mandate to act as the "Budget Committee." Also Parliamentary Committees have received more submissions from civil society and the general public.</i> |
| | ii) Small Grants Program | Total | E.g. training journalists, anti-corruption workshops for business, women, youth, and small and medium business associations. | |

| | | | | |
|-------------|--|-------|---|---|
| 10 RCSA | i) Data generation, encouraging research and dissemination of information | Total | Provide support to Idasa (Institute for Democracy in Southern Africa) by providing support to cover the core staff costs to implement Afrobarometer Round 3. Support Transparency International/Zimbabwe through a cooperative agreement for research and information dissemination, civil society advocacy and media strengthening. | Completed Afrobarometer survey in Botswana. Successfully highlighted public service sectors with perceived prevalence of corruption. |
| | ii) Building CSO capacity in anti-corruption related advocacy | Total | Work with Transparency International/Zimbabwe, described above, to strengthen advocacy capacity of TI chapters. | |
| | iii) Media strengthening | Total | Work with Transparency International/Zimbabwe to strengthen media capacity to investigate and report on corruption. | |
| 11 REDSO | i) Regional anti-corruption program to promote efficiency, accountability and transparency with a focus on transport & trade in the Northern Corridor. | Total | Implement one of two program components to build capacity for regional clearing and forwarding agents. Includes: deployment of Direct Trader Input Centers in 4 countries and training of secretariat of Federation of East African Freight Forwarding Association. | Revitalization of Federation of East African Freight Forwarding Associations and election of new leadership. |
| | ii) In support of above, strengthening civil society, media and public sector | Total | | |
| | iii) Fund Senior Anti-Corruption Technical Advisor | Total | Provide technical guidance to bilateral missions in the region on anti-corruption activities. | |
| 12 WARP | I) Transparency in Anti-Retroviral Management | Total | Enhance the capacity of ECOWAS/WAHO (Economic Community of West African States) and its network to develop and implement efficient and transparent use of ARVS throughout the ECOWAS region. | Reviews, surveys and expert meeting to draft policy completed. |

| | | | |
|---|---------|--|---|
| ii) Civil Society Network support initially in Manu River Union States of Guinea, Liberia & Sierra Leone. | Partial | Strengthen networking and communication capacities of peace-building and transparency-promoting civil society organizations through effective use of internet and community radio. | IT equipment & training provided to 9 of 13 CSOs. |
| iii) Governance and resource management capacity building in Sao Tome and Principe | N/A | Enhance good governance in ST & P (with an interest in oil production). | |
| iv) Improving transport governance for priority West African trucking corridors. | N/A | Increase the role of civil society in monitoring road transport charges and in advocating for decreased corruption in the transport of goods. | |

**** Considered Impact Level Achievements in 2005 Annual Report.**

While the Initiative is ahead of schedule, it is worth noting that *these are modest level impacts*. They provide examples of success but do not in themselves demonstrate substantive changes in institutions. At this stage, the second full year of program implementation, this should be considered an appropriate level of progress, given the modest resources applied in a field as complex as anti-corruption (see next section). 2006 should test the Missions' abilities to make more progress both in terms of number of Missions and in terms of depth of change.

APPENDIX B: INITIATIVE-LEVEL INDICATORS AND RESULTS

**AFRICA ANTI-CORRUPTION INITIATIVE (ACI)
INITIATIVE-LEVEL INDICATORS, TARGETS & ACHIEVEMENTS
2005 (2ND YEAR OF THE PROGRAM)**

| Year | Target (Refers to Impacts) | Actuals (Refers to Impacts) | Explanation. In order to achieve impacts in the area of anti-corruption under the Africa Anti-Corruption Initiative one needs first to get resources to the Missions (this step is referred to in the explanation as inputs) which are used to provide training and technical assistance to local organizations (referred to as outputs). While inputs and outputs are essential to an effective program the targets set here are focused on impacts. It is anticipated that impacts will be observed and measurable from 2005 onwards. The ultimate target for 2007 is that 10 out of a total of 12 Missions will be achieving impact level results each year |
|------|-------------------------------------|-----------------------------------|--|
| 2003 | 0 | 0 | In this preparatory year progress achieved, if any, would relate primarily to inputs (see explanation above) |
| 2004 | 0 | 5 | In this year, it was anticipated that progress achieved would relate primarily to inputs and outputs. (See explanation). However 5 Missions recorded impacts (if relatively modest ones) insofar as they provided evidence of some strengthening of anti-corruption institutions and/or processes. Explanations of each impact (and level of the ACI contribution) were reported upon in the 2004 Annual Report |
| 2005 | 4 | 7 | This number refers again to the number of Missions that recorded an impact. (See explanation). To add meaning to this quantitative indicator a brief narrative explaining the achievement is given below and forms part of the 2005 Annual Report, which will also give a sense of the extent to which ACI money contributed to the progress (e.g. totally; primarily, partially) |
| 2006 | 8 | | This refers to the number of USAID Missions in which anti-corruption institutions and/or processes are strengthened in that year. A brief narrative will explain the progress each achieves; and will also seek to give a sense of the extent to which ACI money contributed to the progress (e.g. totally; substantially; partially). |
| 2007 | 10 | | This refers to the number of USAID Missions in which Anti-corruption institutions and/or processes are strengthened in that year. A brief narrative will explain the progress each achieves; and will also seek to give a sense of the extent to which ACI money contributed to the progress (e.g. totally; substantially; partially). |

2005 Impacts Narrative

The ACI target was for 4 of the 12 missions to register some positive impacts in 2005.

In this regard the initiative is again ahead of schedule. *The following 7 missions have reported that they have made some observable impact insofar as anticorruption institutions or processes have been strengthened as a result of programs to which USAID ACI has made some contribution: Benin, Madagascar, South Africa, Zambia, Kenya, Tanzania, Nigeria*

Benin: As a result of fraud detected by the Inspector General of Finance during an audit of the Directorate of Secondary School Exams, the former Director and the staff were brought to court and sentenced. About \$407,000 was recovered and the indicted officials have been barred from holding any high position in the public administration. In addition service providers involved have been excluded from all public procurements for five years.

Madagascar: The first government mechanism to accept anti-corruption cases (BIANCO) was established in 2004. As of September 2005 6,063 cases had been submitted, 5,250 in 2005, and 343 had been investigated.

South Africa: By September 2005, the Forensic Auditing Unit of the Department of Justice had uncovered 142 cases of suspected fraud and embezzlement, of which 42 have been or are being prosecuted, and 34 are being investigated by the police or are being handled as an internal disciplinary matter. Four of the cases have resulted in convictions.

Zambia: Some important changes, nine in all, were made to Parliamentary standing orders which give members of parliament considerably more influence. For example, private bills may be prepared at House expense, Ministers will be required to table performance reports on their ministries, and the Estimates Committee has the mandate to act as the "Budget Committee." Also Parliamentary Committees have received more submissions from civil society and the general public.

Kenya: A spate of newspaper articles on high level corruption have resulted in trials of two high ranking government officials.

Nigeria: A major civil society coalition, Publish What You Pay, has been assisted to gain access and made progress toward playing a constructive role in deliberations of the Nigerian Extractive Industries Transparency Initiative.

Tanzania: Data provided on the website of the Tanzanian Governance Noticeboard has been incorporated in the State of the Public Service Report issued by the President's Office, and helped uncover omissions (some of which have been corrected) and shortcomings in methodology (which have been included in a comprehensive review of reporting formats) in the official statistics of the Auditor General's reports.

While the Initiative is ahead of schedule, it is worth noting that *these are modest level impacts*. They provide examples of successes but do not in themselves demonstrate substantive changes in institutions or processes. At this stage, the second year of the program, this should be considered an appropriate level of progress, given the modest resources applied in a field as complex as anti-corruption. It should also be noted that half of the Missions reported on difficulties and/or setbacks in the broader political and anti-corruption environment in which they work, and about half reported on adaptations (some in response to the changed political environment) in their programs.

2006 should test the Missions' abilities to make more progress both in terms of number of Missions that have had an impact and in terms of depth and breadth of change.

APPENDIX C: INITIATIVE-LEVEL INDICATORS

Africa Anti-Corruption Initiative

Suggested Initiative Level Indicators for Discussion with the ACI Missions

The model draws directly from Africa Education Initiative. Because of the nature of anti-corruption work, however, outputs and impacts will be more varied under this initiative than the Education Initiative

1) Input

Money Obligated Under the Initiative for Partner Utilization for Anti-Corruption Activities

2) Outputs

2.1) Number of people in civil society organizations, media organizations and government oversight institutions trained to enhance their anti-corruption role

2.2) Number of civil society organizations, media organizations and government oversight organizations receiving financial or/and technical assistance to enhance their anti-corruption role

3) Impacts

3.1.) Number of ACI countries in which Anti-Corruption institutions are strengthened

This includes but is not limited to:

3.1.1) Number of civil society watchdog groups strengthened

3.1.2) Number of media organizations strengthened

3.1.3) Number of audit institutions strengthened

3.1.) Number of ACI countries in which Anti-Corruption processes are strengthened

This includes but is not limited to:

3.2.1) Number or /and scale of public awareness campaigns implemented increases.

Procurement Systems Strengthened

Budget and expenditure process made more transparent

In general it will be left to the Missions to determine the criteria for assessing whether a process or institution has been 'strengthened'. This may vary from an index to a milestone to a quantitative measure to a clearly defined qualitative indicator.

APPENDIX D: MISSION REPORTS

Benin

USAID/BENIN'S REPORT ON IMPLEMENTATION OF ANTI-CORRUPTION INITIATIVE (ACI)

Summary of Mission's FY 2005 accomplishments with ACI funds

The goal of USAID/Benin's program, under the Africa Bureau Anticorruption Initiative, is to support its crosscutting special objective, *Improved Governance in Social and Productive Sectors*. To maximize impact, USAID/Benin amended its ongoing activity under the Decentralization IQC implemented by Research Triangle International (RTI) to integrate anticorruption concerns. The objective of this new activity is to "Increase Civil Society's Participation in Decentralization and Foster Governance through Anticorruption Initiatives in Benin." Activities under this task order are to support the achievement of USAID/Benin Intermediate Result 1: "Participation and management capacities of decentralized stakeholder increased" with direct links to sub-intermediate result # 1.1 "Local and national officials' governance capacities strengthened" and 1.2 "NGO networks, women's groups and associations' capacities in advocacy strengthened"; and Intermediate Result N° 2: "Strengthened mechanisms to promote transparency and accountability" with direct links to sub-intermediate result # 2.1 "Supreme Audit Institutions capacities reinforced" and result # 2.2. "Effort to combat corruption increased". The two year activity which started in June 2005 targets the following sub-objectives:

- 1) Increase civil society participation and oversight in local development through training, advocacy and monitoring of micro projects, in order to reduce corruption at the local level; and
- 2) Reinforce the capacities of public auditing institutions and advocacy groups' to investigate, track and denounce corrupt behaviors.

After the Mission evaluated proposed indicators and updated its Performance Management Plan in 2004, the following indicators were retained:

- 1: Number of public accounts audited and reported upon annually by a) *Inspection Generale des Finances* (IGF) and b) Chamber of Accounts of the Supreme Court (Chamber).
- 2: Progress and impact of action taken by the Beninese government to reduce corruption, based on assessment made by an independent committee (including punitive measures in the case of reported misdemeanors, and improvements in the case of management recommendations);
- 3: Score on anticorruption legislation and enforcement matrix;
- 4: Percentage of bids which comply with public procurement bidding procedures, as set forth by the new code of procurement.

For the purpose of FY 2005 reporting, the mission selected indicator #3. The new Anti-corruption/Decentralization activity implemented by Research Triangle International (RTI) was signed in May 2005 after delays in setting up the task order. The Mission will not be able to provide FY 2005 data based on 12 months of implementation for indicator #3. However, progress made during the last five months of implementation is not negligible.

Reinforcing Supreme Audit Institutions' capacities and improving competition and transparency in public procurement

USAID assistance in training Supreme Audit Institutions (SAI) continues to yield results. They are now considered as major players in the implementation of the Government of Bénin's anticorruption action plan. As a result of fraud detected by the Inspector General of Finance during an audit of the Directorate of Secondary School Exams, the former Director and other staff were

brought to court and sentenced. Around CFA 203.500.000 CFA (\$407,000) was recovered and the indicted officials have been barred from holding any high positions in public administration. In addition, service providers involved in this case were excluded from all public procurements for 5 years. The Mission is currently evaluating the impact of USAID assistance on the performance of the Inspector General of Finance and the Chamber of Accounts. RTI has just signed an agreement for assistance to the national procurement board.

Strengthening civil society's role in anti-corruption

RTI is about to sign sub-grants with local civil society organizations that were identified as the most viable potential partners from among 2000 registered civil society organizations. Among these are FONAC and ALCRER. Both have partnered with USAID in the past and their anti-corruption efforts are well known and respected in Benin. These advocacy groups continue to challenge the government despite increasing harassment. FONAC recently sponsored an in-depth discussion on television of alleged corruption in public procurement undertaken by the Ministries of Labor and Finance in connection with procurement of equipment valued at more than one billion CFA (\$2 million). Most of their activities to combat corruption during the past year were self funded.

Increasing Local Governments Transparency and Outreach for Greater Citizen Involvement and Involving Civil Society Organizations in Local Development Decision-Making

RTI's Anticorruption/Decentralization activity fosters partnership among non-governmental organizations, communal governments and the private sector. With locally elected officials sharing management of micro-projects with civil society organizations, these projects are being managed more transparently. RTI reported in its July 2005 report that local service providers appreciate the collaborative attitude of the local officials benefiting from USAID assistance. According to these service providers, the effective collaboration saves time and money. For example the renovation of a market stall in one of the communes selected for micro-projects was accomplished in half the normal time.

ACI Reporting Form

Overall

| Core ACI funding FY 2005 | Date funds obligated | Additional ACI funding FY 2005 | Date funds obligated | FY 2005 ACI pipeline | Total ACI pipeline (including prior year ACI funds) | Notes |
|--------------------------|----------------------|--------------------------------|----------------------|----------------------|---|--|
| 400,000 | 6/28/2005 | NO | N/A | 400,000 | 400,000 | The \$132,000 carried over from FY2004 supported implementation of the anticorruption component of the activity. |

Activity level

| Type of activity | Sector | ACI funding | Other funding for this | Description of activity | Implementing partner(s) | Indicators and results | Notable issues or successes |
|---|------------|-------------|------------------------|---|---------------------------------|--|---|
| Benin Decentralization/ Anti-corruption Program | Governance | \$532,000 | 300000 (DA) | The Mission crosscutting decentralization/anti-corruption activity support civil society participation in decentralization and anticorruption initiatives to improve good governance in Benin. The anticorruption component aims to: 1) increase civil society participation and oversight in local development through training, advocacy and monitoring of micro projects, in order to reduce corruption at the local level; and 2) Reinforce the capacities of public auditing institutions and advocacy groups' to investigate, track and denounce corrupt behaviors. | Research Triangle International | <p>1: Number of public accounts audited and reported upon annually by a) Inspection Generale des Finances (IGF) and b) Chamber of Accounts of the Supreme Court (Chamber).</p> <p>2: Progress and impact of action taken by the Beninese government to reduce corruption, based on assessment made by an independent committee (including punitive measures in the case of reported misdemeanors, and improvements in the case of management recommendations);</p> <p>3: Score on anticorruption legislation and enforcement matrix;</p> <p>4: Percentage of bids which comply with the public procurement bidding procedures, as set forth by the new code of procurement. (See</p> | Activity is only implemented for 5 months. RTI performed needs assessment and is currently signing sub-agreement with selected SAIs. Effective partnership among communes, services providers and CSOs and greater transparency resulted in the fast realizations of micro-projects financed by USAID in selected communes. |

OTHER

| | | | | | | | |
|---|-----------------|-----|-----------|---|-------------|---|--|
| Support to the Government in Family Health sector | Health | NO | \$100,000 | USAID provides technical assistance and training to Community based Health Management organizations (COGECs) aimed at assisting them to improve their management. The COGECs are organized to oversee the management of public health centers in the interest of communities. Mission also provides technical assistance and training to improve management skills of the Ministry of Health's accountants and staff. | | <i>Community health center are becoming more efficient and transparent in management</i> | |
| Support to the Government in Education sector | Basic Education | NO | \$500,000 | USAID strengthens the capacity of parents' associations to increase participation and act as watch dog in the management of school affairs. | | <i>With increased advocacy from parents associations, anti-corruption themes are introduced in the curricula. Students are more knowledgeable of corruption drawbacks on their life and the national economy.</i> | Parents' associations now approve the school budget, disbursement of funds and control procurement procedures. |
| Policy dialogue and donor coordination | Governance | N/A | N/A | Improve coordination of donor in efforts to curb corruption in Bénin. Share information to maximize impact and promote good governance. | USAID/Benin | <i>Donors meet regularly to share information and take concerted decisions on anticorruption issues. This approach has been very effective in getting the Government to act on macroeconomic and social</i> | |

Kenya

Kenya - ACI FY 2005

Background

Following the installation of the National Alliance Rainbow Coalition (NARC) Administration in early 2003, with its pledge of rooting out corruption, USAID support to the Government of Kenya (GOK) expanded to include the new Department of Governance and Ethics (DGE) within the Office of the President, as well as the specialized unit on anti-corruption, economic crimes, serious fraud, and asset forfeiture within the Department of Public Prosecutions (DPP). Both the DGE and the DPP are participating institutions in the GOK's Governance, Justice, Law, and Order Sector (GJLOS) Reform Program, which includes a key result area focused on reducing corruption. Anti-Corruption Initiative (ACI) funds were used to support the initial establishment of the DGE, while ESF resources are supporting the DPP.

Developments during FY 2005

The DGE quickly asserted itself as the leading anti-corruption body of the GOK, filling a vacuum created by long delays in appointing and approving key staff for the Kenya Anti-Corruption Commission. In collaboration with the Kenya chapter of Transparency International (TI-Kenya, also a USAID/Kenya grantee), the DGE hosted an international experts meeting on the challenges that "new governments" face when tackling corruption following a political transition. At a time when counter-reformers within the GOK were exerting pressure to slow the progress of anti-corruption investigations, the conference helped maintain public support for anti-corruption programs and reinforced the need for high-level political commitment for an anti-corruption program to succeed.

However, following the resignation in February of Kenya's anti-corruption czar John Githongo, the Permanent Secretary (PS) in charge of the DGE, the GOK's commitment to anti-corruption reform has been increasingly questioned. A replacement PS has not been named and most of the DGE's activities were either abandoned or transferred. The DGE has ceased to play any substantive role in the GOK's anti-corruption efforts, while some of the DGE's efforts, such as the creation of a Public Complaints Unit/Ombudsman and an Assets Restitution Unit, lie dormant. As a result, USAID/Kenya terminated support to the DGE.

