

**“GLOBAL DEVELOPMENT ALLIANCE”
CONSOLIDATED PROGRESS REPORT
(JULY – SEPTEMBER 2007)**

During the reported period, the Program continued to oversee the implementation of eight projects under the GDA mechanism (Global Development Alliance), all of which involve the private sector in co-sponsoring and moving forward with anticorruption initiatives.

The next sections provide further details on the nature, objectives, activities and results in connection with the execution of each of these projects.

1) ASOCIACIÓN PANAMEÑA DE CRÉDITO (APC – PANAMANIAN CREDIT BUREAU)

Project	
Transparency and good governance adopted by MSMEs (Micro, Small and Medium Enterprises) contributes to reducing poverty by providing confidence to the credit access process in Panama.	
Objective	
<ul style="list-style-type: none"> • The purpose of the alliance is to implement, within a timeframe of approximately twelve months, two major activities. <ol style="list-style-type: none"> 1) Design and offer a training program to micro, small and medium-sized business-owners with the purpose of: <ul style="list-style-type: none"> - Instilling transparency and good governance practices among MSMEs, so they meet the requirements of financial institutions and provide reliable information to decision-makers. - Developing capabilities for MSMEs to meet the challenges of a global economy. 2) Establish a customized MSMEs credit program through the development of a centralized database of non-traditional information (e.g. educational level, years in business, family history, etc) and formal demographics data. <p>These two programs will:</p> <ul style="list-style-type: none"> - Promote formality of MSMEs - Promote active participation of the commercial banking industry. 	
Cost	
Total Cost of the Project:	\$306,100.00
Amount of Assistance Requested:	\$100,000.00
Amount of Recipient’s Contributions:	\$206,100.00
Executed funds to date (early October)	\$45,000.00
Detail of Recipient’s Contributions:	\$131,699 (see attached budget)
Activities & Results	
APC conducted the following activities during the reported period:	
First component:	
<ul style="list-style-type: none"> • Through Fundes, a research institution, APC launched a media campaign on TV (Telemetro and RPC), radio (RPC and Caliente) and newspapers (<i>El Siglo</i> and <i>La Crítica</i>) directed at promoting the registration of MSME owners on a seven-hour workshop on ethical practices in business. This served to collect credit-related data from course participants to be incorporated into a database that seeks to expand their access to credit. 	

- Through Fundes, APC offered 52 training sessions on ethical practices for MSME owners from July 21 to September 28. The courses took place at different locations in Panama City in order to cover a wide range of the targeted audience.
- Trained 1,075 business owners at MSMEs (358 men and 717 women), hence exceeding the original target set at 1,000 trainees.

Second component:

- Purchased equipment (software and hardware) to develop a centralized database of non traditional information (e.g. educational level, years in business, family history, etc) and formal demographics data that will enable the banking sector to better assess credit risks among MSMEs.
- Finalized the development of the above database and began to incorporate the data collected from course participants.

Projections

- Continue to update and expand the subject database with demographic, psychographic (behavioral and interpersonal information) and financial data from microenterprises and entrepreneurs. APC will use this information to build credit score models for the use of financial institutions, which may in turn have a better understanding of this economic sector and facilitate access to credit to those that are a part of it. Furthermore, this data will assist in developing economic indicators to assess this sector's performance over time.



