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**Americas' Accountability/Anti-Corruption Project
Quarterly Performance Report
January-March 2005 (2nd Quarter FY05)**

**Submitted to
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The four objectives to be met by the USAID/Americas' Accountability/Anti-Corruption Project (USAID/AAA) are:

- 1. Address the Challenge of Grant/Elite Corruption**
- 2. Improve Approaches to Reduce Administrative Corruption**
- 3. Mainstream Anti-Corruption Thinking and Programming Across all Sectors**
- 4. Increase the Qualitative and Quantitative stock of Knowledge to Complement Current Knowledge**

Activities during the quarter were focused on defining with USAID missions potential program support that could be provided to them in this calendar year and putting in place mechanisms that will enable the project to meet its deliverables commitments. In this report, activities are organized by country visit because multiple activities were discussed with USAID missions in each country. In future reports, activities will be categorized under the four objectives.

PERU—In February Project Director Patricio Maldonado and Democracy and Governance Adviser Dr. Gerardo Berthin met with mission personnel to discuss design of a regional activity on political party finance, including the participation of *Transparencia Peru* and IDEA as co-sponsoring organizations. Meetings were held with the two groups to explore this possibility; with *Participa-Peru* the team also explored the potential for designing activities related to the follow-up mechanism of the Inter-American Convention against Corruption (IACC), as well as to identify successful social auditing activities at the municipal level, which can be documented and replicated by the project. The team also met with leaders of the NGO *Grupo Propuesta Ciudadana* and with the *Universidad del Pacifico* to discuss social auditing and budget transparency in extractive industries.

RESULT—IDEA and *Asociación Civil Transparencia* will submit to USAID/AAA a proposal for sponsoring the political party finance activity. Also, the *Universidad del Pacifico* will present a proposal to USAID/AAA to analyze transparency issues in the country's forest sector. *Universidad del Pacifico* has submitted a proposal to conduct an assessment of transparency in the logging sector in Peru (currently under review by USAID).

EL SALVADOR—The team traveled to San Salvador in March to begin finalizing arrangements for the two-day workshop on designing cross-sectoral anti-corruption strategies to be held in early May. While there they met with the NGO *Probidad* about that organization providing technical assistance and training to USAID/Paraguay local partners for the design and implementation of a corruption-cases tracking system.

RESULT—The mission training has been scheduled for May 11-13, 2005. Plans for the Paraguay technical assistance are in process. The first activity will take place in mid-May.

PANAMA—At the end of March, the team shared with mission officials, *Transparencia Panamá* and the Association of Private Panamanian Entrepreneurs (APEDE) the current USAID/AAA scope of work and discussed potential activities that could be undertaken in the country, including the two-day mission workshop. The team met with the newly selected Executive Director of the Panamanian Anti-Corruption Commission to discuss potential activities. Explored specifically with *Transparencia* was the potential for it providing technical assistance and training to Paraguay NGOs on developing an impunity index. Explored with APEDE was the potential for providing technical assistance and training to USAID/Bolivia partners on a cost-of-corruption rapid assessment.

RESULT—Plans for the *Transparencia Panama* technical assistance to USAID/Paraguay partners will take place in mid-May.

PARAGUAY—In mid February the team met with mission officials on the two-day workshop; a program to improve budget transparency in the environmental sectors, and adapting the Colombia internal-control model to Paraguay, something in which the Vice Comptroller General of Paraguay has expressed interest after the USAID/AAA Corruption Assessment recommended it. There were also meetings with NGOs about cross-border support for development of an impunity index and a corruption tracking and reporting system.

RESULT—Discussions are proceeding with *Ciudadanos Contra la Corrupción* and IDEA on assistance from *Probidad* El Salvador to develop the corruption tracking system and with Transparency International/Paraguay about support from *Transparencia/Panama* for design of an impunity index. The project also is developing a scope of work for supporting the Comptroller General in adapting the Colombia internal control model.

ECUADOR—In late February the project director discussed the two-day workshop with the mission. He then met with CLD on activities for promoting compliance with the IACC and about social auditing activities at the municipal level that could be documented and replicated. Discussions also were held with the Economic and Social Rights Center (CDES), a local NGO, about social auditing and budget transparency in extractive industries.

RESULT—A proposal from CLD is currently under review by USAID/AAA staff.

COLOMBIA—In early March meetings with mission staff explored the two-day workshop, model social auditing activities at the municipal level for replication and how to replicate the Colombian internal-control experience in Paraguay. AAA staff met with *Transparencia por Colombia* to explore possibilities for activities.

RESULT—As noted earlier, plans are proceeding on the internal-control proposition. *Transparencia por Colombia* has submitted a proposal that is currently under review by USAID/AAA.

BOLIVIA—In late February Dr. Berthin met with mission staff on the two-day workshop, model social auditing activities at the municipal level for replication and accelerating country compliance with the IACC. Meetings also were held with CSOs and the mission expressed interest in other activities, the results of which are described below. The mission has expressed interest in hosting the anti-corruption mainstreaming workshop for mission and embassy personnel.

RESULT—The project is following up on a mission request for more information on Mexico’s model for a Study of the Costs of Corruption. The project has secured technical assistance from *Transparencia Mexicana* to a counterpart in Bolivia for design and implementation of such a study. The first activity to replicate the Mexican cost study in Bolivia will take place in mid-May. Also the project has responded to a mission request for a workshop on coalition building targeting a dozen Bolivian NGOs and CSOs, working on issues of transparency. The project has designed a two-day course in which, during the first day, representatives of three current coalitions (Proetica-Peru, Probidad-El Salvador and Contralorías Ciudadanas-Paraguay) will share their experiences with the Bolivian CSOs/NGOs. For the second day, the project has secured technical assistance from Partners for Democratic Change, an organization specializing in coalition-building training. The training workshop will take place May 24-25, 2005.

In addition to the above activities, the project is in discussion with the U.S. embassy/mission in Venezuela about developing targeted programs there and it is continuing to explore programming options with the Open Society Institute about transparency in extractive industries and with the Inter-American Bar Foundation about a program to address impunity.

Observations—It is obvious from the warm reception the project has received from missions that they welcome and need the kind of mainstreaming, cross-sectoral, cross-border synergistic approaches that a regional project offers. It is interesting to note that emails to missions asking them for input on the kind of support the project can provide to them receives spotty responses. On the other hand, when project staff visits with missions, the energy is palpable and the range of ideas explored is quite impressive. Project staff brings knowledge about program approaches successfully being implemented throughout the region, which expands options for missions by helping them to think outside of the box.

The capacity of the project to facilitate training of NGOs/CSOs in one country by indigenous experts from such organizations in another not only builds regional capacity, leading to sustainability, but it also encourages the development of cross-border coalitions with similar agendas, that in the long run, reinforces the importance of government transparency and accountability in any given country.