In addition to the DGE's demise, anti-corruption efforts in Kenya suffered further setbacks in 2005, most notably the sacking of the Director of Public Prosecutions and the forced resignation of TI-Kenya's Executive Director. After the Executive Director severely criticized the GOK's poor performance on combating corruption, the TI-Kenya Board of Directors demanded her resignation. This episode not only delayed implementation of the TI-Kenya program; it also brought to the forefront contentious issues regarding the relationship between Civil Society Organization (CSO) leadership and the NARC Administration. As many former civil society reform champions joined the government following the 2002 elections, and as many CSOs began serving in a consulting or service delivery capacity for the Administration, CSOs' ability to critique and oversee GOK activity has been compromised. Not only are CSOs weaker; some of them are also now directed by Board members who are personally allied with the

President and NARC. In the case of TI-Kenya, corrective actions are being taken to expand the membership of the Board in order to mitigate any pro-government biases. For the CSO sector generally, questions remain regarding CSOs' independence and their capacity to oversee the government effectively.

Program Modifications

Having lost several Executive Branch anti-corruption reformers, USAID/Kenya reprogrammed the remaining FY 2003 ACI funds to support the oversight elements of our follow-on program with the National Assembly. While the overall program strengthens the committee system, the ACI funds are targeted specifically towards the key oversight committees: the Public Investments Committee, the Public Accounts Committee, and the Finance Committee. A newly formed Budget Committee may also receive future ACI support.

FY 2004 funds originally intended for the DGE were similarly reprogrammed. In addition to supporting the Parliament to strengthen its ability to provide a check on the Executive, two of our key civil society partners received ACI funding to advance their anti-corruption work: TI-Kenya, and the Center for Governance and Development (see attached Activity Data Sheets).

Future Challenges

Although the DPP program had been stalled, implementation is again underway and the new Director of Public Prosecutions is adhering to the reform vision of his predecessor. While USAID/Kenya intends to continue supporting the DPP using ESF resources, there are fewer opportunities for the USG to strengthen or assist other GOK institutions engaged in combating corruption, particularly in the Executive Branch. Instead, ACI funds will be used to focus greater attention on strengthening civil society groups demanding increased GOK accountability and transparency, as well as on non-governmental watchdog groups. USAID/Kenya is engaging an implementing partner to provide sub-grants to CSOs, with an emphasis on emergent and fledgling groups in order to expand the range of civil society voices engaged in policy reform, advocacy, and GOK monitoring. Issues to be targeted include: transparency in GOK budgeting; oversight of GOK expenditure; procurement reform; whistleblower protection; and freedom of information. The program is also designed to strengthen CSOs' technical skills and sustainability through a training and capacity building component.

To orient the Mission's broader program to promote accountable governance, USAID/Kenya is planning to conduct a stakeholders' analysis of the anti-corruption environment. The intention is to recognize potential anti-corruption champions as well as anti-reformers, unpack their motivations and incentives, identify the resources (including decision-making authority) under their control, and ultimately formulate alternative modalities for advancing the anti-corruption agenda.

Coordination with other Anti-Corruption Activities

USAID/Kenya remains the lead donor in the Thematic Group for Ethics, Integrity and Anti-Corruption of the GJLOS Reform Programme, and dialogue with the Kenya Anti-Corruption Commission (KACC) continues; to date, the KACC has not requested USG support. Discussions are also underway with the Ministry of Finance as the GOK is preparing a concept paper for the Millennium Challenge Account Threshold Program that will concentrate on procurement reform, with a particular emphasis on the health sector. The proposed procurement reforms are part of a broader Public Financial Management reform program that is intended to complement the GOK's ongoing anti-corruption efforts.

Progress on Indicators

[see attached ACI Reporting Form for indicators on program elements]

As noted above, USAID/Kenya also coordinates its anti-corruption support to the GOK through the GJLOS Programme. The sixteen development partners supporting the GJLOS have agreed to report on a common set of indicators, which include GOK progress on combating corruption. As part of its overall anti-corruption reporting, USAID/Kenya expects to use these jointly agreed upon GJLOS anti-corruption indicators. The proposed indicators are included in the ACI Reporting Form.

Additional Information

Please see attached:

- ACI Reporting Form
- Activity Data Sheets for: SUNY, CGD, TI-Kenya, IPAR, ICJ, DPP
- Pierson briefer: Status of anti-corruption effort in Kenya

| ACI Reporting Form | | | | | | | |
|-------------------------------------|-----------------------------|----------------------------------|--|--|--|--|---|
| | | | | | | | |
| Overall | | | | | | | |
| | | | | | | | |
| Core ACI funding FY 2005 | Date funds obligated | Additional ACI funding FY | Date funds obligated | FY 2005 ACI pipeline | Total ACI pipeline (including prior year ACI funds) | Notes | |
| <i>Example: 600,000</i> | <i>6/1/2005</i> | <i>100,000</i> | <i>9/1/2005</i> | <i>400,000</i> | <i>450,000</i> | <i>50,000 carried over from FY 2004 because of XXXX.</i> | |
| \$600,000 | | | | \$600,000 | \$1,428,541 | \$828,541 (\$464,541 FY 2003; \$364,000 FY 2004) was realigned after terminating support to the Department of Governance and Ethics. These funds were re-allocated to our Parliamentary Strengthening program and should be expended by May 2006. \$102,596 in FY 2004 civil society support remains in the pipeline due to implementation delays associated with the departure of the Transparency International-Kenya Executive Director. A new Executive Director is now in place and program implementation has resumed. | |
| | | | | | | | |
| Activity level | | | | | | | |
| | | | | | | | |
| Type of activity | Sector | ACI funding | Other funding for this activity? | Description of activity | Implementing partner(s) | Indicators and results | Notable issues or successes |
| <i>Example: Media Strengthening</i> | <i>DG</i> | <i>\$150,000</i> | <i>\$100,000 from the EG SO to promote transparency in the private sector.</i> | <i>The goal of this project is to improve the capacity of journalists to investigate and report on corruption.</i> | <i>Pact</i> | <i>1. Number of reporters trained: 17</i> | <i>A recent spate of articles on high level corruption have resulted in trials of two high-ranking gov't officials.</i> |

| | | | | | | | |
|---------------------------------|----|--|--|---|--|---|---|
| Strengthening Civil Society | DG | \$600,000 (FY 2005); \$236,000 (FY 2004) | ESF: \$2,078,000 (FY 2005) DA: \$187,315 (FY 2005) | USAID support to civil society organizations enhances advocacy capacity and increases public demand for anti-corruption reform. Specific themes include: promoting judicial reforms by conducting research on the economic implications of corruption in the Judiciary; lobbying for the enactment of key anti-corruption legislation related to freedom of information, procurement, privatization, and banking reforms; building and strengthening anti-corruption coalitions in the civil society, private, and public sectors; and conducting research to establish benchmarks of integrity and efficiency in public organizations. | Leader With Associates Cooperative Agreement (with subgrants to local NGOs) & direct grants to local NGOs: Center for Governance and Development; Transparency International-Kenya; International Commission of Jurists-Kenya; Institute of Policy Analysis and Research | Increased percentage of CSOs with 3.8+ in all components of CSO Advocacy Index Targets: 2005 - 35 2006 - 40 2007 - 45 | |
| Strengthening National Assembly | DG | \$364,000 (FY 2004); \$464,541 (FY 2003) | ESF: \$530,000 (FY 2003) HIV/AIDS: \$200,000 (FY 2003) DA: \$150,000 (FY 2005) | USAID strengthens the committee system with a particular emphasis on building the capacity of the oversight committees (Public Accounts Committee, Public Investments Committee, Finance Committee) that play a key role in advancing the reform process and overseeing the Executive. A functioning committee system also provides a means for more substantive input from parliamentarians into legislation while establishing a forum for the incorporation of views and expertise from civil society and the private sector. | SUNY | Average percentage of targeted Committee work plans implemented. Targeted Committees = Public Accounts Committee, Public Investments Committee, Finance Committee | Second phase of SUNY program commenced in FY 2005. PMP being finalized. Baseline data and targets for out-years will be available in mid-November. Anticipate expanding support to include soon-to-be-created Budget Committee and Office of Fiscal Analysis. |

| | | | | | | | |
|---|----|---------------------|--------------------------|---|-----|-------------------------------------|--|
| Strengthening Department of Public Prosecutions | DG | none | ESF: \$622,281 (FY 2003) | USAID support focuses on promoting professional prosecution of criminal cases – specifically through establishing and operationalizing the newly constituted Anti-Corruption, Economic Crime, Serious Fraud and Asset Forfeiture Unit. The program will contribute towards: improved case tracking, monitoring and evaluation; specialized training and other technical assistance; purchase of library reference materials, equipment, and software. | DPP | [see common GJLOS indicators below] | |
| Strengthening Department of Governance and Ethics | DG | \$285,459 (FY 2003) | no | USAID supported the Strategic Plan of the Department of Governance and Ethics (DGE). Elements included: establishment and operations; institutionalization and internal capacity building of staff; communications and outreach program; systems design of the Public Complaints Unit; and TORs for the baseline survey of the National Anti-Corruption Campaign. | n/a | | USAID support to the DGE was terminated following the resignation of Permanent Secretary for Governance and Ethics, John Githongo, and the subsequent departure of all competent staff. Nominally, the Department continues to function, but it is no longer a driver, or even a player, in the reform agenda. |
| | | | | | | | |

| | | | | | | | |
|--|--|--|--|--|--|--|--|
| | | | | | | ADDITIONAL A/C INDICATORS | <p>These indicators are tracked as components of the GOK's Governance, Justice, Law, and Order Sector (GJLOS) Reform Programme. The GJLOS Medium Term Strategy begins implementation in November, 2005.</p> <p>USAID/Kenya participates in GJLOS, presently through the DPP.</p> <p>Development partners have agreed collectively to a common set of indicators for GJLOS programmes.</p> <p>Data collection is currently underway. Baselines and targets should be completed by the end of the GOK fiscal year (June 2006).</p> |
| | | | | | | % increase in crime detection -, prosecution-, and conviction rates of selected crimes. [selected crimes will be disaggregated for corruption and economic crimes] | |
| | | | | | | % decrease in case backlog of selected crimes [selected crimes will be disaggregated for corruption and economic crimes] | |
| | | | | | | % increase in the number of citizens reporting incidence of corruption | |

Madagascar

**USAID/MADAGASCAR ANNUAL REPORT FY05
AFRICA ANTI-CORRUPTION INITIATIVE
OCTOBER 2005**

USAID/Madagascar was selected to implement a \$2 million, five-year program under the Africa Bureau Anti-Corruption Initiative. The program, housed in the Democracy and Governance Office, intends to: 1) strengthen government capacity to address corruption, 2) ensure civil society is a more effective advocate against corruption, and 3) increase public awareness on the impact of corruption.

The USAID Madagascar anti-corruption program is being implemented through its good governance program, MISONGA, a partnership between Pact and Catholic Relief Services. The program was officially launched on June 28, 2004. During the reporting period, a long-term strategic work plan to support government organizations and civil society was developed and signed. A national assessment was conducted in early 2005 to set baselines. A final performance monitoring plan, including projected targets, was established in April 2005.

I. BACKGROUND

During the former Ratsiraka regime the political will to tackle corruption was essentially non-existent. When President Ravalomanana came to power in late 2002, he quickly stated his commitment to eradicate corruption and adopt accountable and transparent government systems. For the first time there appeared to be political will at the highest levels of government to change the “business as usual” mentality that has allowed corruption to flourish in this country.

Despite this new-found political will, attitudes and behavior have been slower to change in the halls of the ministries and courts. Corruption remains systemic and pervasive. Petty corruption at the lower levels of public service remains widespread, although large-scale corruption is also problematic. The latter permeates government contracting procedures, issuance of business licenses, customs, the judicial system, and the exploitation of natural resources. The major contributing factors to widespread corruption have traditionally been the complete monopoly of power by the executive branch, high levels of poverty, selective application of laws and regulations, and the lack of public institutional capacity.

One of the first reforms undertaken by the new Ravalomanana government was the creation of the Anti-Corruption High Council in September 2002. This council, under the direct supervision of the president, was tasked to develop a national anti-corruption work plan, promote the adoption of ethical rules and behaviors, and monitor progress against fighting corruption. The national action plan was adopted and launched in July 2004. Anti-corruption laws were also passed during 2004. This included a law to establish the Independent Anti-Corruption Bureau. Officially created in September 2004, the Bureau’s mission is to investigate corruption charges and prosecute offenders. The Anti-Corruption Bureau’s new director was appointed on October 28, 2004.

The second anti-corruption national strategy (covering the period 2005 – 2007) was developed and released in July 2005.

II. MAJOR ACCOMPLISHMENTS

1. GOVERNMENT RESPONDING TO ANTI-CORRUPTION CASES

Indicator: # of cases addressed by anti-corruption mechanisms

Baseline 2004: 39

Target 2005: 50 Target met – 100 cases

Prior to 2004, few structures existed in Madagascar to fight corruption. The judicial system itself is considered to be among the most corrupt of the country's institutions. The majority of USAID's time and effort during the past year was aimed at supporting the government's nascent organizations. Building a national action plan – in a country with no existing structures, little anti-corruption expertise, and limited citizen knowledge – proved to be a challenging and lengthy task. In an effort to ensure government is responding to anti-corruption:

- USAID funded two anti-corruption assessments focusing on tourism, and industry and crafts during in FY 2005. The data collected was used by the CSLCC to develop the country's second national anti-corruption strategy. The updated strategy covering the period 2005 - 2007 was released in July 2005.
- USAID provided logistical support for two regional workshops held by the CSLCC in Fort Dauphin and Manakara. The workshops were part of a public consultation process to develop and validate the second national strategy. Attendees included local government officials, CSO members, and private sector representatives. Information gathered at the workshops was integrated into the national anti-corruption strategy.
- USAID contributed to funding a feasibility study on the creation of multi-sectoral corruption observatory networks in three regions. The results of this survey will be released by the end of October 2005. The networks will track and provide information on the current forms of corruption, which will be used by government and donors in identifying interventions.
- With the aim of strengthening the capacity of the National Integrity System (civil society, judiciary, legislature, political parties, Ombudsman's office, etc.), USAID provided support for the training of 52 Malagasy. The purpose of the training was to equip judges with the necessary skills and tools to effectively process anti-corruption cases.
- USAID also supported team building training for the army, police and the Anti-Corruption Independent Bureau, Court of First Instance, and Court of Appeals in the Fianarantsoa region.

- In June 2005, USAID funded the participation of the CSLCC's Monitoring and Evaluation Specialist, and BIANCO's Legal Specialist in the Brazil Global Forum on Fight Against Corruption in June 2005. The objective of the forum was to discuss practical and effective measures for preventing and fighting corruption. A number of workshops and special conferences were developed to stimulate discussion on a range of issues such as international conventions, money laundering, e-governance, corruption measurements, conflict of interest, civil society, and corruption at the local level.
- In August 2005, USAID provided short-term technical assistance to the Anti-Corruption Independent Bureau (BIANCO) to assist in the development of monitoring and evaluation tools.

2. **CIVIL SOCIETY ENGAGED IN ANTI-CORRUPTION MEASURES**

Indicator: # of cases reported by civil society organizations through anti-corruption mechanisms

Baseline 2004: 0

Target 2005: 50 Not met (yet)

Outside the halls of government, civil society and the private sector have done little to address the issue of corruption. A few organizations are, however, beginning to mobilize around the issue of corruption. Their knowledge and skills, however, remain very weak. Transparency International/Madagascar, for example, was begun with USAID assistance in 2000. It remains the lead organization in-country working on the anti-corruption issue. The Center for Mediation and Arbitration, also begun with USAID support, today offers commercial dispute resolution outside the crowded and corrupt legal system. These groups, however, remain the exception. There are few non-governmental or private organizations that can act as a watchdog or speak out on behalf of Malagasy citizens

Centre d'Arbitrage et de Médiation de Madagascar (CAMM)

- The award of a USAID grant to CAMM helped this center organize, in collaboration with the French Cooperation, an Alternative Dispute Resolutions (ADR) training for a total of 100 Malagasy arbitrators, mediators and lawyers.
- During this reporting period, CAMM took leadership for the provision of training on mediation principles and techniques for 70 representatives from the Malagasy Mediation Institutions, including the Ministry of Labor, Ministry of Public Works, the Ombudsman's Office, and the National Environment Office.
- A USAID-funded grant issued to CAMM also culminated in the drafting and publication of an Arbitration Guide for the Indian Ocean. This guide will be made available for sale to the business community in the Indian Ocean.

- USAID funded a survey to assess investors' needs and expectations in the field of arbitration and mediation.

Transparency International / Madagascar (TI/M)

- TI/M – an organization staffed largely by volunteers – has taken some time to become fully functional. We remain optimistic about Ti/M taking a more prominent role as a watchdog against corruption in Madagascar.
- A grant issued to TI/M was used to initiate discussions with and conduct sensitization campaigns for civil society organizations and local authorities (including mayors, government officials of deconcentrated structures) in three provinces. The TI/M activities aim to increase civil society's and local government officials' knowledge about skills related to promoting public finance transparency and accountability.

The Anti-Corruption Coalition (FAMAK):

- A USAID grant allowed FAMAK to conduct anti-corruption awareness campaigns in the region of Haute Matsiatra.

The civil society organization TANTSOROKA:

- The organization TANTSOROKA that works on land tenure conducted an education campaign in the region of Alaotra – Mangoro. The campaign focused on teaching citizens the procedures for filing corruption cases related to land titling.

3. INCREASED PUBLIC AWARENESS ABOUT ANTI-CORRUPTION

Indicator: % of citizens with increased knowledge about anti-corruption mechanisms

Baseline 2004: 14.6%

Target 2005: 20% (Not met—we think) Actually we are unsure if this has been met or not because the IP is waiting until next year to conduct a survey on this subject.