Campaign to recruit participants to APC Courses

2) FUNDACIÓN PARA LA EDUCACIÓN EN LA TELEVISIÓN – FETV CANAL 5

Project	
Implementing a Citizens’ Awareness Campaign to Tackle Corruption / Seeking Cultural Involvement with Ethical Values for the New Generation	
Objective	
The purpose of this Alliance is to implement, within a timeframe of twelve months, two major activities and related sub-tasks:	
<ul style="list-style-type: none"> • First component: Producing and disseminating public service announcements on the pervasive effects of corruption in daily life, which would be broadcast nationwide during primetime. • Second component: Offering workshops and material on ethical and moral values to middle and high school students from the provinces of Panamá and Colón. 	
Cost	
Total Cost of the Project:	\$344,048.00
Amount of Assistance Requested:	\$167,502.00
Amount of Recipient’s Contributions:	\$176,546.00
Other Participating Donors:	\$20,000.00*
Detail of Recipient’s Contribution:	100% in-kind ** (air-time, facilities and instructors)
Executed funds to date (early October)	\$49,720 (see attached budget)
<p>* The other donors’ contributions are divided as follows: Manzanillo International Terminal \$10,000, Zona Libre de Colón: \$5,000 and Cemento Panamá: \$5,000.</p> <p>** As detailed in the MOU signed between USAID and the Recipient, cash requirements were waived due to the exceptional circumstances of the project (the counterpart will offer significant in-kind contributions, such as free air time on primetime TV that exceed, when measured, the one-to-one leverage ratio of in-kind and/or financial resources).</p>	
Activities & Results	
FETV conducted the following activities during the reported period:	
First component:	
<ul style="list-style-type: none"> • Filmed, edited and launched five TV spots aimed at highlighting the pervasive effects of corruption in daily life (in school, a small convenience store, a government office, a community playground and at a department store). • Began to broadcast the spots in accordance with the following calendar: September: three spots, three times a day. October: The other two spots, three times a day. November: All five spots, three times a day. 	
Second component:	
<ul style="list-style-type: none"> • Offered seven workshops in Panama and Colon on “Ethical Values,” “Human Rights” and “Social Leadership for Children and Teenagers.” 232 teenagers, between the ages of 12 and 17, participated in these workshops (144 females and 88 males). • On September 22, all course participants gathered at the broadcasting facilities of FETV to share their experiences and lessons learned in connection with these courses. At this event, participants identified how they apply the courses’ values in daily life. FETV will broadcast brief blurbs of these exercises on Channel 5. 	

Projected Activities

- Conduct three workshops to discuss the contents of the spots with different sectors of society based on the following schedule: 1) October 4: for university professors and students; 2) October 18: for GOP officials and NGO representatives; 3) October 20: for people with disabilities.
- Adjust the length and disseminate the spots through other TV networks and radio (e.g. Telemetro MEDCOM, TVN Canal 2).



Filming of one of FETV's spots

3) ASOCIACIÓN PANAMEÑA DE EJECUTIVOS DE EMPRESA (APEDE)

Project	
Educating in Values against Corruption	
Objective	
The purpose of the alliance is to design and launch, within a timeframe of five to six months, a media campaign aimed at promoting the values of honesty, accountability, transparency, integrity and rectitude across society.	
Cost	
Total Cost of the Project:	\$ 200,000.00
Amount of Assistance Requested:	\$ 100,000.00
Amount of Recipient's Contributions:	\$ 100,000.00
Other Participating Donors:	\$ 96,335.00 *
Detail of Recipient's Contribution:	100% in-kind ** (air-time and space in other media)
Executed funds to date (early October):	\$97,121.00 (see attached budget)
* Other donors include a media company (CM America), newspapers, radio stations, and TV networks, among others.	
** As detailed in the MOU signed between USAID and the recipient, cash requirements were waived due to the exceptional circumstances of the project (the counterpart will offer significant in-kind contributions, such as free air time on prime time TV that exceed, when measured, the one-to-one leverage ratio of in-kind and/or financial resources).	
Activities & Results	
APEDE conducted the following activities during the reported period:	

- Successfully ended a public awareness campaign to promote transparency, ethics and accountability.
- The campaign's main message was broadcast on TV (MEDCOM, TVN, FETV, RCM) and radio (Omega Stereo, WAO, W Radio, Radio Mensabé). Furthermore, printed ads were published in several newspapers (*La Prensa, Panamá América, El Siglo, La Estrella de Panamá*) and street billboards. APEDE's former President and the Program's staff also participated in radio interviews to further disseminate the campaign's message.
- Based on numbers provided by IBOPE, an international rating agency, in June 1,350,796 people were exposed to this campaign on TV (many more were reached through other means, such as radio, newspaper and street advertising). Following is a breakdown of the number of people reached (18 and older) on TV: TVN Canal 2 (647,033), TV MAX (240,178), Telemetro Canal 13 (370,413) and RCM Canal 33 (93,172).

Projections

APEDE is planning to use the balance of its grant to broadcast the campaign's ad for four additional weeks (in the last two weeks of November and the first two weeks of December) through a national commercial network.

