

**INDEFINITE QUANTITY CONTRACT AEP-I-00-00-00010-00**

**Quarterly Performance Monitoring Report No. 16  
Period Covering April 1, 2004 to June 30, 2004**

**Submitted to:**

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## I. General Summary

This quarterly report for April – June 2004, is presented by Casals and Associates, Inc., (C&A), in compliance with Contract No. AEP-I-00-00-00010-00.

### Programmatic Trends

Each Task Order under the IQC maintained a steady level of activity during the period of April – June 2004. The final activities of Task Orders No. 800 (Nigeria) and No. 802 (Colombia) were completed during the quarter, and close-out procedures are underway. The Task Order in Bolivia (No. 811) has made rapid headway in establishing the task forces and strengthening the DPA so that it can plan and execute activities that prevent corruption. The Guatemala program (Task Order No. 812) is making steady progress toward implementation of the Inter-American Convention against Corruption (IACC). Continued interest in the conduct of corruption assessments is apparent, as is the growing commitment of national governments to comply with requirements specified under the IACC. Other trends of note are the continued support being offered to control institutions and the implementation of more focused public awareness efforts.

### Unresolved Issues/Constraints

Normal implementation bottlenecks are being addressed and resolved as they are identified.

## II. Progress/Status of New and Ongoing Awards

The ongoing Task Orders in this reporting period are as follows. Task Orders 800 and 802 were completed during this quarter. Task Order 803 is completed as indicated on previous reports.

<b>Task Order No/Country/Project Title</b>	<b>Start Date</b>	<b>Estimated End Date</b>
01 AAA-America's Accountability/Anti-Corruption Project	09-29-00	10-01-04
800 Nigeria: Governance/Corruption Survey and IEC Activities	09-18-00	Completed
802 Colombia: Strengthening Transparency and Accountability through Improved Government Controls and Increased Citizen Oversight	11-3-00	Completed
803 Mexico: Project ATLATL: Accountability, Audit Anti-Corruption Mexico (AAA Mex) Project	06-13-01	Completed
810 Honduras: Government of Honduras Reconstruction Accountability and Transparency Activities	04-01-01	9-30-04
811 Bolivia: Program of Assistance in the Fight Against Corruption	11-05-03	11-05-05
812 Guatemala: Technical Assistance for Anti-Corruption Activities	10-29-03	10-29-04

IQC Contract Start Date 12-14-99/End date 12-12-04.

**Task Order No. 01**  
**Transparency and Accountability**  
**America's Accountability and Anti-corruption Project (AAA)**

Throughout this regional project, Casals & Associates, Inc. (C&A) has striven to develop cross-border information sharing and synergies by supporting South-to-South cooperation, believing there is substantial value in arranging for pro-reform advocates with successful programs in one country to share their experiences with and train counterparts in other countries. C&A also has worked to leverage USAID funds by participating in regional and national conferences to disseminate results from project activities throughout the region. Several of the activities described below are the result of pursuing these approaches.

**I. Improved Government Policies and Practices to Reduce Corruption**

**Regional Anti-Corruption Desk Assessment**—During April and June, a team of AAA experts conducted a Desk Assessment on Corruption in the LAC Region. The assessment provided a baseline overview of corruption in Latin America; provided USAID's LAC Bureau inputs for designing an effective, realistic and comprehensive regional approach for the five-year strategy period, 2004-2009. Although not exhaustive, the assessment served as a starting point to document recent trends, programming approaches and potential entry points for anti-corruption activities. The assessment also highlighted areas of opportunities and recommended feasible approaches.

The assessment drew on current literature, C&A's experiences and an extensive series of interviews in Washington D.C. From April 20 to May 6 2004, the C&A Team reviewed more than 100 policy and strategy documents and conducted more than a dozen interviews with key informants and experts in Washington, D.C. This information was supplemented by email interviews with missions where C&A has in-country staff and with those partners who responded to emails sent out by USAID/LAC Bureau in April and May 2004.

AAA Team members included Norma Parker, Team Leader; Gerardo Berthin, AAA Democracy and Governance Adviser and Deputy Project Director; Yemile Mizrahi, Democracy and Governance Specialist and Roberto de Michele, consultant.

**ICGFM**—AAA and C&A were intimately involved in planning the program agenda for the 18<sup>th</sup> International Conference of the International Consortium on Governmental Financial Management (ICGFM), the theme of which was "Reducing Poverty and Corruption: An Integrated Approach to Good Governance." Held April 18-23 in Miami, Florida, participants included comptrollers general, accounts general, municipal financial managers and other senior government financial managers from across the region.

Keynote speakers included Fred Schieck, Deputy Administrator of USAID, David Walker, Controller General of the United States and Sally Shelton-Colby, Director of C&A's USAID-sponsored Mexico Innovation Project, who spoke on strengthening competitiveness in emerging democracies. AAA also designed and participated in panels on organizational internal control and control self assessment; the former highlighted experiences from USAID's Colombia initiatives and the latter featured a presentation on information in the AAA Technical Assistance

Module (TAM), “Control Self-Assessment as a Tool for Organizational Improvement in Latin America.” A panel on integrated financial management at the local level featured the AAA TAM on that subject presented by representatives of the Federation of Municipalities of Central America (FEMICA) and a municipal mayor.

**The 10<sup>th</sup> Inter-American Mayors Conference**, hosted by Miami-Dade County and Florida International University, June 21-24, presented an opportunity for AAA to highlight good practices based on its assessments of effective anti-corruption programming as reflected in the TAMs produced during the past 18 months.

AAA organized and participated in a panel on “New Approaches to Enhancing Accountability and Transparency,” moderated by Gerardo Berthin, AAA Democracy and Governance Adviser at which two of the seven TAMs produced by AAA were presented—Citizen Participation to Strengthen Transparency in Latin America and the Caribbean and Integrated Financial Management Systems in 17 Central American Municipalities.