Any Malagasy can tell you that corruption exists. Few, however, understand the link between corruption and national development or the lack of foreign investors in their country. major step was taken when Transparency International/ Madagascar released the country's first-ever national report on corruption in late 2002. That year the country finished 98 out of 102 countries. In 2003, Madagascar had a score of 2.6 and was ranked 88 out of 133 countries. In 2004, Madagascar's score and ranking were respectively 3.1 and 82 out of 146 countries. Madagascar's score is 2.8 and is ranked 97 out of the 159 countries in the TI CPI 2005. This decrease in ranking made banner headlines in the press, stimulated discussions at all levels, and served as a wake-up call to business and politicians about how the world views Madagascar. In an effort to increase public awareness about anti-corruption:

- USAID/Madagascar continues to provide technical leadership and funding to help develop a national anti-corruption survey. The survey, directed by the Anti-Corruption High Council in close consultation with donors and civil society, started in June 2005 and will be completed in January 2006. The survey will provide the baseline data on corruption in Madagascar against which the government will be measured. USAID will also use the information gained from the survey to inform citizens about the state of corruption in the country.
- USAID funded the establishment of Regional Learning Information Centers and Multi-Sectoral Information Services, which are necessary tools to access corruption-related information (such as the number of anti-corruption cases reported) and convey anti-corruption messages.
- USAID funded a series of education and prevention campaigns for the Ministries of Education, Justice, and Finance.
- USAID funded awareness campaigns through open houses in three regional capitals. This activity raised citizens' awareness about the Anti-Corruption Independent Bureau's role and mandate (education, prevention and investigation), and public complaint procedures (e.g., where and how to access drop boxes for complaints). This is also part of the BIANCO's communication strategy, which aims to make itself more visible and encourage citizens to submit corruption claims for investigation.
- USAID is funding the rehabilitation of one portion of the building that will host the regional Anti-Corruption Bureau in Fianarantsoa.

ACI 2005 Reporting Form

| Type of Program | Sector | ACI funding | Other funding for this activity | Description of Project | Indicators and results | Notable issues or successes |
|--|-----------|-----------------|---------------------------------|--|--|-----------------------------|
| <p>Result #1: Government Responding to Anti- Corruption Cases</p> | | | | | <p># of cases addressed by anti-corruption mechanisms</p> | |
| <p>1. Conducted sectoral anti-corruption assessments</p> | <p>DG</p> | <p>\$29,914</p> | | <p>The goal of this activity was to determine how corruption affects different sectors in Madagascar. USAID paid for two studies in the areas of tourism, industry and crafts. The German (GTZ) paid for two studies in the areas of environment, water and forests, and rural development. This information was used by the government's new Anti-Corruption High Council to develop and update the country's second national anti-corruption strategy.</p> | <p>Baseline 2004: 39 Target 2005: 50 The first government mechanism to officially accept anti-corruption cases (BIANCO) was established in September 2004. The director was appointed at the end of October 2004. BIANCO investigative staff were sworn in November 4, 2004. As of September 2005, a total of 6,063 cases have been submitted to the BIANCO. Out of the 6,063, 5,250 were received in 2005, and 343 cases were investigated.</p> | |
| <p>2. Provided logistical support for 2 government regional workshops</p> | <p>DG</p> | <p>\$19,942</p> | | <p>The purpose of this activity was to organize provincial workshops to gather feedback on corruption from politicians, businesses, and civil society leaders at the local level. USAID funded 2 provincial workshops. The information was used by the Anti-Corruption Superior Council to update the country's second anti-corruption strategy.</p> | | |

| | | | | | | |
|--|----|-----------|--|--|--|--|
| 3. Funding of a study on the corruption observatory | DG | \$ 14,957 | | The purpose of this activity was to complete a feasibility study on the creation of a multisectoral networks of corruption observatory in three regions. The results of the survey will be released by the end of October 2005. The network will be a tool to be aware of and updated on the form and mechanisms of corruption, and to better monitor their evolution. | | |
| 4. Provided logistical support for a workshop training | DG | \$31,852 | | This activity aimed to strengthen the capacity of the pillars (civil society, judiciary, legislature, ombudsman's office) of the National Integrity System (SIN) through the provision of a training workshop of judges, to equip them with the necessary skills and tools on the anti-corruption cases processing. | | |
| 5. Provided logistical support for the conduct of a team building | DG | \$ 9,489 | | The purpose of this activity was to provide logistical support for the organization of a team building for the SNI elements such as the army, police and the Anti-Corruption Independent Bureau (the investigative unit), court of first instance and court of Appeals in the Fianarantsoa region. | | |
| 6. Sponsored the international travel of two anti-corruption institution officials | DG | \$27,917 | | Funding provided to sponsor the participation of the CSLCC's Monitoring and Evaluation Specialist, and the BIANCO's Legal Specialist in the Brazil Global Forum on Fight Against Corruption in June 2005. The objective of the forum was to discuss practical and effective measures for preventing and fighting corruption. A number of workshops and special A number of workshops and special | | |

| | | | | | |
|--|-----------|-----------------|--|---|---|
| <p>7. Provision of technical assistance to BIANCO</p> <p>Result #2: Civil Society Engaged in Anti-Corruption Measures</p> | <p>DG</p> | <p>\$4,505</p> | | <p>conferences were developed to stimulate discussion on a range of issues such as international conventions, money laundering, e-government, corruption measurement, conflict of interest, civil society, and corruption at the local level.</p> <p>Provision of short-term technical assistance in August 2005 to the Anti-Corruption Independent Bureau (BIANCO) in order to help this Bureau develop its monitoring and evaluation tools.</p> | <p># of cases reported by civil society organizations through anti-corruption mechanisms</p> |
| <p>1. Provided a grant to to CAMM</p> | <p>DG</p> | <p>\$18,439</p> | | <p>A grant was issued to the Malagasy Arbitration and Mediation Center (CAMM) to help this center organize in collaboration with the French Cooperation, an Alternative Dispute Resolutions (ADR) trainings for a total of 100 Malagasy arbitrators, mediators and lawyers.</p> | <p>Baseline 2004: 0</p> <p>Target 2005: 50 <i>they just said several cases reported by CSOs – but how many exactly? Can we take credit for this since I don't really the DIRECT link between what they did with CSOs with this indicator - And are they our targeted CSOs?)</i></p> |
| | <p>DG</p> | <p>\$13,829</p> | | <p>Funding of the provision of a training on mediation principles and techniques for 70 representatives from the Malagasy Mediation Institutions, including the Ministry of Labor, Ministry of Public Works, the Ombudsman's Office, and the National Environment Office.</p> | |

| | | | | | | |
|---|----|----------|--|--|--|--|
| 2. Provided of a grant to TI/Madagascar | DG | \$4,610 | | Funding of the drafting and publication of an Arbitration Guide for the Indian ocean. This guide will be made available for sale to the business community in the Indian ocean. | | |
| | DG | \$9,219 | | Funding provided for the conduct of a survey targeting 100 respondents from the business community. This was an assessment of the investors' needs and expectations in the field of arbitration and mediation. | | |
| | DG | \$3,479 | | Funding provided to Transparency International/Madagascar (TI/M) to help it add permanent staff to their team (executive secretary, accountant, communication specialist and cashier). | | |
| | DG | \$13,918 | | Funding provided to enable TI/M to initiate discussions with and conduct sensitization campaigns for civil society organizations (CSOs) and local authorities (including mayors, government officials of deconcentrated structures) in Fianarantsoa, Tamatave and Fort Dauphin. The TI/M activities aim to increase CSOs and local government officials knowledge about and skills on techniques relating to promotion of transparency in public financial accountability. | | |

| | | | | | |
|--|----|-----------|--|--|--|
| 3. Provided a grant to FAMAK | DG | \$30,724 | | Grant issued to the Anti-Corruption Coalition (FAMAK) to allow it to conduct anti-corruption sensitization awareness campaigns in the region of Haute Matsiatra, reaching 5 communes and including Fianarantsoa I, Ambalavao, Ambohimahasoa and Ikalamavony. | |
| 4. Provided a grant to TANTSOROKA | DG | \$ 11,597 | | Grant provided to the civil society organization (CSO) TANTSOROKA -- working on land tenure -- to conduct an education campaigns in the regions of Alaotra -- Mangoro, particularly in the 3 communes of Ambohibary, Morarano Gara, and Amboasary. The said CSO taught the citizens about the procedures to be followed in case of corrupt practices relating to land titling issuance or any land tenure related issues they have or will encounter with the <i>Guichet Foncier</i> . | |
| 5. Provided funding for the creation and use of information mechanisms | DG | \$7,729 | | Funding provided to set up, access to and use of information mechanisms in the regions. | |
| Results #3: Increased Public Awareness about Anti-Corruption | | | | % of citizens with increased knowledge about anti-corruption mechanisms | |
| Co-funded a national anti-corruption baseline survey | DG | \$150,000 | | Funding provided for the conduct of a national anti-corruption survey. This survey, directed by the Anti-Corruption High Council in close | Baseline 2004: 14.6% Target 2005: 20% No data was available to assess if |

| | | | | |
|--|----|----------|--|-----------------------|
| | | | consultation with donors and civil society, has started in June 2005 and will be completed in January 2006. The survey will set the baseline on corruption in Madagascar against which the government will be measured. USAID will also use the information gained from the survey to inform citizens about the state of corruption in the country. | target is met or not. |
| 2. Provided funding for education and prevention campaigns | DG | \$45,046 | Funding provided for the conduct of a series of education and prevention campaigns for the Ministries of Education, Justice and Finance. | |
| 3. Provided funding for the organization of open houses for BIANCO | DG | \$2,252 | Funding provided for the conduct of awareness campaigns through the organization of open houses in Antananarivo, Mahajanga and Tuléar respectively in May, September and October 2005. This activity raised citizens' awareness about the Anti-Corruption Independent Bureau's (BIANCO) main role and mandate (education, prevention and investigation), public complaints procedures (e.g., where and how to access drop boxes for complaints). This is also part of the BIANCO's communication strategy aims to make this investigative unit more visible, and encourage citizens to submit corruption claims to BIANCO for investigation. | |
| 4. Provided funding and ICT equipment | DG | \$31,450 | Funding provided for the setting up of Regional Learning Information Centers, and the establishment of the Multi-Sectoral Information Service, | |

| | | | | | | |
|--|-----------|-------------------------|-------|--|--|--|
| <p>5. Establishment of the BIANCO in Fianarantsoa</p> | <p>DG</p> | <p>\$173,428</p> | | <p>which are necessary tools to access to anti-corruption information (such as the number of anti-corruption cases reported) and to convey anti-corruption-related messages.</p> <p>Funding provided for the rehabilitation of one portion of the building which will host the regional office of Anti-Corruption Bureau (BIANCO) in Fianarantsoa.</p> | | |
| <p>Implementing Partner Program Costs</p> <hr/> <p>TOTAL</p> | <p>DG</p> | <p>\$32,739</p> | <hr/> | <p>Funding provided for the purchase of office equipment and computers for the regional office of BIANCO</p> | | |
| | | <p>\$687,035</p> | | | | |

Mozambique

Report on FY 2005 ACI-funded activities in Mozambique

USAID/Mozambique received \$550,000 in FY 2004 funds, which have been fully obligated and committed.

The following activities are currently being implemented with ACI funding:

1. The establishment and operation of Corruption Reporting Centers (CRCs) in seven provincial capitals through a grant to *Ética Moçambique*, a Mozambican NGO with an anti-corruption and ethics promotion program (\$290,000);
2. An anti-corruption component under USAID Mozambique's Municipal Governance Increasingly Democratic program, to improve transparency in financial management and reduce opportunities for corruption in municipal service delivery in five municipalities (\$215,000);
3. Co-funding of a Country Corruption Assessment undertaken jointly by MSI and AID/W in August 2005 (\$15,000); and
4. Technical assistance to the Attorney-General's Office and *Ética Moçambique* on strategic planning, monitoring, and evaluation (\$30,000).

1. Corruption Reporting Centers

USAID/Mozambique awarded a grant to *Ética Moçambique* in June 2004 in the amount of \$830,737. To date, \$290,000 in ACI funding has been committed to this award.

During FY05, *Ética Moçambique* met the (revised) target of "seven fully operational CRCs" as demonstrated by the following achievements:

- Technical staff (lawyers) hired and trained;
- Activists hired;
- Administrative staff hired;
- Premises identified and rented;
- Office equipment and furniture purchased; and
- Offices opened.

Ética Moçambique did not meet the second target for FY 2005 "information campaigns to announce CRC services conducted." This target relates to an activity that was supposed to have been funded by other donors who agreed to co-finance *Etica's* activities. Due to the indefinite delay in the start of the information campaign by other donors, USAID is processing a budget realignment to allow USAID funding to be used for an education and outreach campaign in seven provinces where CRCs are operational.

The third target, for the indicator "Number of clients served", has not been set yet, as *Ética Moçambique* is still in the process of finalizing its Monitoring and Evaluation Plan.

Nonetheless, Ética Moçambique has been collecting data of clients served, and will report on them once their M&E plan is finalized (expected this month).

Indicators for FY2006 are:

- “Information campaigns to announce CRC services and educated citizens on corruption issues conducted”
Target: 7 regional campaigns conducted
- “Number of clients served”
Target: TBD

2. Anti-corruption Activities at the Municipal Level

USAID signed a task order with ARD Inc. in June 2005 totaling \$8.5 million. So far, \$215,000 in FY 2004 ACI funding has been committed to this task order. The contractor has mobilized. Annual and five-year work plans as well as the PMP have been approved by the Mission and municipal stakeholders. We expect to begin reporting on progress this quarter and on results in the FY 2006 ACI Report and FY 2007 Annual Report.

Indicators for FY06 are:

- “Study of corruption in municipal markets”
Target: Studies in two municipalities conducted
- “Analysis of municipal procurement regulations and asset registration”
Target: Analysis conducted in five municipalities
- “Community oversight of public works projects”
Target: Community oversight committee established in three municipalities

3. New Activities

Building on the Country Corruption Assessment carried out in August 2005, the Mission is redesigning its anti-corruption portfolio. One of the main deficits identified in the assessment was weak civil society capacity to take action against corruption. Under a revised DG SO in FY 2006, the Mission will identify new activities to address and/or reduce corruption and to help strengthen civil society capacity to contribute to anti-corruption efforts. These activities include:

- Conducting a mainstreaming workshop in February 2006 using approximately \$50,000 in FY 2005 ACI funds.
- Designing a new three-year umbrella anti-corruption activity by February 2006 which would have two major components: 1) Civil society coalition building and strengthening and 2) journalism training. The Mission is budgeting approximately \$700,000 per year for this activity and would use the remaining FY 2005 ACI funds in the amount of \$600,000 for the initial commitment.

ACI Reporting Form

Overall

| Core ACI funding FY 2005 | Date funds obligated | Additional ACI funding FY | Date funds obligated | FY 2005 ACI pipeline | Total ACI pipeline (including prior year ACI funds) | Notes |
|--------------------------|----------------------|---------------------------|----------------------|----------------------|---|---|
| 550,000 | 6/29/2005 | 100,000 | 9/30/2005 | 650,000 | 920,000 | 270,000 carried over from FY04 because of late start in implementation of the Municipal Governance activity and slow implementation of the CRC activity |
| | | | | | | |

Activity level

| Type of activity | Sector | ACI funding | Other funding for this activity? | Description of activity | Implementing partner(s) | Indicators and results | Notable issues or successes |
|------------------------------|--------|-------------|----------------------------------|---|-------------------------|--|-----------------------------|
| Corruption Reporting centers | DG | \$290,000 | \$460,000 in regular DA funds | The goal of this activity is to provide citizens with mechanisms to report corruption | Etica Mocambique | 1. Number of CRCs fully operational. Target: 7. Result: met 2. Information campaigns to announce CRC services. Target: Conducted. Result: not met. 3. Number of clients served. Target: not defined. | |

| | | | | | | | |
|---|----|-----------|---------------------|---|-----|---|--|
| Municipal anti-corruption activities | DG | \$215,000 | | The goal of this activity is to improve transparency of municipal management systems and to reduce opportunities for corruption in municipal service delivery | ARD | 1. Study of corruption in municipal markets. Target: Studies in 2 municipalities conducted. Result: n/a 2. Analysis of municipal procurement regulations and asset registration. Target: Analysis conducted in 5 municipalities. Result: n/a 3. Community oversight of public works projects Target: Community oversight committee established in 3 municipalities. Result: n/a | |
| Corruption Assessment | DG | 15,000 | AID/W | Assessment of the corruption situation in Mozambique | MSI | n/a | Strong assessment with valuable conclusions and recommendations for follow-up activities |
| TA to AGO and Etica Mocambique | DG | \$30,000 | \$10,000 regular DA | Provide TA on strategic planning and M&E | TBD | n/a | |
| | | | | | | | |

Nigeria

USAID/Nigeria
Anti-Corruption Initiative Narrative
2005

Civil Society Participation in the Nigerian Extractive Industries Transparency Initiative (NEITI).

Background: USAID/Nigeria has been allocated Anti-Corruption Initiative (ACI) funds currently amounting to \$1,000,000 (\$500,000 FY03 and \$500,000 FY04).

USAID/Nigeria obligated these funds in May 2005 as part of a larger, \$8,000,000, civil society strengthening project (Advocacy, Awareness and Civic Empowerment, ADVANCE). The ACI funds are specifically earmarked with the ADVANCE project to strengthen the role of civil society in the Nigerian Extractive Industries Transparency Initiative (NEITI).

ACI Narrative: ADVANCE's ACI-funded work operates on two interrelated levels: 1) development of specialized expertise; and, 2) dissemination of oil revenue data for policy making purposes.

Since USAID/Nigeria began working with the NEITI in 2004, a major civil society coalition (the Publish What You Pay Campaign, PWYP) has been assisted to gain access to the proceedings of the NEITI National Stakeholder Working Group (NSWG). PWYP representatives need specialist expertise to fully comprehend, question and analyze the information provided and assess profit and loss statements of some of the most powerful transnational corporations, prepared by some of the most sophisticated and highly paid accountants in the world. Therefore one of the first tasks undertaken was to select five representatives to undergo industry-relevant training. The PWYP's representatives now serve on the NSWG's civil society steering committee.

Following upon specialist training, ACI funds have recently been used to build broader civil society capacity (i.e., economic literacy) focused on transparent accounting and revenue reporting, oil industry economics, oil industry structure and management, funding, revenues and costs, and local product supply issues. Since May 2005, the ADVANCE project has assisted PWYP to participate in designing and implementing two regional stakeholder workshops dealing with NEITI issues and oil industry revenue reports.

USAID/Nigeria and its implementing partner for the ADVANCE Project, PACT, have adopted a milestone measurement in which each step represents meaningful progress toward the goal of "effective" civil society participation in the NEITI. The steps identified for the indicator represent an empirical assessment of civil society's progress in gaining access to, and participating in an informed and meaningful manner, in the NEITI process.