4) COMPUTER CLUBHOUSES (FE Y ALEGRÍA & ASOCIACIÓN DE MERCEDARIOS RELIGIOSOS)

Project	
Teaching Values by Means of Information Technologies	
Objective	
The purpose of the alliance is to implement, within a timeframe of approximately eight months, the following activities:	
<ul style="list-style-type: none"> • Edit and disseminate educational pamphlets and compact discs on ethical values designed by teenagers. • Empower the creative capabilities of teenagers by encouraging them to produce educational material about conflict management and ethical values from their perspective and reality. • Promote the practice of ethical values among teenagers. • Instruct teenagers to tutor their peers on the subject topics through workshops. 	
Amount	
Total Cost of the Project:	\$95,000.00
Amount of Assistance Requested:	\$43,000.00
Amount of Recipient's Contributions:	\$12,000.00
Other Participating Donors:	\$40,000.00 *
Detail of the Recipient's Contributions*: 78% cash and 22% in-kind (facilities)	
Executed funds to date (early October): \$16,250.00 (see attached budget)	
* The other donor is the Mariano Rivera Foundation.	
Activities & Results	
Our two grantees under this project (<i>Fe y Alegría</i> and the <i>Asociación de Mercedarios Religiosos de Fátima</i>) conducted the following activities during the reported period:	

- Purchased media graphics equipment for the development of material (in electronic and print format) to promote ethical values among children and teenagers from disadvantaged communities.
- Offered seven workshops at each of the Computer Clubhouses of Fátima and Fe y Alegría on the following topics: Audio and Video Editing; Moral Values (three sessions), Building a Culture of Peace; Web Design and Youth Solidarity. More than 100 school children and teenagers attended these workshops.
- Worked with participating students in developing slogans, messages, web based and music material highlighting ethical values and conveying an anti-corruption message.

Projections

- Hold a workshop in October for 100 students from both Computer Clubhouses (Fe y Alegría and Fátima) to share experiences and lessons learned in the implementation of this project.
- Organize a closing event in November with participating students from both Clubhouses to present the products designed and developed by them to convey an anticorruption message among their peers (e.g. songs, stickers, Christmas cards).



Fe y Alegría's workshop with children and teenagers

5) UNIVERSIDAD ESPECIALIZADA DEL CONTADOR PÚBLICO

Project	
Certificate Course on Fraud Auditing and Internal Controls in the Public Sector	
Objective	
The purpose of the Alliance is to co-fund the participation of up to 20 government officials at a five-month certificate course aimed at strengthening their capacity to identify, investigate and prosecute fraud and corruption.	
Amount	
Total Cost of the Project:	\$30,000.00
Amount of Assistance Requested:	\$15,000.00
Amount of Recipient's Contributions:	\$15,000.00
Detail of Recipient's Contributions:	28% cash and 72% in-kind

Other participating donors \$36,000.00*
Executed funds to date (early October): \$15,000.00 (see attached budget)

* The other participating donor is INADEH who contributed with \$36,000.00

Activities & Results

UNESCPA conducted the following activities during the reported period:

- The training program includes the following six modules that were executed as of September 30: 1) Corruption-Prevention Controls; 2) Introduction to Fraud Auditing; 3) The Role of a Fraud Auditor; 4) Financial Transactions and Fraud; 5) Fraud Crimes; and 6) Ethics and Criminology.
- 74 out of 75 registered participants, most of whom are internal auditors, attended all six modules offered to date (22 women and 52 men).
- The Program sponsored the participation of 20 GOP officials from the Attorney General's Office, the Financial Investigations Unit, the National Tax Directorate, the National Assembly, the Ministry of Education, the Executive Secretariat of the National Anticorruption Council and other agencies.
- 39 public agencies were represented at these courses.

Projections

- Complete the Certificate Course's final module on Computer Assisted Fraud Techniques, scheduled to be finalized on October 11. The graduation ceremony will take place in November.
- Upon concluding these courses, participants are expected to become acquainted with theoretical principles and practical tools necessary to develop fraud audits and corruption investigative techniques.



UNESCPA's Certificate Course on Fraud Auditing

6) DIGITAL DESIGN, INC., TVN CANAL 2 (NATIONAL BROADCASTING CORPORATION) AND THE ENVIRONMENTAL PROTECTION AGENCY (ANAM)

