

**“Global Development Alliance”
Consolidated Progress Report**

In April 2007, USAID commissioned our Program with the management of the Global Development Alliance (GDA) in Panama. Through this mechanism, USAID/Panama seeks to mobilize the efforts and resources of the government, businesses and civil society in the implementation of joint anti-corruption projects. That is, it provides matching funds for their execution contingent to certain requirements. For instance, the projects should demonstrate a minimum of a one-to-one leverage ratio of resources between USAID and its partners, of which private contributions must equal at least 25% of the value of the expected USAID funding.

This new assignment is intended to further advance our strategic objectives under LLR 2.3.2, “Clear leadership role and ethical standards for the private sector”. By pursuing this objective, our Program assisted USAID/Panama in identifying partners willing to co-found GDA initiatives within the overall scope of our task order. Working meetings were held with several candidates, which eventually lead to the signing of three Memorandums of Understanding (MOU) this quarter (a fourth one took place as of the time of preparation of this report) and the identification of other prospective projects.

While MOUs were signed by February with three GDA recipients, their projects did not start this quarter on account of an unexpected delay in the evaluation process of our Program’s proposal to manage the GDA mechanism (the Task Order modification was signed on April 15, 2007). Nevertheless, our Program expects to exceed 35% of each of their budget’s execution by the next reporting period.

Current alliances

1) *Fundación para la Educación en la Televisión - FETV Canal 5*

Project	
Implementing a Citizens Awareness Campaign to Tackle Corruption / Seeking a Culture of 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"> • Producing and disseminating public service announcements on the pervasive effects of corruption in daily life, which will be broadcast nationwide on primetime. • Offering workshops on ethical and moral values to middle and high-school students from the provinces of Panama and Colon. 	
Cost	
Total Cost of the Project:	\$215,066.00
Amount of Assistance Requested:	\$106,966.00
Amount of Recipient’s Contributions:	\$108,100.00
Other Participating Donors:	n/a *
Executed funds to March 31:	\$0.00 (see attached budget)

Activities & Results

The Program worked with FETV in putting together a proposal in conformity with the spirit of the GDA mechanism and the purposes of our Task Order. USAID/Panama signed the MOU with FETV on January 11. FETV started pre-producing public service announcements and began the design of the above workshops. Three additional donors joined the project: Manzanillo International Terminal, Cemento Panamá and Asociación de Usuarios de la Zona Libre de Colón. The Program will report on the type and amount of their contributions shortly.

Projected Activities

The official launching of this project is scheduled to take place in May.



Signing of MOU with APEDE

2) 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

The purpose of the alliance is to implement, within a timeframe of approximately twelve months, two major activities:

- 1) Designing and offering a training program to micro, small and media business-owners with the purpose of:
 - 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) Establishing 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. This in turn seeks to:

- Promote MSMEs formality.
- 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 March 31:	\$0.00 (see attached budget)

Activities & Results
 The Program worked with APC on putting together a proposal in conformity with the spirit of the GDA mechanism and the purposes of our Task Order. USAID/Panama signed the MOU with APC on January 24. APC interviewed candidates to offer the business ethics workshops. The chosen provider is a local enterprise called FUNDES, with ample experience in business ethics and Micro, Small and Medium Enterprises.

Projections
 FUNDES will complete the design of training workshops next quarter.



Signing of MOU with the Panamanian Credit Bureau (APC)

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:	\$ 3,665.00
Other Participating Donors:	\$ 96,335.00
Executed funds to March 31:	\$ 0.00 (see attached budget)
* Other donors include a media company (CM America), newspapers, radio stations, and TV networks, among others.	
Activities & Results	
The Program worked with APEDE on putting together a proposal in conformity with the spirit of the GDA mechanism and the purposes of our Task Order. USAID/Panama signed the MOU with APEDE on February 27. APEDE and its partner CM America began the design of the media campaign.	
Projections	
APEDE will finalize and launch the campaign next quarter.	



Signing of MOU with the Panamanian Association of Business Executives

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 education 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 *
Executed funds to date:	\$0.00 (see attached budget)
* The other donor is the Mariano Rivera Foundation.	
Activities & Results	
The Program worked with Fe y Alegria and the Asociación de Mercedarios Religiosos in putting together a proposal in conformity with the spirit of the GDA mechanism and the purposes of our Task Order. At the time of preparation of this report (April 13), USAID/Panama signed the MOU with Fe y Alegria and the Asociación de Mercedarios Religiosos.	
Projections	
The Program will finalize all grant related documentation and assist our two grantees in launching this project.	



Signing of MOU with Fe y Alegria and the Asociación de Religiosos Mercedarios

Forthcoming Alliances

Next quarter, USAID -with support from our Program- will likely enter into another MOU with Digital Design (a media agency), the Autoridad Nacional del Medio Ambiente (Environmental Protection Agency) and TVN (a local TV network) to implement a project titled: “Promoting Public Awareness of Corruption and Environmental Offenses”. Its purpose is to produce and disseminate public service announcements and other promotional material on the subject topics.

Furthermore, it will explore the feasibility of supporting other initiatives with the following entities:

Candidate	Scope of the project
Executive Secretary of the Anti-Corruption Council and the University of the Certified Public Accountant	Offering a Course Certificate on Forensic Auditing for internal auditors and public prosecutors.
National Tax Directorate	Offering a Course Certificate on Tax Management and Anticorruption
National Journalists Board (Colegio Nacional de Periodistas)	Enhancing the educational profile of journalists by instructing them on key issues related to their work such as ethics and access to public information.
The 20-30 Foundation and the Panamanian Institute of Education through Radio.	Producing educational pamphlets on anticorruption values to complement the education of adults in rural areas.

Challenges

The Program spent a significant amount of time in searching for likely GDA partners. In doing so, it established contact with several private sector entities that in a number of cases also received our assistance in the drafting of actual projects. However, many of these efforts did not bring about the expected results on account of different circumstances, but mainly because of a prevalent lack of interest to support anticorruption initiatives. Their normally intangible results make it less attractive than other social responsibility actions. These included failed projects with the following entities:

1. Alianza Ciudadana Pro Justicia and Cable & Wireless Panama: "Communities without Violence" (a project to promote the use of alternative dispute resolution mechanisms, such as mediation).
2. Procuraduría de la Administración (Solicitor General's Office) and marketing agencies (a public awareness campaign using the slogan "Without Cheating").
3. Comisión Nacional Pro Valores Cívicos y Morales, a local NGO (a public awareness campaign directed to children).
4. Manzanillo International Terminal (a social responsibility project in the city of Colón)

In the earlier part of next quarter, the Program will concentrate on identifying additional projects to which to allocate the remaining GDA funds (see attached Excel budget).