In the past year PWYP has met and drawn up a strategic plan that included selection of specialized representatives (SRs), a training plan for the SRs, an information sharing plan, and a management plan based on a small board or task force (TF). PWYP prepared a successful advocacy campaign for its representatives to gain access to NEITI's National Stakeholder Working Group and since January, its representative (Transparency Nigeria) has been attending NSWG meetings. PWYP has developed and implemented an information sharing strategy and has been working in recent months to disseminate oil revenue data at regional stakeholder gatherings (Port Harcourt and Kaduna). The project has not yet achieved its ultimate goal of effective engagement in oil revenue policy-making, but has made substantial progress in forging a constructive partnership with Government of Nigeria (GON) policy makers located in the Ministry of Finance.

Rwanda



**MEMORANDUM FOR AFRICA BUREAU, CONFLICT PREVENTION,
DEMOCRACY AND GOVERNANCE**

FROM: Guillaume Bucyana, Democracy and Governance Specialist
Michelle L. Cachaper, Deputy Program Officer, Mission Strategy
Center (MSC)

THROUGH: Christophe Tocco, Supervisory Program Officer, MSC
Benjamin Allen, Democracy and Governance Team Leader

TO: Tye Ferrell, Africa Bureau, Conflict Prevention, Democracy and
Governance

SUBJECT: USAID/Rwanda Reporting on the FY 2005 Africa Anti-Corruption
Initiative (ACI) Funding

DATE: October 27, 2005

In response to your attached email dated September 27, 2005, USAID/Rwanda is pleased to report on the four items requested regarding Year 2 of Anti-Corruption Initiative (ACI) activities implemented in FY 2005.

The Twubakane (*Kinyarwanda word for working together*) Decentralization and Health Project (DHP) implemented by IntraHealth is a large bilateral program (2005-2010) focusing on decentralization of service delivery with a focus on health. The ACI funds leverage synergies created by funding from both the health and DG portfolios. The beginning phase of implementation was complicated by the Government of Rwanda's (GOR) recent announcement of a redistricting process that will change the implementation areas and the administrative entities that the project is working with. During the past year, Twubakane completed a major start up phase and is now starting to gain momentum. Twubakane is in the process of finalizing baselines and targets for performance monitoring plans which will be the source of ACI indicator reporting. As the project began implementation some indicators were slightly changed to reflect realities in the field and this explains some slight changes over last year in the ACI indicators. We are very confident that the project is well on its way to reaching its health, decentralization, and anti-corruption objectives.

ACI accomplishments with FY 2005 funding:

The Twubakane (14 Jan 2005–15 Jan 2010) Cooperative Agreement (CA) was signed in January, 2005 following a full and open competition. The five-year activity has a life of project funding of \$24 million, including \$450,000 in DG funds, \$300,000 in ACI funds and \$4 million in health funds per year.

To date, Twubakane has implemented activities that contribute to the Anti-corruption Initiative which include the following:

- Strategic Planning Workshops. A participatory planning process was used during the development of Twubakane’s work plan. The community development team provided key inputs to each technical working group to ensure that community issues and activities are integrated into the work plans.
- Twubakane staff participated in the MINALOC (Ministry of Local Governance) National Service Delivery Conference (Sept. 15 – 17, 2005) to review a National Service Delivery Policy Note which contributes to sectoral working groups (health, environment, community development and participation).
- With RALGA (Rwandese Association of Local Government Authorities) or local mayors’ association, Twubakane drafted a code of conduct for the members of RALGA, developed a training strategy for RALGA members, and designed a training needs assessment questionnaire. Additionally, they provided RALGA staff with an orientation on “Mutuelles de Santé” (health insurance plans) and advice on what locally elected officials can concretely do to improve the management, performance and subscription rates of mutuelles. Finally, they developed a strategy and prepared RALGA members for adjusting to the new territorial and administrative reforms.
- Twubakane organized participatory planning of health activities to reinforce the collaboration among Administrative Districts (ADs) and Health Districts (HDs) in the planning and budgeting of project activities. They also participated in the 2006 to 2008 MTEF (Medium Term Expenditure Framework) budgeting exercise.

Twubakane has made significant progress during the second quarter (April through June 2005). As the project moves from the planning to implementation phase, we are expecting more progress during the next two quarters (July-September and October-December 2005). The participatory planning process progressed, as planned, with ground-breaking workshops in the four participating provinces (i.e. Kigali Ville, Gitarama, Kibungo and Gikongoro) that brought together representatives of all ADs, HDs and civil society organizations (CSOs) to discuss health and decentralization in a new way focused on the health sector. All in all, plans/strategic planning meetings have been carried out with each of the four provinces.

In collaboration with VNG International, a Dutch NGO, Twubakane developed a scope of work for their partnership to jointly support RALGA (Rwandese Association for Local Government Authorities) or the Local Mayors’ Association. The program recently hired a Capacity Development Officer for RALGA which responds directly to the GOR’s request to assist in building capacity at the decentralized level.

Challenges

In 2000, the Government of Rwanda (GOR) launched a five-year Decentralization Implementation Program (DIP) Policy. In early August 2005, the GOR started consultations on a new Territorial Reform Program with the goal to start implementing the New Territorial Reform in early January 2006. The GOR’s reasons for the reform are:

- Weak administrative capacities at the Sector level (Sector: basis of common development and services delivery);
- Districts and Towns not financially viable and then show financial incapacity: too weak on economic, fiscal and financial base;

- Province entity: a political administration instead of coordinating development; and
- At national level: weak coordination of technical assistance to decentralization, parallel structures (no ownership and less impact).

The New Territorial Reform will reduce the number of administrative structures and will further build capacity at the decentralized level. Prior to the territorial reform process, the administrative structures (in addition to the Central Government structure) included 12 Provinces and 1 City of Kigali, 106 Districts, 1545 Sectors and 9165 Cells. The post-reform structures will include 4 Provinces + 1 City of Kigali, 30 Districts, 416 Sectors and 9165 Cells (the same). Cells will be charged with community mobilization, Sectors will become the locus of decentralized administration, basic services and statistical data, Districts will coordinate local development (services coordination), and the Provinces/Zones and City of Kigali will coordinate local development plans, strategic orientations, and M & E.

According to the GOR, the new territorial reform will bring the following benefits:

- Less bureaucracy;
- Local governments more financially viable;
- More means and resources at the execution levels and less coordination layers; and
- Much coordination and integration of all sectors (education, health, housing etc).

Challenges related to the reform include:

- Legislation (lots of laws) to be changed;
- Many official documents to change;
- Transition management;
- Elections reorganizations: Gacaca courts, Abunzi (Mediators) etc.; and
- Staff for social reinsertion.

One of the major challenges to the smooth implementation of Twubakane is the GOR's implementation of the policy of redistricting. This new territorial reform will impact the Twubakane project as follows:

- While Twubakane initially planned to intervene in 12 hospitals and 92 health centers, post-reform Twubakane will intervene in 14 hospitals and 114 health centers.
- From 35 ADs, Twubakane will now intervene in almost 10 or 11 "bigger" Districts (out of 30 new merged Districts).
- The population size (beneficiaries) will increase from 2,707,968 to 2,814,187.
- The geographic zone will move from 2,700 km² to 3,079 km²

Other major challenges include but are not limited to the following:

- Refining and redefining the Rwanda fiscal decentralization policies and strategies will become increasingly important during the transition period to the new administrative and territorial reform. The Twubakane staff hopes to be able to provide TA in this area.
- Expanding ADs resource base, resource mobilization mechanisms, debt relief, local tax schemes and laws, and establishing a sustainable local finance system will be important topics to address and will require specific and focused technical assistance.
- In the current situation, there is limited involvement/implication of civil society in the reform process. Civil society is being informed of the GOR procedure through one-way

communication. The challenge is how to get civil society to actively participate in the reforms, and contribute to the establishment of the new and revised local governance and service delivery system.

USAID/Rwanda is confident that the impact of ACI funds will be much greater by being leveraged within our major health and decentralization program. Assuring proper planning, and execution of decentralized district plans and budgets with proper oversight, control and participation of local populations will indeed reduce opportunities for corruption. Should additional funds be available, USAID/Rwanda would put them to good use within its flagship program that is just getting under way.

Please see the attached form for details on which indicators will be used for the coming year.

ACI Reporting Form

Overall

| Core ACI funding FY 2005 | Date funds obligated | Additional ACI funding FY | Date funds obligated | FY 2005 ACI pipeline | Total ACI pipeline (including prior year ACI funds) | Notes |
|--------------------------|------------------------|---------------------------|----------------------|----------------------|---|--|
| 300,000 | 07/16/2005 (into SOAG) | \$250,000 (FY 2004) | 06/04 (into SOAG) | 300,000 | 300,000 | 300,000 has been obligated into SO5 and MAARD is in process to fund Twubakane. |

Activity level

| Type of activity | Sector | ACI funding | Other funding for this activity? | Description of activity | Implementing partner(s) | Indicators and results | Notable issues or successes | | |
|---|--------|-------------|--|--|-------------------------|--|---|--|---|
| 1. Decentralization and Health Project (DHP)/ TWUBAKANE | DG | \$300,000 | \$450,000 (DG funds) and \$2. 2 million of Health funds. | The goals of the project are to improve national systems and capacity to plan, finance and monitor decentralized district level services, with an emphasis on health services and to link integrated health planning, budgeting and management to evolving decentralized fiscal systems. | Intrahealth | 1. Percentage of citizens expressing confidence in government processes increased. | USAID/Rwanda just launched a new procurement with International Rescue Committee (IRC) & the National Unity and Reconciliation Commission (NURC) which will be collecting this information. We expect preliminary polling data for these two indicators in November 2005 in preparation for the FY 2006 Annual Report. As the information becomes available we will send it to you. | | |
| | | | | | | | | 2. Percentage of citizens engaged with government increased in targeted local government districts. | |
| | | | | | | | | 3. Percentage of district health sector plans and budgets documented to reflect citizen input (Baseline TBD; Mid-term June 2007: 30%; End Dec 2009: 60%). | Redistricting launched in mid-August 2005 has affected the development of the Twubakane PMP. We expect to receive information from Twubakane after January 2006 when the redistricting process is implemented and a District Assessment will determine appropriate baselines. |
| | | | | | | | | 4. Number of Administrative Districts (AD) that increase the percentage of locally mobilized resources in their annual budget. (Baseline 0; Mid-Term June 2007 40%; End Dec 2009 70%). | Redistricting launched in mid-August 2005 has affected the development of the Twubakane PMP. We expect to receive information from Twubakane after January 2006 when the redistricting process is implemented and a District Assessment will determine |
| | | | | | | | | 5. This indicator has changed from # of media stories covering issues of increased public accountability, citizen participation and community partnerships: TBD To: The number of ADs that have functional mechanisms in place for public reporting on their financial performance. (Baseline TBD; Mid-Term June 2007 30%; End Dec 2009 60%). | Redistricting launched in mid-August 2005 has affected the development of the Twubakane PMP. We expect to receive information from Twubakane after January 2006 when the redistricting process is implemented and a District Assessment will determine |

South Africa

**USAID/South Africa
Anti-Corruption Initiative Narrative
For FY 2005**

Criminal Justice: According to a 2003 report by the Institute for Security Studies, corruption is the second most-experienced crime in South Africa, after burglary. USAID, in partnership with the South African Department of Justice (DOJ) and Business Against Crime (BAC) began providing technical assistance to a forensic auditing unit in the DOJ created in April 2004. The purpose of the Unit is to audit the billions of rand held in trust for such things as deceased estates, child support payments, and bail, which have not been audited since 1957. PricewaterhouseCoopers was subcontracted to train personnel in forensic auditing methods. By September 2005 a total of 51 staff members (35 males and 16 females) had been trained. The unit has uncovered 142 cases of suspected fraud and embezzlement of which 42 have been or are being prosecuted and 34 are being investigated by the police or are being handled as an internal disciplinary matter. A total of four of the cases prosecuted have thus far resulted in convictions.

USAID funded workshops in corruption trial skills in which 164 (97 males, 67 females) have been trained. Another 26 prosecutors (15 males, 11 females) from the Directorate of Special Operations – the Scorpions – were trained in complex cases. Additionally, 141 prosecutors (84 males, 57 females) were trained in the use of plea bargaining.

The first Specialized Commercial Crime Court was established in Pretoria in 1999. The court was staffed by permanently assigned investigators, prosecutors and magistrates. The DOJ assigned specialized prosecutors to work as teams with the police investigators exclusively on complex commercial crimes including fraud and corruption, as well as the magistrates. BAC conducted training to build capacity, foster teamwork, and ensure effective workflow management. Forty-five percent of the cases registered in the first year were adjudicated within 12 months. The conviction rate in the first year was 89% and by 2002 had climbed to 94%. The Minister of Justice opened a second Specialized Commercial Crime Court in Johannesburg on January 24, 2003. In FY 2004 USAID committed \$400,000 in DA and \$200,000 in ACI funds to increase the number of specialized commercial crime courts to a total of five. But in FY 2004 the appointment of a new Minister of Justice delayed the program while she considered the use of specialized courts. Two additional courts were opened in Port Elizabeth and Durban in FY 2005. Two additional courts are expected to open in FY 2006 – one in Cape Town and one in Bloemfontein. and Cape Town.

Local Government: Sporadic outbreaks of often violent protests in South Africa's townships and shantytowns have been occurring since July 2004. The first outbreak occurred in July 2004 in Diepsloot near Johannesburg when the residents barricaded their community demanding that their councilors be sacked because of the substandard services provided. For three days the police cordoned off the area. The unrest spread to Cato Manor in Durban and Harrismith and Vrede in Free State. In a particularly violent demonstration in Intabazwe township outside Harrismith a 17-year-old student was shot dead by police. A mob in Secunda, Mpumalanga burned municipal offices to protest poor service delivery. Residents of Delmas, near Johannesburg became enraged at the local council when polluted city water caused a typhoid outbreak that killed at least five. Water purification chemicals had been on hand, but municipal officials hadn't known how to use them. Councilors and municipal officials fled the town as crowds took over the streets. The police had to fire rubber bullets to prevent protesters from destroying municipal property. Parliament opened this year in a city of protests and running street battles. In a number of communities surrounding Cape Town, in Langa, Gugulethu, Khayelitsha, Blackheath and Happy Valley, protesters invaded unused land, made barricades, burned tires, poured the contents of their night-soil buckets on busy streets and marched. When police were photographed using rubber bullets, tear gas and stun grenades to disperse them, the *Sunday Times* commented it was "reminiscent of the 1980s." When he addressed Parliament a somber President Mbeki said that what was happening in Cape Town and across the country was "a threat to the stability of democratic South Africa."

The government has responded with *Project Consolidate*, announced late in 2004, a concerted drive to improve the performance of 136 of the most troubled of South Africa's 284 municipalities. President Mbeki and senior government officials have begun traveling to towns where violence has occurred or is threatening, to meet with residents at *Imbizos* where the citizens are encouraged to speak. At many *Imbizos* expressions are heard of great frustration over poor service delivery on the one hand and on the other strong suspicions of widespread corruption in the municipalities due to the highly visible and lavish lifestyles many local government officials now maintain. At one *Imbizo* in Sedibeng District, President Mbeki was told that the suspension of a number of senior officials there has caused instability. His response was telling. "I think all of us will agree that it is better to have instability rather than to have corruption."

USAID budgeted \$720,000 in FY 2004 ACI funds and \$325,000 in FY 2005 ACI funds for work in alignment with *Project Consolidate*. In partnership with the Anti-Corruption Unit (ACU) of the Department of Provincial and Local Government (DPLG) and the International City/County Managers Association (ICMA) USAID has commenced technical assistance to 17 of an eventual 45 municipalities to institute transparent hiring, procurement, and public housing allocation systems. Two factors have impeded implementation. Given all the violence in the townships in the past two years, programs that address the problem of corruption at the local level are viewed by the government as highly sensitive. Accordingly the DPLG has insisted that its ACU staff be present at all visits to the municipalities. Unfortunately the ACU has a very small staff and this has delayed implementation. Secondly, the implementer ICMA does not have the practical experience in fighting municipal corruption that the ACU wants to see. It has been necessary to seek out South African partners as sub-grantees, and the modification of the agreement has further delayed implementation. Despite this, USAID is confident this program will provide visible, replicable successes in closing down the space for municipal corruption that can be submitted to the DPLG for use as models.

Civil Society: With \$100,000 in ACI funds supplemented by \$50,000 in ESF, late in FY 2005 USAID awarded grants through Pact and its local partner Idasa to the journalism schools of the University Wits and Rhodes University to train 100 media practitioners in investigative journalism. Also through Pact/Idasa USAID will provide \$125,000 in ACI funds and \$120,000 in DA to three national civil society organizations to serve as anti-corruption watchdogs. Both these programs are intended to increase public awareness of the prevalence of corruption in South Africa – especially at the local level – and to spur government to respond.

Implementation has been slowed by the necessity of modifying an existing civil society-strengthening associate agreement with Pact. For a variety of reasons the modification did not take place in FY 2005. USAID is confident that this program will move to full implementation in FY 2006.