Project	
Promoting Public Awareness of Corruption and Environmental Offenses	
Objective	
The purpose of the alliance is to produce and disseminate, within a timeframe of eight months, 16 public service announcements and other promotional material on environmental offenses under Law #5 of 2005 and the new Criminal Code. The spots will be broadcast nationwide on TVN. In doing so, the Alliance seeks to increase public awareness of the contents of the referred Act and promote citizen participation in reporting environmental corruption and offenses.	
Amount	
Total Cost of the Project:	\$229,700.00
Amount of Assistance Requested:	\$100,000.00
Amount of Recipient's Contributions:	\$129,700.00
Detail of Recipient's Contributions:	100% in-kind ** (production and air-time)
Executed funds to date (early October):	\$99,936.00 (see attached budget)
** As detailed in the MOU signed between USAID and the Recipient, cash requirements were waived due to the exceptional circumstances of the project (the counterpart will offer significant in-kind contributions, such as free air time on prime time TV that exceed, when measured, the one-to-one leverage ratio of in-kind and/or financial resources).	
Activities & Results	
Digital Design conducted the following activities during the reported period:	
<ul style="list-style-type: none"> • In conjunction with a team of representatives from Panama's Environmental Protection Agency (ANAM), USAID and the Program, Digital Design drafted the script of 16 TV spots which showcase the different modalities of corruption and criminal conducts against the environment. • Following a lengthy reviewing process, Digital Design revised the scripts and began the production of all 16 spots. • In a ceremony held with more than 100 participants among GOP officials, NGOs and media representatives, Digital Design launched the spots. These spots began to be broadcast nationwide by TVN, one of the alliance's partners, as of September 16, 2007. To date, TVN has broadcast the spots 96 times. 	
Projections	
<ul style="list-style-type: none"> • TVN will continue to broadcast the spots through November 2007. • ANAM is planning to assess the campaign's impact by monitoring the number of complaints presented against environmental offenses. 	



Launching of public awareness campaign on corruption and environmental offenses

7) ADEN - UNIVERSIDAD ALTA DIRECCIÓN AND THE NATIONAL TAX DIRECTORATE

Project	
Institutional and Human Resources Development at the National Tax Directorate	
Objective	
<p>The purpose of the Alliance is to implement, within a timeframe of five months, a training program on Teamwork, Institutional Changes and Accountability Considerations in benefit of the National Tax Directorate (DGI). The Program is broken down into four sub-Programs to be offered from July to November 2007. These cover the following subjects: 1) Facing Personal and Institutional Changes; 2) Teamwork and Managerial Skills; 3) Training of Trainers, and; 4) Tax Payer Services. Each of them will include a number of components on transparency, accountability and access to information. Overall, ADEN expects to train more than 500 government officials in the above subjects. This is intended to smooth the institutional changes currently taking place at the National Tax Directorate.</p>	
Amount	
Total Cost of the Project:	\$432,000.00
Amount of Assistance Requested:	\$70,000.00
Amount of Recipient's Contributions:	\$362,000.00
Detail of the Recipient's Contributions: 78% cash and 22% in-kind (facilities)	
Executed funds to date (early October): \$45,000.00 (see attached budget)	
Activities & Results	
ADEN conducted the following activities during the reported period:	
<p>To date, ADEN has trained 401 GOP officials from the DGI (268 women and 133 men) in four major programs: 1) "Personal and Institutional Process of Change," 2) "Management Skills," 3) Training of Trainers, and 4) Client-Oriented Services for Tax Payers. Each of these programs is broken down by modules.</p>	
<p>As part of the program on "Personal and Institutional Process of Change," the Program offered two training sessions this quarter. Furthermore, the following modules took place in</p>	

connection with the “Management Skills” component:

- Empowerment and Delegation of Authority: Two sessions
- Interpersonal Communications: Two sessions
- Teamwork: Two sessions
- Managing Change: Two sessions
- Conflict Resolution: Two sessions
- Effective Leadership: Two sessions

Projections

- ADEN will finalize this training program next quarter by offering the following modules: 15 sessions of a module on “Client-Oriented Services for Tax Payers” and 16 sessions of the module on “Personal and Institutional Process of Change.”
- Upon concluding these courses, about 500 GOP officials from the National Tax Directorate will have been trained on ethical principles and accountability practices to execute their tax collection tasks effectively and efficiently.

Challenges

Despite several attempts, the Program was unable to materialize a GDA project with the National Board of Journalists (*Colegio Nacional de Periodistas*). The initiative, jointly developed by the Program, aimed at enhancing the educational profile of journalists by instructing them on subjects closely related to their work, such as ethics, investigative reporting and access to public information. Throughout this quarter, the Program met with potential co-sponsors, such as Cable & Wireless, the largest telecommunications company in Panama. This company had committed funds in the amount of \$16,000 to execute this project, but failed to follow through on its pledge. The lack of another financial supporter and time constraints prevented the Program from allocating funds for its implementation.