ACI Reporting Form

P/SO1/anti-corruption/annual report/2005

Overall

| Core ACI funding FY 2005 | Date funds obligated | Additional ACI funding FY | Date funds obligated | FY 2005 ACI pipeline | Total ACI pipeline (including prior year ACI funds) | Notes |
|--------------------------|----------------------|---------------------------|----------------------|----------------------|---|-------|
| 500,000 | XXXX | \$150,000 | XXXXX | XXXXX | XXXXX | |
| | | | | | | |

Activity level

| Type of activity | Sector | ACI funding | Other funding for this activity? | Description of activity | Implementing partner(s) | Indicators and results | Notable issues or successes |
|----------------------------|--------|-------------|--|---|--------------------------------|---|--|
| Forensic Audit Unit at DOJ | DG | XXXXX | Sesana: find out how much of our CJSP DA funds have gone here | The goal of this project is to improve the capacity of the Unit to audit funds such as bail money held in trust at courthouses. | Business Against Crime (A GDA) | Number of cases filed in court as criminal charges: 42 (FY 2005 target was a cumulative total of 9; FY 2006 target is a cumulative total of 90) | The first year the number of cases filed was three. The target for FY 2005 was nine. The actual number of 42 exceeded the target by nearly five times. |
| Commercial Crimes Courts | DG | XXXXX | \$400,000 DA (recovered from FY 2003 funds, obligated FY 2004) | To try complex white collar crimes of fraud and corruption utilizing prosecutors and investigators working as teams | Business Against Crime | Number of courts opened: 2 (FY 2005 target was 3; FY 2006 target is 2) | Conviction rates exceed 90% because of the team approach used -- pairing prosecutors with investigators. |

| | | | | | | | |
|---|----|-------|---|---|------------------------|---|--|
| Training prosecutors in skills to try corruption cases | DG | XXXXX | Sesana: find out how much of our CJSP funds (DA and ESF) have gone here | Train prosecutors in trial skills needed to secure convictions in corruption cases | Business Against Crime | Number of prosecutors trained: 190 (112M, 78F); 250 cumulative; (60 prosecutors were trained in FY 2004; FY 2005 target was 200; FY 2006 target is 200 trained, 450 cumulative) | The original indicator was to train both investigators and prosecutors using ESF. The ability to use ended in FY 2005 with the Nethercutt Amendment (Article 98. USAID's ESF funds may not be used to support a government institution or to benefit a government institution. |
| Improved municipal policies | DG | XXXXX | No | To implement improved policies governing hiring, procurement and public housing allocation in 45 municipalities | ICMA | Number of municipalities where improved policies are implemented: 0 (FY 2005 target was 25; FY 2006 target is 25) | Slow implementation -- see narrative |
| Investigative journalism training | DG | XXXXX | \$50,000 FY 2004 ESF | Train media practitioners in investigative journalism skills | Pact/Idasa | Number of journalists trained: 0 (FY 2005 target was 125) | Slow implementation -- see narrative |
| Grants to NGOs | DG | XXXXX | No | Support NGO programs | Pact/Idasa | Percent of NGO programs achieving their goals. (FY 2006 target 100%) | Slow implementation -- see narrative |
| | | | | | | | |
| | | | | | | | |

ACI Reporting Form

P/SO1/anti-corruption/annual report/2005

Overall

| Core ACI funding FY 2005 | Date funds obligated | Additional ACI funding FY | Date funds obligated | FY 2005 ACI pipeline | Total ACI pipeline (including prior year ACI funds) | Notes |
|--------------------------|----------------------|---------------------------|----------------------|----------------------|---|-------|
| 500,000 | XXXX | \$150,000 | XXXXXX | XXXXXX | XXXXXX | |
| | | | | | | |

Activity level

| Type of activity | Sector | ACI funding | Other funding for this activity? | Description of activity | Implementing partner(s) | Indicators and results | Notable issues or successes |
|----------------------------|--------|-------------|--|---|--------------------------------|---|--|
| Forensic Audit Unit at DOJ | DG | XXXXXX | Sesana: find out how much of our CJSP DA funds have gone here | The goal of this project is to improve the capacity of the Unit to audit funds such as bail money held in trust at courthouses. | Business Against Crime (A GDA) | Number of cases filed in court as criminal charges: 42 (FY 2005 target was a cumulative total of 9; FY 2006 target is a cumulative total of 90) | The first year the number of cases filed was three. The target for FY 2005 was nine. The actual number of 42 exceeded the target by nearly five times. |
| Commercial Crimes Courts | DG | XXXXXX | \$400,000 DA (recovered from FY 2003 funds, obligated FY 2004) | To try complex white collar crimes of fraud and corruption utilizing prosecutors and investigators working as teams | Business Against Crime | Number of courts opened: 2 (FY 2005 target was 3; FY 2006 target is 2) | Conviction rates exceed 90% because of the team approach used -- pairing prosecutors with investigators. |

| | | | | | | | |
|---|----|-------|---|---|------------------------|---|--|
| Training prosecutors in skills to try corruption cases | DG | XXXXX | Sesana: find out how much of our CJSP funds (DA and ESF) have gone here | Train prosecutors in trial skills needed to secure convictions in corruption cases | Business Against Crime | Number of prosecutors trained: 190 (112M, 78F); 250 cumulative; (60 prosecutors were trained in FY 2004; FY 2005 target was 200; FY 2006 target is 200 trained, 450 cumulative) | The original indicator was to train both investigators and prosecutors using ESF. The ability to use ended in FY 2005 with the Nethercutt Amendment (Article 98. USAID's ESF funds may not be used to support a government institution or to benefit a government institution. |
| Improved municipal policies | DG | XXXXX | No | To implement improved policies governing hiring, procurement and public housing allocation in 45 municipalities | ICMA | Number of municipalities where improved policies are implemented: 0 (FY 2005 target was 25; FY 2006 target is 25) | Slow implementation -- see narrative |
| Investigative journalism training | DG | XXXXX | \$50,000 FY 2004 ESF | Train media practitioners in investigative journalism skills | Pact/Idasa | Number of journalists trained: 0 (FY 2005 target was 125) | Slow implementation -- see narrative |
| Grants to NGOs | DG | XXXXX | No | Support NGO programs | Pact/Idasa | Percent of NGO programs achieving their goals. (FY 2006 target 100%) | Slow implementation -- see narrative |
| | | | | | | | |
| | | | | | | | |

Tanzania

The Tanzania Governance Noticeboard (TGN) Report for the Africa Anti-Corruption Initiative (ACI) – Financial Year 05

1. Narrative report:

The TGN is an Anti-Corruption Initiative of USAID Tanzania. It is a pioneering undertaking to make official data available in a manner that makes it understandable and useful to stakeholders at all levels of society. It provides training to actors in civil society, media and parliament on how to access and interpret the data, in order to improve the sophistication and effectiveness of policy analysis and advocacy among non-governmental actors, and works with authorities, NGOs and citizens at the local level to enable the public exert oversight over the use of public resources. The project is implemented by PADCO in partnership with REPOA (Research on Poverty Alleviation), a national think-tank and research organization.

The objectives of the project are to:

1. establish a model district level public expenditure tracking system modifiable for implementation in selected districts; and
2. support the professional development of the media (including journalists and editors) to report more effectively on the budgeting and use of public funds at national and district levels.

In the first year of operation, priority has been accorded to developing the basic tools for achieving the project's objectives. As outlined in the first task of the contract, a web-site for the project has been established. This is a virtual noticeboard containing a dynamic database that makes budget and audit data, as well as corruption indicators, compiled from official government sources, readily available to the public. Secondly, support has been mobilized to establish Public Expenditure Tracking Systems at the district and village level and technical work has been done to establish the modalities of such PETS.

The website is a cutting-edge ICT initiative that facilitates easy access and use of official government statistics. The response, just in the start-up phase, has been very positive:

- USAID Senior AC Advisor stated that this was a first of its kind and a very exciting model to consider for replication elsewhere
- The project has received requests from the SUNY project, the Policy Forum and the donors' Governance Working Group to present the website to them.
- The Ministry of Finance, the National Audit Office and the Good Governance Coordination Unit have all expressed interest in the website and have agreed to have their data posted on it.
- The project has met with NORAD, who are considering using the website to help track the money in a \$100m Rural Roads Fund that they are in the process of setting up with PO-RALG
- The Permanent Secretary of the Public Service Management department in the President's Office made the Opening Statement at the official launch of the site, when he welcomed the website as valuable resource that would greatly aid the Government to monitor its performance.

Although the website only went public at the end of the USG Financial Year 05, the data compiled in the database has already been widely circulated – especially in the Corruption chapter in the recent State of the Public Service Report published by the President's Office, Public Service Management –

and was utilized in a comprehensive evaluation of the Tanzanian public service¹ and in a number of other assessments, including the World Bank's latest Benefit Incidence Analysis.

The compilation of the data has uncovered a number of shortcomings in the official statistics. For example, the entering of the key data from the Auditor General's Reports revealed a large number of omissions in the official summaries, and a number of other problems in the methodology employed in compiling the official audit reports. The mistakes in the official statistics were corrected when entered into the data base. The problems encountered have been communicated to the Auditor General, with whose office a close and positive relation has been established. The project prepared and submitted to the National Audit Office a report summarizing the problems observed and recommendations on how to strengthen the format of the Auditor General's Reports. The Auditor General used this report in a comprehensive review of the reporting formats used in the annual Audit reports. It is expected that by making official data much more easily accessible through the database, the use of the data will increase exponentially. In turn, it is expected that this will help highlight current weaknesses in official data, which will help the authorities to address these weaknesses and strengthen present routines and practices of data development and management.

The first training sessions on the use of the website and database for stakeholders in civil society, media and Parliament will be conducted in the period October to December 2005. This will play an important part in strengthening capacities for informed and fact-based policy dialogue. Training will be provided by the project, and will demonstrate the relevance of the data to the respective target audiences. I.e. when the new Audit report is released, training will be conducted for journalists to enable them use historical data available on the website to analyze and report on the audit findings. Likewise, training will be conducted for MPs in the new Parliament after the 2005 elections, before they meet in committees to discuss the Auditor General's report. The latter will be done in collaboration with the SUNY implemented Parliamentary Strengthening program that is supported by USAID and DFID.

For the establishment of Public Expenditure Tracking Systems (PETS) at the district and village level, a two-pronged strategy has been adopted. Firstly, considerable efforts have been put in place to mobilize support and establish coalitions to operationalize PETS on a country-wide basis. Secondly, the project has reviewed existing policies and the legal framework in order to assess the requirements for expenditure tracking and to identify gaps, challenges and opportunities.

Strong links have been established with constituencies within Government that have an interest in strengthening local accountability, and with leading actors in civil society that have the potential to make a difference at the local level. A close strategic partnership has been established with the Government's technical team that supports the formulation and implementation of the Local Government Reform Program (LGRP). As a result of this, a commitment from the Government to collaborate with NGOs to establish PETS has been embedded in the Reform Program's Medium Term Plan.² The LGRP team³ has also been closely consulted in the planning and implementation of the

¹ The Tanzanian Government's *State of the Public Service Report 2004*, pages 32-35. The full report is available at http://www.estabs.go.tz/documents/AnnualStateOfThePublicService_Final.pdf.

² The Local Government Reform Programme's Medium Term Plan (2005-08) states as one of its outputs: "Public Expenditure Tracking Surveys conducted in collaboration with Civil Society Organisations." (Interlocking outcome 6.1.2) This follows a longstanding contact and discussions between the project and the drafters of the MTP on the need for institutionalizing PETS in collaboration with NGOs. The MTP was finalized in June 2005.

³ The LGRP team is a group of technical advisors, both nationals and expatriates, who are responsible for the technical aspects of the implementation of the reform program. Key contacts in the team have included Mr. Ben Kasege, the Governance Outcome Manager, and Mr. Howard Clegg, the M&E Advisor.

TGN project, and their support has been secured to support the activities of the project. This partnership provides a level of access to the official policy process that is unprecedented for the USAID Mission in Tanzania.

On the civil society side, the TGN project has assumed a leading role in the strategic planning process concerning accountability at the local government level under the Policy Forum, Tanzania's most influential coalition of NGOs that are active in policy advocacy and activism at the local and national level.

- A consortium is being formed under the Policy Forum consisting of; TGNP, HakiKazi, HakiElimu, SNV, REPOA, TENMET, Commonwealth Education Fund, Youth Action Volunteers, Pact and Women Dignity Project, that will coordinate the operationalization of PETS.
- In addition to this, ORGUT is already in the process of operationalizing PETS in their four districts.

Through the TGN, REPOA is now the member of a newly established Policy Forum secretariat that supports and coordinates Policy Forum members who engages or plans to engage in budget monitoring and expenditure tracking at the local level.⁴ This work will also facilitate access to financial resources provided by other donors, which will have the effect of significantly broadening and deepening the impact of the activities of the TGN. As a result of this, it is now expected that PETS will be established in at least 20 districts by the end of the Financial Year 2006. It is emphasized that this is achieved through leveraging extra resources as other organizations adopt the models recommended by the project.

The main parameters of the PETS were established through an assessment of the existing regulations – the Constitution, the Newspapers Act, the National Security Ordinance, the 1982 Local Government Act, the 1997 Local Government Financial Memorandum, the 2001 and 2004 Procurement Acts, the Local Government Policy and the LGRP Medium Term Plan – and practices of financial reporting and public oversight in two rural districts.⁵ Whereas Tanzania is regularly held up as a star performer in public expenditure management in the African context, with the existing requirements for advertisement and public posting of financial information often cited as a best practice, the TGN assessment revealed that the realities on the ground are less positive. Even if the surveyed districts authorities by and large comply with the regulations of financial reporting, this has none of the intended effects of stimulating and enabling locally based demand for accountability. The reasons being the information published was in a format that rendered it useless for accountability purposes and that there was little if any appreciation of the right of the public to access useable information. An even more striking aspect of this fact-gathering mission was that when the findings were presented at a roundtable attended by central and local government officials, civil society and donors, senior representatives present from 4 districts⁶ all confirmed that the findings “painted a true picture of the realities on the ground.”

⁴ Members are Policy Forum, TGNP, Youth Action Volunteers, Commonwealth Education Fund, SNV, Care, HakiElimu, Women Dignity Project, TENMET, Pact, HakiKazi and REPOA.

⁵ Richard Mushi and Lemayon Melyoki: “Report on Financial Transparency in LGAs in Tanzania,” assessment commissioned by the Tanzania Governance Noticeboard, REPOA, September 2005.

⁶ The assessment covered the districts Simanjiro and Dodoma Rural. These districts were attended by their respective chief executives (District Executive Directors). Senior officials were also present from the districts Kisarawe and Bagamoyo.

The recommendations of this assessment provide the basic elements of the Public Expenditure Tracking Systems that is being developed and tested. The first four districts where this is implemented are Simanjiro, Kiteto, Babati and Singida, where the operationalization of the PETS is being integrated in the Land Management Programme (LAMP) of SIDA-Sweden.

Discussions are ongoing with the Ministry of Finance and the President's Office – Regional Administration and Local Government, to address problems and inconsistencies uncovered in the financial reporting of the central and local government. The project will channel experiences from the operationalization of the PETS back into these discussions to inform the process and assist to improve the present regulatory framework.

The media will also be given exposure to the results and experiences gained through the operationalization of PETS at the local level. For example, the roundtable discussions of the above cited assessment received extensive coverage in 6 national newspapers (Citizen, Daily Times, Guardian, African, Majira and Nipashe). The intention is to develop skills of financial and investigative reporting of a core group of elite journalists.

The training activities will receive more emphasis in the second year of the project. As stated above, in the first year, priority was accorded to developing the tools that are employed by the project: the model PETS and the web-based database of financial and governance data. Through FY06, a total of 450 stakeholders from civil society, media and Parliament will be trained in the use of the website and in expenditure tracking methodologies developed by the project.

2. ACI Reporting Form

Overall

| Core ACI funding FY 2005 | Date funds obligated | Additional ACI funding FY 2005 | Date funds obligated | FY 2005 ACI pipeline | Total ACI pipeline (including prior year ACI funds) | Notes |
|--------------------------|----------------------|--------------------------------|----------------------|----------------------|---|--|
| \$500,000 | 06/28/05 | \$100,000 | 09/25/05 | \$600,000 | \$905,638 | \$305,638 carry-over because of late start-up of project |
| | | | | | | |

Activity level

| Type of activity | Sector | ACI funding | Other funding for this activity? | Description of activity | Implementing partner(s) | Indicators and results | Notable issues or successes |
|--|--------|-------------|----------------------------------|---|-------------------------|--|--|
| Establishing public expenditure tracking systems in selected districts | DG | \$500,000 | | The goal of this project is to develop a model for budget tracking at the local level that can be replicated over an expanding number of districts; to train actors in civil society, media and parliament in the use of the database; and, to assist a national think-tank to establish a dynamic, web-based, database of official governance indicators | PADCO and REPOA | <ol style="list-style-type: none"> 1. Database and website live 2. Model PETS designed 3. 20 CSO representatives trained in Local Government financial reporting procedures 4. 4 districts initiated PETS in cooperation with CSOs | <ul style="list-style-type: none"> • A close partnership has been established with the Government and the Local Government Reform Program's new Medium Term Plan commits to collaborating with CSOs to establish Public Expenditure Tracking Systems (PETS). • A coalition of key CSOs at the national level has been established to coordinate and support the establishment of PETS at the local level • A cutting edge website and database has been established for the first time making key budget and audit data readily available for analysts, policy advocates, journalists and |

| | | | | | | |
|--|--|--|--|--|--|---|
| | | | | | | <p><i>politicians..</i></p> <ul style="list-style-type: none">• <i>Even before making the database available to the public, the data collected was being used to inform policy, e.g. in the preparation of the World Bank's new Country Policy and Institutional Assessment (CPIA).</i> |
|--|--|--|--|--|--|---|

3. Indicators and targets for FY 2006

Indicators directly controlled by project:

1. Number of hits on the website - FY05: website only went live at the end of the year; target FY06: average of more than 25 a day
2. Number of civil society representatives trained in use of website - FY05: 0; target FY06: 100
3. Number of media representatives trained in use of website - FY05: 0; target FY06: 100
4. Number of Parliamentarians trained in use of website – FY05: 0⁷; target FY06: 50
5. Number of civil society, media and local authority representatives trained in tracking methodology for local government – FY05: 20; target FY06: 200
6. Number of districts implementing pilot tracking studies/financial monitoring and transparency programs – FY05: 4⁸; target FY06: 20

Indicators only partially influenced by project

7. Transparency International Corruption Perception Index – baseline score 2.8 (2004). 2.9 in 2005 Index, released 18 October 2005.
8. Number of Local Authorities receiving clean audits – baseline: 17 (2002). 39 (2003).
9. Media coverage of corruption – baseline: 55 per month in 8 selected papers (Nov- Dec 2004)⁹; 45 per month (January – June 2005).

⁷ Although no MPs were trained in the use of the website (which was not yet live), 30 MPs were introduced to the use of PETS at a roundtable for the members of the Accounts Committees plus the chairs of all sector Committees.

⁸ These are Simanjiro, Kiteto, Babati and Singida. It is stressed that the operationalisation is still in the early stages and it is not expected that the PETS will be visible at the district level for common stakeholders before November/December 2005.

⁹ There are the daily English language papers – Daily news, the Citizen, the African and the Guardian; the daily Swahili papers – Majira, Mtanzania and Nipashe; and the weekly Swahili paper Rai.

Zambia

**Anti-Corruption Initiative
Pact Zambia (USAID Cooperative Agreement No. 690-A-00-04-00229-00)
Year 2 Annual Report
October 2004 through September 2005**

The USAID Anti-Corruption Initiative (ACI) in Zambia, managed by Pact Zambia, has been integrated with the parliamentary reform project through support to fiscal committees and related staff. ACI also reaches out to civil society with sub-grants that address public debate and public demand. Activities and events funded primarily with ACI this period are:

Study Tours

- An African Parliamentarian Network Against Corruption (APNAC) meeting was held in Tanzania. From the Zambia Chapter, three MPs, one civil society representative and the APNAC Secretary attended.
- The Southern Africa Development Community Public Accounts Committees (SADCOPAC) meeting took place in Tanzania. The Chair of the Public Accounts Committee, one PAC MP member, and one staff attended. (co-funded with PRPII).
- The annual meeting of Transparency International was held in Nairobi. The Chair of the PRPII Project Steering Committee (MP member of the Reforms Committee), the President of TI Zambia, and the Country Representative of Pact Zambia attended. Discussions there were fruitful, especially in linking with other members of APNAC chapters present, notably the chapter from Zimbabwe.

Fiscal Committee Travel

- The Estimates Committee (10 MPs) and one staff travelled to three provinces in Zambia to assess budget processes and to inspect government projects. (co-funded with PRPII)

MP/Committee Support

- Three budget analysts were contracted to support MPs. This enabled the expanded Estimates Committee, mandated by the new Standing Orders to also act as a “budget” committee, to assess the budget submitted by the Minister of Finance -- a first for Zambia.

Staff Training

- The lead budget analysis consultant (see above committee training) also provided training to three (3) National Assembly Staff.

Seminars/Workshops

- A Workshop for all Members of Parliament was held at the National Assembly to explain the implications of new Standing Orders for the Assembly (co-funded with PRP II). The overall effect of these new procedures is a Parliament with greater potential to exercise influence.

Notable Results

Parliamentary Reform Donor's Group Meeting

The donor group and the Chair of the Reforms and Modernisation Committee of PRP II met in early March to arrive at clarity as to the issues, degree of risks to the project and its four objectives, and agreed actions, both short and longer term. The meeting was called due to concerns following Parliament's inaction on the Standing Orders. The analytical grid prepared by Pact was used to compare objectives with tactics, activities and structural changes. As noted below, the changes to the Standing Orders were ultimately adopted at the end of March.

Parliamentary "Standing Orders"

The nine principal amendments recommended to the Standing Orders Committee and adopted by them, listed in descending order of their importance:

1. All members may now have Private Bills prepared at House expense – and all discussions with staff about such Bills are to be in complete confidence. Private Members Motions/Bills are given more time in the House.
2. The Estimates Committee now has the mandate to act as the 'Budget' Committee.
3. Ministers will be required to table performance reports on their Ministries.
4. Once tabled, Bills will be referred immediately to relevant Standing Committees – rather than first debated and approved by the House. This will allow the Committees more flexibility in making amendments.
5. The Vice-President will take answer Questions on Friday.
6. Questions to Ministers may more often be asked without prior notice – Ministers have less time (14 days) to respond to written questions.
7. Members may abstain from a vote.
8. Members shall be allowed to challenge decisions of the Speaker by a motion.
9. Elections of all House Officers (Deputy Speaker, etc) shall be by secret ballot.

The overall positive result is to give the members the potential to exercise more influence. Most significant recommended reforms not included in this revision:

- a. Those that require Constitutional amendment (e.g., the Parliamentary Service Commission)

- b. Changes to the mandate and composition of the Standing Orders Committee – so that it becomes an all-party committee that sets the business of the House. This change did not require amendment to the Constitution. As a result the Speaker still has complete power. All power of appointment of the Committees and approval of what business can be dealt with by the House (e.g., what Bills will be dealt with – whether Government Bills or Private MPs' Bills) remains totally in the hands of Mr. Speaker and the existing Committee.
- c. Change the Committees from Sessional (1 year) to Standing Committees (5 years). This does not require Constitutional amendment; it would allow the Committees to build longer-term expertise, capacity and memory.

Other Notable Results

- Launch of APNAC Chapter in Zambia – Zambian MPs now linked with continental and global anti-corruption network;
- Budget process focus of training initiatives;
- New Standing Orders (see above);
- Completion of PRP/ACI baseline survey targets (see Table 3); and
- Accountability Subgrants to CSOs launched (see Table 1)

Table 1: ACI/IPD (SO4/IR4.2) Sub-Grants to Membership Organizations – (FY 2005)

| Theme Amount | Organization | Expected results | Achievements |
|--|--|---|---|
| Investigative Journalism (IPD/ACI) \$46,454 | TIZ | <ul style="list-style-type: none"> ▪ Capacity building in investigative journalism ▪ Tools developed to add value to debate on petty corruption and efforts to stem it. | <ul style="list-style-type: none"> ▪ Selected researchers and journalists chosen for 1-week training course; ▪ Investigative journalism international consultant and local media specialist organization subcontracted to provide technical assistance at workshop; ▪ Topical petty corruption themes selected and taken by participants to the field for research and data collection; and ▪ Stage set for stories/testimonials to be published – estimated 10 topics will be considered for publishing. |
| Anti-corruption skills and advocacy \$10,490 | Zambia Federation of Women in Business (ZFAWIB) | <ul style="list-style-type: none"> ▪ Capacity building in identifying issues of corruption ▪ Identification of options for advocacy and lobbying. ▪ PRPII cross-cutting gender issue | <ul style="list-style-type: none"> ▪ One workshop on corruption in business, specifically as it affects women entrepreneurs, held and attended by 21 business women. |
| Accountability \$10,270 | National Association of Youth Against Corruption (NAYAC) | <ul style="list-style-type: none"> ▪ Young people become more engaged in calling for greater public accountability and transparency ▪ Increased interaction between leaders and the youth ▪ Increased understanding of duties and responsibilities | <ul style="list-style-type: none"> ▪ 3 Straight talk events held at 3 Secondary schools ▪ 338 students take part in the events ▪ Networking between Students and MPs established |
| Policy debates on good | Zambia Chamber of | <ul style="list-style-type: none"> ▪ Build capacity of business associations to identify public | <ul style="list-style-type: none"> ▪ 74 ZCSMBA members participate in Advocacy, Policy formulation and |

| Theme Amount | Organization | Expected results | Achievements |
|---|---|--|--|
| business practice & public/ private networking \$44,972 | Small and Medium Business Associations (ZCSMBA) | <p>policy issues affecting businesses and their communities.</p> <ul style="list-style-type: none"> ▪ Networking among relevant private sector stakeholders and relevant Government departments and ministries ▪ Establishment of dialogue channels for business and relevant watchdog institutions. | <p>governance workshops</p> <ul style="list-style-type: none"> ▪ 124 participants that included MPs, ZCSMBA members from the Provinces and local Authority representatives, participate in a one day consultative meeting on decentralisation and corruption ▪ ZCSMBA members who participated in above workshops to serve as focal points for further outreach on corruption issues ▪ Foundation laid down for institutions such as ZCSMBA to effectively advocate, lobby and dialogue on issues that affect the private sector. ▪ ZCSMBA has set the stage for the design and publicity of a code of conduct and business ethics for the private sector. |

Table 2: IPD ACI/IPD (SO4/IR4.2) List of Reports– (FY 2005)

| Component | Title | Purpose of Product and/or Comments |
|---|--|---|
| ACI – Capacity Building Transparency International Zambia (TIZ) | Mechanisms for Combating Petty Corruption through Investigative Reporting and Applied Research in Zambia – Workshop Papers | First draft of future tools for anti-corruption – will be fine tuned under follow-on subgrant under AWATCH |
| IR8.3 and SO8 ACI/PRPII | Parliamentary Reform Project and Anti Corruption Initiative Targets | PRPII and ACI baselines and SO baseline targets show what targets should be attained by the end of the PRP II Project in December 2006. |
| ACI (SO8) | Training Programme in Budget Analysis: Reference Manual September 2005 | Tool for course for staff of the National Assembly of Zambia |

Table 3: ACI Indicators with Targets (linked with PRPII activities)

| Result | Indicator – IDASA NAZ | Baseline Data Source | Baseline ‘number’ | Target |
|---|--|---|---|------------------------------|
| PRP and ACI A Parliament That Is R.E.A.L. <ul style="list-style-type: none"> • Representative and Responsive • Efficient and Effective • Accountable and Accessible • Legitimate and Linked | Index of Cttee capacity (analysis, outreach to stakeholders) | (Analysis) Nov. 2004 IDASA. – Fig. 14 | 17 % of the Stakeholders rated Cttee capacity as ‘strong / very strong’ (avg. of Fig. 14) | 05 – 26.5% 06 – 34% |
| | | (Outreach) Nov. 2004 IDASA – Fig. 15. | 30% of the Stakeholders rated access to the Cttees as ‘easy / very’ (avg. of Fig. 15) | 05 – 45% 06 – 60% |
| | Index of perception by the public and stakeholders of Parliament’s performance in oversight of the Executive | Nov. 2004 IDASA – Table 34. Question: ‘how well is Parliament keeping an eye on the Executive?’ | 30% of the Public and the Stakeholders (combined) said ‘well / very well’ | 05 – 45% 06 – 60% |
| | MPs perceive they have effective influence | Nov. 2004 IDASA – Fig.11 Avg of bars 5,8 & 9 | 66% of MPs feel they have ‘too little’ influence | 05 – 60% 06 – 50% |
| | Index of Adequacy of fiscal oversight review process | Nov. 2004 IDASA – Fig 10 Avg of Bar 1 and 2 | 25% of the Stakeholders say NAZ is doing a ‘good’ job (Avg. of Fig. 10) | 05 – 37.5% 06 – 50% |
| ACI Parliament Will Hold the Executive Accountable Through Effective Fiscal Oversight | Index of perception by the public and stakeholders of Parliament’s performance in fighting corruption | Nov. 2004 IDASA – Fig 9 | 28% of the Public and the Stakeholders (combined) said NAZ is doing a ‘good’ job (Avg. of Fig. 9) | 05 – 35% 06 – 42% |
| PRP 1. MPs will better perform their roles | • Number of MPs receiving capacity training re Role performance | NAZ | 2003 – 0 | 200 in each of 2005 and 2006 |
| | ▪ Perceived utility of training | N/A | N/A – NIL | 75% say |

| Result | Indicator – IDASA NAZ | Baseline Data Source | Baseline ‘number’ | Target |
|--|---|---|---|---|
| | | | | ‘good/very good’ |
| | <ul style="list-style-type: none"> ▪ # of verifiable interactions (e.g., fora and contacts) between MPs and constituents | NAZ. Report Jan 2005 from the Research Dept. – page 2 | Average annual number of verifiable interactions: 675 in 11 Offices | 15,000 by 28 Offices per year |
| ACI 1 Strengthened oversight of public finance | <ul style="list-style-type: none"> ▪ Number of MPs trained | NAZ | 24 in 2003 | 200 in each of 2005 and 2006 |
| | <ul style="list-style-type: none"> • Perceived utility of training | N/A | No data – Nil | 75% say ‘good/very good’ |
| PRP 2 Committees skilled and equipped to better perform their legislative and oversight roles | <ul style="list-style-type: none"> • Critical analysis of Committee reports re the Budget | | No Committee Report in 2003 | Rating by independent consultant – good to very good |
| | <ul style="list-style-type: none"> ▪ Number of initiatives proposed and adopted | NAZ Baseline Reports Committee Dep. Page 1 | average No: of recommendation acted upon by Executive 40% | 06 – 60% |
| ACI 2. PAC and Estimates Committees are more effective at fiscal oversight | <ul style="list-style-type: none"> ▪ Critical analysis of PAC and Estimates Committee reports | | Not yet done | 50% improvement by March 2006 |
| | <ul style="list-style-type: none"> ▪ Initiatives proposed by Committees and adopted | NAZ Baseline Reports Committee Dep. Page 2 | average No: of recommendation acted upon by Executive 35% | 06 - 50% |
| PRP 3 A non-partisan professional staff to support the MPs and | <ul style="list-style-type: none"> ▪ Timely and effective response to requirements of MPs (regardless of Party) and | Nov. 2004 IDASA – Fig 16 | Average of ‘response to requests’ as often/ all the time 50% | 75% by March 2006 |

| Result | Indicator – IDASA NAZ | Baseline Data Source | Baseline ‘number’ | Target |
|--|---|---------------------------|---|--|
| the Committees in a multi-party Parliament | Committees | | | |
| ACI 3 Research Service is more effective at providing information that meets committee needs and at maintaining records | <ul style="list-style-type: none"> ▪ Timely and effective response to research requirements of the PAC and Estimates Committees | | | Drop – use PRP 3 |
| PRP 4 National Assembly is transparent and accessible | <ol style="list-style-type: none"> 1. Increased <u>number of visitors and discussion on the web (number of hits)</u>. 2. Number of visitors and their rating 3. <u>Submissions</u> that come from public groups 4. Increased number of <u>petitions</u> at parliament | NAZ | 02 – 3299 03 – 2763 04 – no data yet 04 – no data 04 – data to follow 04 - 1 | 05 - +50% 06 - +100% 05 - +45% 06 - +90% Drop 05 - +25% 06 - +50% 06 - 3 |
| ACI 4 Organs such as AG, ACC, etc., more effective at informing Parliament | <ul style="list-style-type: none"> ▪ Timeliness of annual and special reports submitted by the AG to the PAC Committee | Nov. 2004 IDASA – Fig. 17 | Strong / very Strong avg. 16% | 06 – 32% |
| PRP 5 National Assembly shows greater independence, control of its own affairs and openness | <ul style="list-style-type: none"> ▪ Adoption of rules and management committee structure that is inclusive of all parties | Reforms | Speaker and SOs Cttee sole authority | Mandate of SOs Cttee revised by July 2005; PSC created by December 2006. |

| Result | Indicator – IDASA NAZ | Baseline Data Source | Baseline ‘number’ | Target |
|--|---|------------------------------------|--|--|
| | <ul style="list-style-type: none"> Parliament should have more power to formulate and control its own budget | Reforms | No such power | Power created by December 2006. |
| ACI 5 NGO stakeholders concerned with budget, finance and corruption are partners with committees and Parliament. | <ul style="list-style-type: none"> Perception by relevant NGOs re quality of partnership with the PAC and Estimates Committees | Nov. IDASA 2004 – Fig. 15 | strong / very strong 25% | 05 – 30% 06 – 50% |
| PRP 6 Assembly has better equipment and facilities to enable more efficient use of H. Resources | <ul style="list-style-type: none"> Availability of state of the art ICT | NAZ Human Resource Baseline Report | PC as server No Information systems | New server, Documentation system and LIS by July 2005. MIS by December 2006 |
| | <ul style="list-style-type: none"> Adoption of an HR plan | NAZ Human Resource Baseline Report | No NAZ plan – done by departments | New Plan by December 2005 |
| | <ul style="list-style-type: none"> Use of email to communicate with parliamentarians | NAZ Human Resource Baseline Report | 03 – 0 | 50% use email by July of 2006 |
| ACI 6 Networking in Africa by Committees/stakeholders contributes to sustained, targeted corruption fighting | <ul style="list-style-type: none"> Affiliation to regional bodies | NAZ | IPU, SADC PF, SACDCOPAC, CPA | APNAC and GOPAC by July of 2005 |
| | <ul style="list-style-type: none"> Increased correspondence to regional parliamentary systems | NAZ | Not sure how to capture data | drop |

Table 4: GOAL INDICATORS – PRP and ACI

| GOAL - PRP (from the Project document) A Parliament That Is R.E.A.L. <ul style="list-style-type: none"> • Representative and Responsive • Efficient and Effective • Accountable and Accessible • Legitimate and Linked | | Table 4: GOAL INDICATORS – PRP and ACI | | | | ACI | GOAL - ACI (from SO8 - IR8.3) Parliament Will Hold the Executive Accountable Through Effective Fiscal Oversight |
|--|--|--|--|--|--|-----------------------|--|
| | | RESULTS | INDICATORS | INDICATORS | RESULTS | ACI Activities | |
| Activities 1.1 to 1.9 re MPs | 1. MPs will better perform their roles; Improved quality of debate; Greater interaction between MPs and their constituents | <ul style="list-style-type: none"> ▪ Number of MPs receiving capacity training re Role performance ▪ Perceived utility of training ▪ # of verifiable interactions (e.g., fora and contacts) between MPs and constituents | <ul style="list-style-type: none"> ▪ Number of MPs trained ▪ Perceived utility of training | 1. Strengthened oversight of public finance | Capacity Building regarding Corruption for the MPs | | |
| Activities 2. 1 to 2.7. re Committees | 2. Committees skilled and equipped to better perform their legislative and oversight roles | <ul style="list-style-type: none"> ▪ Critical analysis of Committee reports re the Budget ▪ Number of initiatives proposed and adopted | <ul style="list-style-type: none"> ▪ Critical analysis of PAC and Estimates Committee reports ▪ Initiatives proposed by Committees and adopted | 2. PAC and Estimates Committees are more effective at fiscal oversight | Supporting Estimates and PAC Committees (also Anti-Corruption Committee if formed) | | |
| Activities 3.1. to 3.13 re staff | 3. A non-partisan professional staff to support the MPs and the Committees in a multi-part Parliament | <ul style="list-style-type: none"> ▪ Timely and effective response to requirements of MPs (regardless of Party) and Committees | <ul style="list-style-type: none"> ▪ Timely and effective response to research requirements of the PAC and Estimates Committees | 3. Research Service is more effective at providing information that meets committee needs and at maintaining records | Strengthen the Research Service | | |
| Activities 4.1 to 4.5 re National Assembly | 4. National Assembly is transparent and accessible | <ul style="list-style-type: none"> ▪ Increased number of visitors and discussion on the web (number of hits). ▪ Number of visitors and their rating ▪ Submissions that come from public groups ▪ Increased number of petitions at parliament | <ul style="list-style-type: none"> ▪ Timeliness of annual and special reports submitted by the AG to the PAC Committee | 4. AG more effective at informing Parliament | Assistance to the AG to better investigate abuse and submit useful reports to Parliament | | |

| GOAL - PRP (from the Project document) A Parliament That Is R.E.A.L. <ul style="list-style-type: none"> • Representative and Responsive • Efficient and Effective • Accountable and Accessible • Legitimate and Linked | | Table 4: GOAL INDICATORS – PRP and ACI | | | | ACI | GOAL - ACI (from SO8 - IR8.3) Parliament Will Hold the Executive Accountable Through Effective Fiscal Oversight |
|--|--|--|---|--|---|--|--|
| | | Index of Cttee capacity (analysis, outreach to stakeholders) | Index of perception by the public and stakeholders of Parliament’s performance in oversight of the Executive | MPs perceive they have more influence | Index of Adequacy of fiscal oversight review process | Index of perception by the public and stakeholders of Parliament’s performance in fighting corruption | |
| Activities 5.1 to 5.6 re National Assembly | 5. National Assembly shows greater independence, control of its own affairs and openness | <ul style="list-style-type: none"> ▪ Adoption of rules and management committee structure that is inclusive of all parties ▪ Parliament should have more power to formulate and control its own budget | | <ul style="list-style-type: none"> ▪ Perception by relevant NGOs re quality of partnership with the PAC and Estimates Committees | | 5. NGO stakeholders concerned with budget, finance and corruption are partners with committees and Parliament. | Assist anti-corruption NGOs to provide informed advice to Committees |
| Activities 6.1 to 6.8 re National Assembly | 6. Assembly has better equipment and facilities to enable more efficient use of H. Resources | <ul style="list-style-type: none"> ▪ Availability of state of the art ICT ▪ Adoption of an HR plan ▪ Use of email to communicate with parliamentarians | | <ul style="list-style-type: none"> ▪ Affiliation to regional bodies ▪ Increased correspondence to regional parliamentary systems | | 6. Networking in Africa by Committees/stakeholders contributes to sustained, targeted corruption fighting | Networking and learning skills and tools re all of the above |

ACI Reporting Form

USAID/Zambia

CTO: Hawes

Overall

| Core ACI funding FY 2005 | Date funds obligated | Additional ACI funding FY 2005 | Date funds obligated | FY 2005 ACI pipeline | Total ACI pipeline (including prior year ACI funds) | Notes |
|---------------------------------|-----------------------------|---------------------------------------|-----------------------------|---|---|--|
| \$600,000 | 9/10/2004 | \$150,000 planned yet not obligated | TBD | \$600,000 less \$258,447 expensed or obligated = \$341,553 balance to spend | \$32,142 (FY04) + \$341,553 (FY05) + \$600,000 (FY06) = \$973,695 | 1. FY06 workplan is designed to spend \$973,695 pipeline. Approximately half of this pipeline will be applied to fiscal oversight activities under the Parliamentary Reform Project (PRPII). The remaining half has watchdog agencies/CSOs as its focus. 2. The \$258,447 reported for FY05 includes costs for the same year for salaries and other administrative costs (direct and indirect). It also includes subgrants obligated but not yet expensed. |
| | | | | | | |

Activity level

| Type of activity | Sector | ACI funding | Other funding for this activity? | Description of activity | Implementing partner(s) | Indicators and results | Notable issues or successes |
|------------------------------|---------------|--------------------|---|--|---|---|--|
| Revised Standing Orders 2005 | DG | \$671 | \$2,592.94 | Parliament to adopt new rules and procedures that strengthen the MPs in Parliament | Pact Zambia-National Assembly of Zambia | Adoption of rules and management committee structure that is inclusive of all parties: 95 MPs attended workshop | The Standing Orders were amended by the National Assembly – to include most of the proposals from the Reforms and Modernization Committee that do NOT require prior Constitutional Amendment. 6 Bills and/or motions have been presented do far. |

| | | | | | | | |
|---|----|---------|-------------|--|--|--|--|
| | | | | | | | Parliament will now assist Private members to prepare and present private members' Bills – using the legal personnel trained by the project the previous year. |
| Media Training | DG | | \$20,667.44 | To improve the skills of MPs in media issues and media/press relations. | Pact Zambia-National Assembly of Zambia - ZAMCOM | Number of MPs receiving skills training re Role performance. 129 MPs attended | |
| Visitor and Media Centre | DG | | \$10,039.07 | To provide space for visitors to watch Parliament at work | <i>Pact Zambia-National Assembly of Zambia</i> | Designs drawn up. Funds for project still to be sourced . | |
| Upgrade Library collection | DG | | \$45,445.59 | To equip Library with latest collection | <i>Pact Zambia-National Assembly of Zambia</i> | Books sourced from England | |
| Server for IT Training | DG | | \$10,792.00 | To improve the knowledge and communications performance of MPs. | Pact Zambia-National Assembly of Zambia | Number of MPs receiving capacity training re Role performance. 75 MPs attended | |
| Staff training in Budget analysis | DG | \$1,601 | | To impart budget analysis skills in the staff of Parliament | Pact Zambia-National Assembly of Zambia | A non-partisan professional staff to support the MPs and the Committees in a multi-party Parliament. 3 staff trained | |
| Oversight visits by Estimates Committee | DG | \$3,101 | | To enable the Estimates Committee to travel to the regions to monitor how approved funds are being spent | Pact Zambia-National Assembly of Zambia | Committees skilled and equipped to better perform their legislative and oversight roles. 10 MPs and 1 staff travelled to Eastern, Luapula and Northern Provinces | |

| | | | | | | | |
|--|----|---------|-------------|--|---|--|--|
| Launch of APNAC Zambia Chapter | DG | \$2,022 | | To enable MPs form the local APNAC Chapter and establish a coordinated approach to issues of corruption | Pact Zambia-National Assembly of Zambia | APNAC Committee is more effective at fiscal oversight. 158 MPs are eligible to join APNAC. 29 have paid up. | |
| Transparency International, TI, Meeting | DG | | | To enable TI Zambia, APNAC and Pact Zambia attend the TI meeting and thereby network with other stakeholders in Africa. | Pact Zambia-National Assembly of Zambia - Transparency International Zambia | Networking in Africa by Committees/stakeholders contributes to sustained, targeted corruption fighting. The local Chapter has joined the Africa APNAC Chapter and networks with TI Zambia. | Networking between TIZ and APNAC established and the APNAC chapter formed with support and advice from TIZ |
| SADCOPAC Meeting | DG | \$3,653 | \$3,107.07 | To enable the PAC Committee be part of deliberations and decisions of regional groupings | Pact Zambia-National Assembly of Zambia | Affiliation to regional bodies. Increased correspondence to regional Parliamentary systems. 2 MPs and 1 staff attended regional meeting | |
| Publicising Committee Sittings | DG | | \$4196.64 | Schedule of Committee meetings published on five (5) different days in each of the three (3) main daily newspapers (Times of Zambia , Zambia Daily Mail and the Post) | Pact Zambia-National Assembly of Zambia | To increase awareness of the meetings of the Committees by advertising in the national print media. | Committees received more submissions form civil society and the general public. |
| UNZA Internship attachment to Parliament | DG | | \$ 3,835.03 | To expose UNZA students and faculties to the workings of Parliament in order to assist in the recruitment and development of qualified new staff. | Pact Zambia-National Assembly of Zambia | The internship programme is expected to contribute to strengthening the operations of the National Assembly. 5 UNZA 3rd Year school of law students attached to Parliament (Committee, Journal, legal, Library and Research departments) | |

| | | | | | | | |
|--|----|--|--------------|---|---|--|---|
| IT Staff attachments | DG | | \$ 19,398.36 | To improve the capacity and efficiency of staff to service MPs through IT training and attachment to other Parliaments. | Pact Zambia-National Assembly of Zambia | Timely and effective response to requirements of MPs (regardless of Party) and Committees. 4 staff went on attachment. | |
| General Staff attachments | DG | | \$ 9,982.25 | To expose staff to other multi-Part Parliaments and see how staff operate there. | Pact Zambia-National Assembly of Zambia | Timely and effective response to requirements of MPs (regardless of Party) and Committees. 3 staff went on attachment. | |
| Conditions of Service | DG | | \$249.21 | to review MP and staff conditions under a reformed Parliament | Pact Zambia-National Assembly of Zambia | Exercise to end in the first quarter of the coming year, but MPs already awarded them selves new allowances and salary. | |
| Budget analysis training for Staff | DG | | | To train selected staff of the Research and Committee Departments in the theory and practice of Budget analysis. | Pact Zambia-National Assembly of Zambia | Research Service is more effective at providing information that meets committee needs and at maintaining records. 3 staff trained | |
| Constituency staff Training in Programme | DG | | \$8,271.12 | To train constituency staff on how to keep records and account for funds. | Pact Zambia-National Assembly of Zambia | A non partisan and professional staff to support MPs. 17 staff from the 7 fixed, 2 mobile and 2 travel offices trained to prepare them to work under PRP II | |
| Support to Constituency offices Project office | DG | | \$39,502.28 | To increase the interconnection between the elected MPs and the constituents they represent | Pact Zambia-National Assembly of Zambia | 7 fixed offices were established. 21 more to be established in the next year. 1 Professional staff, 1 Administrative Assistant and 2 Security Guards employed for each office. | 7 Constituency Offices started and plans to rent or build Constituency Offices in 21 additional Constituencies were drawn up. |

| | | | | | | | |
|---|----|--|------------------|--|---|--|--|
| Staff support to Project Office at Parliament | | | | To enhance the capacity, of the office at Parliament, to effectively manage the Project | Pact Zambia-National Assembly of Zambia | One assistant and one accountant hired to work in the Project Office at Parliament | More efficiency in Parliament's response to work plan. |
| Equipment support to Project Office at Parliament | | | \$14,451.48 | To ensure that activities occur as per the work plan and time frame | Pact Zambia-National Assembly of Zambia | Computer, Printer and Photocopier to equip the National Assembly PRP II office to improve the management of the project | |
| Petty Corruption Project | DG | | \$45,157 | To build the capacity of journalists in investigative journalism | Pact Zambia- TIZ | 6 journalist trained in investigative methods. 4 researchers trained. 12 topics identified for researching. | |
| Public debate on Corruption | DG | | \$53,479 | Tools developed to add value to | Pact Zambia- TIZ | | |
| Business Women fighting Corruption | DG | | \$10,594 | To train and bring out concerns of corruption in business and society while looking at options that can bring out results in combating corruption in business as it affects women entrepreneurs. | Pact Zambia- ZFAWIB | One workshop on corruption in business, specifically as it affected women entrepreneurs, held and attended by 21 business women. | |
| Youth Action Against Corruption | DG | | \$6,200 | To engage young people in calling for greater public accountability and transparency in policy making processes | Pact Zambia- NAYAC | 3 Straight talk events held at 3 Secondary schools\$ 338 students take part in the events | |
| Capacity enhancement for Business Associations | DG | | \$59,328 | Training Business Associations in governance tools for engagement in fighting corruption. | ZCSMBA | 198 ZCSMBA members participate in Advocacy, Policy formulation, governance and workshops | |
| | | | | | | decentralisation and corruption workshops | |
| Public relations training | DG | | \$2,304 | To equip Staff with skills to work under and adapt to a Reformed Parliament | Pact Zambia -EHC | 50 staff from public relations and security trained | |
| Total | | | \$188,110 | | | | |

RCSA

USAID-- Regional Center for Southern Africa--Anti-Corruption Initiative Reports

The goal of the RCSA anti-corruption sub-activity is to increase demand for accountability and transparency through the generation of data and information needed for evidence-based advocacy and demand for policy reform among regional NGOs and CSOs. The sub-activity is also intended to build civil society advocacy capacity in anti-corruption, as well as to promoting a more responsible media with a focus on investigating and reporting public sector corruption. To this end, USAID/RCSA supports *Idasa* (formerly the Institute for Democracy in South Africa); and Transparency International- Zimbabwe (**TIZ**). Interventions implemented by these two partners cover three thematic areas of research and information dissemination, civil society advocacy, and media strengthening. During FY05, RCSA also supported demand driven anti-corruption interventions in two USAID/Non-Presence Countries in the region, Botswana and Swaziland using non-ACI funds.

Institute for Democracy in Southern Africa (*Idasa*)

USAID/RCSA signed a grant Agreement with *Idasa* on April, 2005. The purpose of this grant is to support the Afrobarometer Round 3 (R3) implemented by *Idasa* in Southern Africa . The RCSA support is mainly channeled towards Afrobarometer core staff support costs to enable them to provide the required technical field support to their national partners. In essence, the eight (8) Southern African countries included in Afrobarometer R3 benefit from USAID/RCSA support to Afrobarometer R3.

Afrobarometer R3 field work began in March, 2005 prior to the signing of the grant agreement. Surveys in most countries are almost complete, and public presentations are underway for Lesotho, Malawi and Mozambique. The Botswana survey is complete; and the survey results were presented to donors and the public on October 18 and 19, 2005 respectively. The Botswana survey results confirm the common knowledge that Botswana has low levels of corruption as shown by the fact that only 2% of Botswana have experienced corruption. There is also a 1% drop in people who experienced corruption in Round 3 of the survey compared to Round 2. The low level of experience with corruption in Botswana is consistent with the 64% of Botswana who say that the Government is handling the fight against corruption fairly well to very well. However, perception of police corruption has risen from 23% in Round 2 to 30% in Round 3, making the police department a priority for anti-corruption interventions in Botswana.

Round 3 of the Botswana Afrobarometer survey has been successful in highlighting public service sectors that need to be further targeted through anti-corruption interventions i.e. the police, and other departments that issue permits.

Transparency International –Zimbabwe (TIZ)

RCSA entered into a Cooperative Agreement with TIZ on June, 2005. Under this agreement, TIZ implements a combination of anti-corruption interventions that include research and information dissemination, civil society advocacy and media strengthening. TIZ has just begun implementation of the various activities outlined in their work plan.

Non-ACI funded Anti-Corruption Activities

Swaziland

In response to a request from Swaziland Prime Minister to U.S Embassy in Swaziland, RCSA commissioned Chemonics- International to conduct an assessment of the efficacy of both the institutional and legal framework for combating corruption in Swaziland, with a specific focus on the Anti-Corruption Commission and the 2005 Anti-Corruption Bill. Generally, the assessment concluded that the Swaziland Anti-Corruption Commission is dysfunctional, and

lacks credibility and is therefore ineffective in its fight against corruption. The assessment also concluded that the 2005 Anti-Corruption Bill generally covers most forms of corruption prevalent in Swaziland and conforms to regional anti-corruption norms and standards. However, the assessment makes it clear that the fight against corruption requires the backing of an enabling constitutional framework that guarantees respect for the rule of law, support for a culture of democratic constitutionalism and the doctrine of separation of powers. Currently, the Swaziland constitution does not provide for an enabling environment for the fight against corruption in Swaziland.

The assessment report was submitted to the Swaziland Minister of Justice. RCSA together with the U.S. Embassy in Swaziland is monitoring whether any of the assessment recommendations will influence the Anti-Corruption legislation that is likely to be enacted in Swaziland next year. Currently the bill is being considered at Cabinet level. While the impact of the assessment in relation to the anti-corruption legislation and Anti-Corruption Commission is not clear at this stage, the assessment has also assisted the U.S. Embassy to focus on corruption issues in line with its MPP. In addition, an opportunity exists for the US Embassy and RCSA to work with civil society in Swaziland to advocate for the implementation of the recommendations of the assessment report.

Botswana

In support of U.S. Embassy Botswana's Mission Performance Plan, USAID/RCSA engaged the services of Chemonics- International to conduct a public perceptions corruption survey on behalf of Transparency International - Botswana (TIBOT). Due to time constraints, the survey only focused on perceptions of corruption in the business sector. The study sought to assess how Botswana would fare in terms of people's perceptions about levels of corruption without comparing it to other countries. The study was also meant to highlight institutions and public service sectors perceived to have high corruption prevalence, so they may be targeted through anti-corruption interventions.

Generally, the study found that the business community does not experience corruption systemically. As a result, the business community views corruption in Botswana as moderate but increasing. Those who experienced corruption indicated that it occurred mostly within processes of public tenders, licensing, land allocation and fines, than any other area of the public service. The top three public service sectors perceived to have the most corruption are the Police (particularly the traffic Section), Local Authorities (particularly their tendering and procurement as well as land allocation sections) and the Department of Immigration. Other sectors were also identified but these three require urgent attention in terms of follow-on anti-corruption interventions.

The survey ended in July 2005. TIBOT has plans to disseminate the findings of the report widely particularly to other civil society organizations, the private sector and institutions that have been identified by the study as the most corrupt. TIBOT is concerned that while corruption is generally perceived to be low in Botswana, the business sector thinks that it is on the rise--something that could impact negatively on efforts to attract foreign direct investment. Therefore, TIBOT intends to work with relevant authorities such as the anti-corruption bureau to implement interventions that will prevent corruption, and curb its increase.

Indicators (Year 2)

Percentage advocacy capacity assessment tool components achieved by the target organization.

N.B: This indicator may change depending on MSI recommendations following the recently conducted DQA and RCSA partner consultations.

ATTACHMENT TO FY05 ACI REPORT

Advocacy Capacity Assessment Tool

For each component listed under the headings, put one point if the USAID/RCSA SO16 Partner has achieved that component. Total the points (maximum is five per heading, or 30 for the entire Index) in the “FY Scored” column. For the question on HIV/AIDS, points will indicate whether or not, and how much, the coalition is incorporating gender into its programs/activities. The HIV/AIDS question will be scored separately (see instructions that follow this Index).

SCORECARD

Partner: _____

| | | | | |
|---|-----------------|-------------------|------------------|---|
| 1. Organization is Formalized | Baseline | FY Planned | FY Scored | Number of Action Plans Agenda Items/FY |
| *Organization has formal agreement | | | | |
| *Organization has by-laws | | | | |
| *Organization has management structure | | | | |
| *Organization has written action plan | | | | |
| *Organization is implementing action plans | | | | |
| Totals | | | | |
| 2. Organization (or staff members) carries out research agenda [RESEARCHING] | Baseline | FY Planned | FY Scored | Number of Research Efforts/FY |
| *Interests and stakeholders are identified within SADC, general public, private sector, etc. | | | | |
| *Existing information and data on the issue and process are collected | | | | |
| *Information is analyzed and summarized, gaps are identified | | | | |
| *Expert advice is received and/or other sources of information used (to fill gaps) | | | | |
| *Information is used in an activity/action or to make decisions | | | | |
| Totals | | | | |
| 3. Organization systematically seeks input and response from its members and the public on the issue [TESTING] | Baseline | FY Planned | FY Scored | Number of Input Events/FY |
| *Organization staff/members meet to discuss information collected in #2 | | | | |
| *Public meetings, focus groups, conferences, seminars, call-in programs, etc. are conducted | | | | |
| *Other Government(s) input on issue solicited | | | | |
| *Media campaigns (with response system) are conducted | | | | |
| *Organization changes its strategy as a response to input; or, organization uses consensus for further action | | | | |
| Totals | | | | |
| 4. Organization communicates position/stand on the issue(s) [GOING PUBLIC] | Baseline | FY Planned | FY Scored | Number & Types of Outreach Events |

| | | | | |
|--|-----------------|-------------------|------------------|--|
| *Statement on position/stand exists in writing in various formats | | | | |
| *Communications plan is being implemented | | | | |
| *Position/stand is coherent/persuasive | | | | |
| *Response mechanisms exist for all outreach efforts (for further input, and to assess public interest) | | | | |
| *Events are scheduled to educate public on the position/stand, including how to contact the organization in the future | | | | |
| Totals | | | | |
| 5. Organization maintains efforts to build support on position/stand [GOING THE DISTANCE] | Baseline | FY Planned | FY Scored | Number & Types of Responses by Public |
| *Organization responds to public and public institutions response to position/stand, and requests for information | | | | |
| *Organization monitors the issue | | | | |
| *Organization seeks new members and alliances | | | | |
| *Active lobbying/education on issue continues | | | | |
| *Organization has a permanent office (or offices) | | | | |
| Totals | | | | |
| 6. Organization allocates resources (time, people, money) to effort [COMMITTING] | Baseline | FY Planned | FY Scored | Types of contributions |
| *Other organizations provide their own contributions to effort (staff, facilities, materials, etc.) | | | | |
| *Other organizations allocate money to the effort | | | | |
| *Organization seeks additional money from donors for their effort | | | | |
| *Other organizations seek contributions from outside sources (donors, business sector, local organizations, etc.) for their combined efforts | | | | |
| *Organization manages non-member volunteers | | | | |
| Totals | | | | |
| BONUS: HIV/AIDS: Organization is addressing HIV/AIDS | Baseline | FY Planned | FY Scored | Examples |
| *Organization discusses the impact of HIV/AIDS on elections | | | | |
| *Organization collects information on impact of HIV/AIDS on elections | | | | |
| *Organization manages HIV/AIDS analysis | | | | |
| *Organization focuses advocacy on HIV/AIDS issues | | | | |
| *Organization targets election processes towards integrating HIV/AIDS issues (e.g., model voting processes) | | | | |
| Totals | | | | |
| Grand Totals | | | (a) | |

Total points for each norm/standard = 30; Total points including HIV/AIDSs bonus points = 35

Components can be skipped, but points will not be awarded for skips. Achievements of components can regress -- points will then be removed.

Scoring: As each component is achieved, 1 point will be awarded. The total points for each component heading will be added in the total line under the heading. Then all the totals will be added together to get the organization's final score for the year. Then the percentage of achievement of the milestone scale is calculated:

Numerator: Total points scored for the organization for the performance year (including the potential bonus points)

Denominator: 30 total points

(a) = number reported for SO 16, IR 16.1, Indicator 2

ACI Reporting Form

Overall

| Core ACI funding FY 2005 | Date funds obligated | Additional ACI funding FY | Date funds obligated | FY 2005 ACI pipeline | Total ACI pipeline (including prior year ACI funds) | Notes |
|--------------------------|----------------------|---------------------------|----------------------|----------------------|---|--|
| 605,000 | 7/7/2005 | None | N/A | 605,000 | 1,812,000 | The pipeline is at September 30, 2005. It is due to the late start of activity implementation. In case of Idasa, while implementation started as soon as the grant was signed in April, the organization has only begun to draw funds. TIZ has just started implementing its activities and this is expected to reduce the pipeline significantly. |
| | | | | | | |

Activity level

| Type of activity | Sector | ACI funding | Other funding for this activity? | Description of activity | Implementing partner(s) | Indicators and results | Notable issues or successes |
|---|--------|-------------|----------------------------------|--|--|---|---|
| Research & Information Dissemination : Afrobarometer Surveys | DG | \$350,000 | None | The goal of sub-activity is to generate data and information for evidence based advocacy and policy reform | Institute for Democracy in South Africa (Idasa) | Percentage advocacy capacity assessment tool components achieved by the target organization (see attached tool). No data for tracking indicators has so far been collected as the data collection tools are being refined following a recent data quality assessment by MSI | In terms of the results of the completed survey (Botswana), the sub-activity has been successful in highlighting public service sectors where corruption is perceived to be prevalent. The identified sectors will be followed up through anti-corruption interventions implemented by TIZ and TIBOT. |

| | | | | | | | |
|--|----|---|----------|---|-------------------------------------|--|---|
| Research & Information Dissemination : National Integrity Systems surveys and Access to Information Surveys | DG | \$731,680 | None | The goal of this sub-activity is to generate data and information for evidence-based advocacy and policy reform for the promotion of transparency and accountability in the various Southern African countries. | Transparency International-Zimbabwe | Percentage advocacy capacity assessment tool components achieved by the target organization (see attached tool) Results: | The economic crisis in Zimbabwe, particularly the high inflation rate, and acute shortages of foreign currency necessitated amendment of the TIZ Grant Agreement. The amendment required consultation with USAID/Zimbabwe; TIZ and TIZ Lawyers. This delayed implementation of TIZ planned activities. |
| Civil Society Strengthening: Anti-Corruption Advocacy Capacity Building | DG | Included as part of the \$731,680 above | None | The goal of this sub-activity is to strengthen advocacy capacity of Transparency International chapters. | Transparency International-Zimbabwe | Percentage advocacy capacity assessment tool components achieved by the target organization (see attached tool) Results: | |
| Media Strengthening | DG | Included as part of the \$731,680 above | None | The goal of this sub-activity is to improve media capacity to investigate and report on corruption. | Transparency International-Zimbabwe | Percentage advocacy capacity assessment tool components achieved by the target organization (see attached tool) Results: | |
| Assessment of the Swaziland Anti-Corruption Bill and Commission | DG | None | \$62,000 | The goal of this intervention to assist the Swaziland Government in its bid to improve the efficiency of the institutional and legal framework for fighting corruption. | Chemonics - International | Report recommendations drafted into the Swaziland Anti-Corruption Bill and used to reform the Swaziland Anti-Corruption Commission | the Swaziland Anti-Corruption Bill and Assessment report are currently being considered by cabinet. |
| Botswana Corruption Perception Study | DG | None | \$30,000 | The goal of this intervention was to highlight public service sectors where corruption is prevalent in Botswana so that they may be targeted through anti-corruption interventions. | Chemonics - International | Report recommendations used by TIBOT advocate for reform of public service sectors identified to be the most corrupt. | |
| Note: The balance of the \$730 320 is obligated into a SOAG | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

REDSO

1. SEE ATTACHED FORM

2. NARRATIVE

In FY 05, REDSO achieved the following:

- (i) *Completed the design and procurement of a new 3-year, \$1.7 million Regional Anti-Corruption Program:* the outcome of extensive collaboration with East Africa missions, government representatives, the donor community, civil society and the private sector, including key stakeholders on the Northern Corridor (the clearing and forwarding sector, infrastructure and transport ministries and regional organizations such as COMESA and the Transit Transport Coordination Authority), this new program was approved in August 2005. Two partners were selected for implementation.
- (ii) *Implementation of one of two program components (Capacity-Building for Regional Clearing and Forwarding Agents) began:* a 6-month \$500,000 start-up phase began implementing: (a) deployment of Direct Trader Input (DTI) centers in Kenya, Tanzania, Uganda and Rwanda; (b) regional training for the secretariat and members of the Federation of East African Freight Forwarding Associations [FEAFFA]; and (c) support for FEAFFA's advocacy and public relations efforts.
- (iii) *USG Regional Anti-Corruption Team Formed:* a regional anti-corruption technical team of USG anti-corruption point-persons is collaborating on the review of RAP project workplans, and will facilitate strengthening anti-corruption technical skills and share best practice.
- (iv) *Technical and Logistical Support to Regional Partners:* the RAP program facilitated (a) FEAFFA stakeholders to reach consensus on the Federation's workplan for 2005 - 2006; (b) the Kenya Freight and Warehousing Association (KIFEA) to deploy a Direct Trader Input (DTI) center in Mombasa where clearing and forwarding agents (CFAs) will be able to clear their goods with revenue authorities online; and (c) technical assistance (including ICT evaluation) to the Rwandan Freight Forwarders Association (ADR), Tanzanian Freight Forwarders Association (TAFFA) and Ugandan Freight Forwarders Association (UFFA) on project implementation plans for local DTI centers.

REDSO/RCMG's ACI- funded Sr. Technical Advisor provided the following services to bilateral missions in their governance and ACI related activities as follows:

- (i) Somalia – developed anti-corruption programming options skeleton (January 2005)
- (ii) Djibouti – election administration program design (TDY March 2005)
- (iii) Tanzania – program design support to Tanzania Revenue Authority (TRA) for regional anti-corruption initiative for revenue authorities (TDY April 2005)
- (iv) Burundi – developed anti-corruption programming options skeleton (May 2005)
- (v) COMESA – anti-corruption program design (TDY June 2005)

- (vi) Ethiopia – strategy paper on civil society programming options (TDY July 2005)
- (vii) Ethiopia – synopsis paper/ program menu on anti-trafficking (July 2005)
- (viii) Uganda – review and comments for MCC Threshold Country Plan (August 2005)
- (ix) Burundi – participation in TEC panel for D/G procurement (September 2005)
- (x) Djibouti – country strategy development (TDY October 2005)

Challenges and Responses

Among the key challenges and steps the EA team took to address them were:

- i) *turbulent political environment in East Africa during the fiscal year*: both Kenyan and Ugandan commitment to address corruption appeared to weaken and key governmental and non-governmental reformers were no longer able to contribute effectively to AC efforts.
- ii) *resultant policy reorientation of regional missions away from the public sector as an entry point*: the RAP design team responded to this reorientation by adopting a new approach towards the private sector as an effective entry point for intervention.

Although this caused some delay in initiating the core regional anti-corruption activities, the new emphasis on private sector partners to encourage a transparent business environment supports USAID’s Anti-Corruption Strategy by reducing incentives and opportunities for public sector corruption.

3. PERFORMANCE MONITORING FOR YEARS 2 AND 3

Within the framework of the new USAID anti-corruption strategy, the RAP will contribute to the program component “Support Anti-Corruption Reforms,” which “promotes government institutions and policies that are transparent and accountable across all development sectors,” including support to “independent audit agencies, anti-corruption commissions, procurement agencies, legislatures, line ministries, independent agencies, as well as civil society organizations, academic institutions, the press and the private sector.”

The program supports the following intermediate results:

- I.R 1 Regional Organizations Strengthened in their capacity to promote efficiency, transparency and accountability
- I.R 2 Improved Regional Availability of Technology and Best Practices that foster efficiency, transparency and accountability
- I.R 3 Networking and Cooperation Increased among and between sectors on initiatives that facilitate efficiency, transparency and accountability
- I.R 4 Improved Policy Environment Advocated by African Partners to increase efficiency, transparency and accountability

Among the results for the next two years of the Northern Corridor component of the program are:

- (a) regional freight forwarders network strengthened through enhanced service delivery, legal standing, practice standards and community profile;
- (b) standardized, world-class curriculum (including practice standards) and accreditation required for regional actors in the clearing and forwarding sector;
- (c) integrated on-line Customs clearance system available at reasonable cost in 3 or more countries;
- (d) analytical work conducted by FEAFFA and submitted to high-level policy-makers on priority issues;
- (e) FEAFFA legislative proposal negotiated with high-level policy-makers;
- (f) regional monitoring and evaluation plans developed and implemented; and
- (g) cross-sectoral links identified, established and/or strengthened with regional health, infrastructure, trade, peace-building and governance programs.

Sample indicators include: number of data access centers deployed and operational; number of FEAFFA-members trained in operation of Customs clearance software; number of FEAFFA members trained in FIATA-based curriculum. The program will also monitor plausibly associated indicators such as:

- (a) reduced number and duration of stops along the Northern Corridor;
- (b) reduced number and amount of bribes; and
- (c) decreased transit time overall from Mombasa to Kigali.

The planned targets are as follows:

| Project Period | Activities | Results | Completion Date |
|----------------|---|--|-------------------|
| Year 1 | Regional consultations completed | Regional consensus reached by FEAFFA, government and other stakeholders on legislation and accreditation process | December 31, 2005 |
| | Legislative drafting consultant hired to work with FEAFFA | | |
| | Accreditation consultant hired to work with FEAFFA | Customs/FIATA Customs training becomes basis for FEAFFA accreditation | December 31, 2005 |
| | FEAFFA hosts 3 policy forums with relevant ministerial committees | | October 31, 2006 |
| | Consultations/networking ongoing on data room integration | FEAFFA negotiates a legal framework with the East African Legislative Assembly | |
| | Subsidized training sessions | | |

| | | | |
|---------------|---|--|--|
| | held for 300 FEAFFA members | and other relevant policy-makers Data access sites fully operational for Customs clearing in Mombasa, Nairobi, Dar-es-Salaam, Kampala and Kigali 300 FEAFFA members trained and licensed on Customs/FIATA curriculum | October 31, 2006 October 31, 2006 |
| Year 2 | Regional consultations completed Subsidized training sessions held for 300 FEAFFA members Public information strategy launched Consultations/networking ongoing on data room integration | Regional annual accreditation mechanism fully operational 300 FEAFFA members trained and licensed on Customs/FIATA curriculum 1000 FEAFFA members accredited Regional register of accredited FEAFFA members available to public Public aware of significance of FEAFFA accreditation All data access points fully integrated | October 31, 2007 October 31, 2007 October 31, 2007 October 31, 2007 October 31, 2007 |

In early FY07, RCMG anticipates conducting an internal evaluation of RAP's first year of implementation.

WARP

SO7 ACI REPORTING NARRATIVE FOR FISCAL YEAR 2005

Objective: To develop and strengthen anti-corruption and transparency activities in West Africa with a special emphasis on activities that promote the role of ECOWAS, target WARP's Strategic Objectives, and leverage resources. Implementation began this year.

Activities and Results:

1. Transparency, Corruption and Anti-Retrovirals (ARVs) Management: A model Regional Strategy and Action Plan for ECOWAS. As the title of this activity indicates, its purpose is to enhance the capacity of ECOWAS/WAHO (West African Health Organization) and its network of health decision-makers to develop and implement a strategy for the efficient and transparent use of ARVs in the ECOWAS region. In June, 2005 WARP signed a grant with the Payson Center for International Development, Tulane University, in collaboration with WAHO, to implement this program. Despite the effects of Hurricane Katrina, which closed down Tulane University for academic semester, the program got underway with the setting of achievement indicators for the activity, the development of a detailed work plan and the drafting of the Preliminary Framework for the program which will take the form of a WAHO/ECOWAS white paper and be the basis for the development of ECOWAS/WAHO policies and procedures in the area of ARV distribution in the region. By the end of the first year of implementation, we expect the following achievements:

- Review of commodity and drug distribution programs worldwide completed;
- Survey of current and planned ARV distribution programs in the three prototype countries completed;
- Sub-regional experts meeting to draft policy for ARV distribution held.

2. Support for West African Civil Society Networks. This activity will strengthen the networking and communication capacity of key peacebuilding and transparency-promoting civil society organizations in West Africa, with the initial focus on those in the Mano River Union states of Guinea, Liberia and Sierra Leone, areas where WARP already has successful program being jointly implemented with Bilateral USAID Missions. The project is implemented by Computer Frontiers through the Leland Initiative. The technical focus will be on the effective use of internet and community radio. It is hoped additional resources will come on stream to expand the program throughout the region in future years through the Leland and Last Mile Initiatives. The contract for implementation was signed in April 2005 and implementation has begun with the development of the achievement indicators and baseline survey. A needs assessment of the 13 NGO networks in the MRU countries was conducted and a detailed work/implementation plan was completed. Delivery of IT equipment to local partners in Sierra Leone and Guinea has already taken place (with a handing over ceremony by the U. S. Embassy and USAID in both countries).

3. Governance and Resource Management Capacity Building in Sao Tome and Principe (STP). This activity, which reflects U. S. Government interest in STP's effective use of new oil revenues, will be fully designed in November 2004. Key elements of the project include civil society capacity building, strengthening transparency and monitoring mechanisms for the new oil revenues, limited legal reforms, and donor coordination. The project will work closely with the many donors interested in STP and through a grant managed by AID/W's Conflict Management and Mitigation unit that focuses on media, the legislature and civil society. Negotiations have begun to hire a program manager for the activity which will be followed by the development of initial programs to promote transparency and efficiency in the use of oil revenues and strengthening civil society capacity.

4. Improving Transport Governance for Priority West African Trucking Corridors. Through a buy-in to WARP's West African Trade Hub Project, we will increase the role of civil society in monitoring road transport charges on priority trucking corridors and advocating for decreased corruption for transporting goods. The buy-in is expected to take place by the end of the first quarter of FY 06.

ACI FY2005 Reporting - USAID/West Africa Regional Program

Overall

| Core ACI funding FY 2005 | Date funds obligated | Additional ACI funding FY | Date funds obligated | FY 2005 ACI pipeline | Total ACI pipeline (including prior year ACI funds) | Notes |
|--------------------------|----------------------|---------------------------|----------------------|----------------------|---|--|
| 690,000 | 19-Sep-2005 | | | 690,000 | 1,020,000 | 330,000 carried over from previous years because of slow start of implementation due to lengthy but necessary coordination process with partners such as Leland Initiative, Government of Sao Tomé/Principe and Tulane/WAHO. |

Activity level

| Type of activity | Sector | ACI funding | Other funding for this activity? | Description of activity | Implementing partner(s) | Indicators and results | Notable issues or successes |
|--|-----------|-------------|----------------------------------|---|---------------------------------|---|--|
| Strengthening CSOs for Peace Building and Transparency | DG | \$100,000 | \$200,000 Conflict funds | Improving the networking and communication capacity of key CSOs in the region | Computer Frontiers | 1. Detailed needs assessment; 2) equipment provided to 9 of 13 CSOs; 3) IT training to 9 of the 13 CSOs. | Equipment hand over ceremonies under the auspices of the US Embassy in Sierra Leone and Guinea received media coverage. |
| Governance and Resource Management Capacity Building for Sao Tome and Principe | DG | | | Enhancing good governance and transparency in Sao Tome and Principe | TBD | TBD | Lack of STP capacity and remote access have delayed the implementation of this program. |
| Transparency, Corruption and Anti-Retrovirals Management | DG/Health | \$350,000 | | Building the ECOWAS capacity to strengthen transparency in the delivery of anti-retroviral drugs. This activity will be incrementally funded over 3 years | Tulane University/Payson Center | 1) Review of commodity and drug distribution programs worldwide completed; 2) survey of current and planned ARV distribution programs in the three prototype countries completed; 3) subregional expert meeting to draft policy for ARV distribution held | Agreement was signed in June 2005 and good progress has been made despite the closure of Tulane University due to Hurricane Katrina. |

| | | | | | | | |
|--|---------------------|--|--|---|----------------------|--|--|
| <p><i>Improving road transport governance for priority West African trucking corridors</i></p> | <p><i>EG/DG</i></p> | | <p><i>EG funds to reduce barriers to trade and transit time.</i></p> | <p><i>Increasing civil society organizations' involvement to reduce the non-tariff barrier to trade to the control posts erected along priority interstate trucking corridors. Initial funding will use FY04 funds (\$200,000).</i></p> | <p><i>Carana</i></p> | | |
|--|---------------------|--|--|---|----------------------|--|--|