Three Latin America mayors participated, as well, presenting experiences from their municipalities: Guillermo Diaz, Sabanagrade-Honduras; Mario Conejo, Otavalo-Ecuador; and Alvaro Enrique Velasquez, Envigado-Colombia. The panel addressed three key questions: How is transparency and accountability being promoted? What instruments are being used to promote transparency and accountability? And, what are the key lessons? More than 40 mayors, other senior local officials and governance experts participated.

**DCG**—The Washington, D.C.-based Donor Consultative Group on Accountability/Anti-Corruption in Latin America and the Caribbean convened, on June 18<sup>th</sup>, to discuss “Challenges of the Mechanism for Follow-up on the IACC.” Presentations were made by:

- Richard Werksman, U.S. Department of State, U.S. Representative on the Committee of Experts for the IACC—“Current Status of the Mechanism.”
- Paulo Eduardo de Azevedo Ribeiro, Alternate Representative of Brazil to the OAS—“Current Challenges and the Future of the Mechanism.”
- Roberto de Michele, AAA consulting expert—“Presentation of the TAM on Citizen Participation in the Follow-Up of IACC.”
- Juan Sandoval, Alternative Representative of Mexico to the OAS—“Constructive Voices for Strengthening the Mechanism.”
- Diane Kohn, Transparency International—Civil Society Participation in the Mechanism.”

The timing of the meeting was especially appropriate, giving the 26 participants an opportunity to discuss central issues related to the Follow-Up Mechanism, as review of the first round of country responses to the follow-up questionnaire is nearing its end. A central issue that will have to be confronted is funding of the Follow-Up process. Currently, funding by participant states, which is voluntary, is insufficient to provide full-time staff to support the Committee of Experts. This is impeding timely and expanded follow-up processes.

## Newsletters

The 34<sup>th</sup> issue of the electronic English-language newsletter, *Accountability*, was posted on ResponDanet in April and sent to subscribers. Articles featured included:

- United Nations Convention Against Corruption Signed
- Transparency International Releases Global Corruption Report
- Summit of the Americas: Leaders Affirm Commitment to Anti-Corruption Efforts
- Lax Auditing and Little Public Participation in Budgeting Found in Latin American Countries
- XVIII International Conference on Governmental Financial Management
- MEXICO: Federal Law On Access To Information Enters Into Force

## **II. Support to Missions**

**Panama**—The country anti-corruption assessment begun at the end of March was delivered in May. The Mission put it to immediate use in developing a set of strategies for directly confronting corruption in the country. It was also used by the Mission in developing its Country Plan, which was integrated into the Regional Strategy for Central America and Mexico (CAM).

## **III. Strengthen Civil Society’s Oversight Role in Reducing Corruption**

In April, Project Director, Patricio Maldonado, traveled to Quito for strategy and organizational session in preparation for CSO meetings to be held in conjunction with the upcoming Organization of American States (OAS) General Assembly. The event was organized by *Corporación Latinoamericana de Desarrollo* to develop a set of regional initiatives to be presented to OAS member states when they convene. Mr. Maldonado used the occasion to disseminate to the assembled NGOs and CSOs the TAM developed by the project, specifically those related to citizen participation and transparency:

- a. Citizen Participation to Strengthen Transparency in Latin America and the Caribbean
- b. Citizen Participation in Follow-up of the Inter-American Convention Against Corruption

Additional meetings will be held leading up to the General Assembly in which AAA will play a central role in terms of defining a unified CSO agenda and strategy for winning OAS member-states’ support for greater civil society participation at all levels.

**Monitoring Government Compliance with the IACC in Guatemala**—In June, Project Director Maldonado, Governance Special Projects Manager, Sylvia Rodriguez and AAA consultant, Roberto de Michele, traveled to Guatemala to launch dissemination of the TAM, Citizen Participation in Follow-up of the Latin American Convention Against Corruption, at a three-day civil society workshop. The first day seminar, “From Discourse to Practice: The Role of Civil Society in the Implementation of the IACC,” introduced the TAM to participants, including the implications related to civil society taking an active role in assessing and reporting on government efforts to comply with the convention. Transparency International representatives from Colombia and Panama outlined their own experiences in the process of monitoring and reporting their government’s compliance with the IACC to the OAS’s Expert Committee of the IACC Follow Up Mechanism.

In the two days following, Mr. De Michele provided training on how CSOs conduct monitoring of government compliance, prepare reports and maximize results from distribution of the reports, especially as related to work with media.

AAA invited several civil society organizations from neighboring Central American countries to attend both the Seminar and Workshop. Transparency International supported AAA in funding the trip of representatives from Nicaragua, El Salvador and Honduras.

**Integrating Activities with USAID Partners**—In early May, AAA participated in a regional civil-society workshop on transparency, held in San Salvador, organized by USAID implementing partner Creative Associates. Project Director Maldonado joined AAA-sponsored participants, Alberto Gutierrez, Bogotá, Colombia and Pengsien Sang, Santo Domingo, Dominican Republic. They comprised a panel at which lessons learned from the AAA TAM, “Citizen Participation to Strengthen Transparency in Latin America and the Caribbean,” were presented; Messers Gutierrez and Sang described strategies and approaches on CSO involvement in participatory budgeting and social auditing from their respective countries.

**Anti-Corruption Without Borders/Anti-Corrupción Sin Fronteras (ACSF):**

AAA’s electronic listserv continues to reach out and bring together CSOs concerned with better utilization of public funding in their countries. ACSF identified CSOs in Nicaragua, El Salvador and Honduras that AAA invited to attend the dissemination and training of the IACC-TAM in Guatemala in June. Guest speakers from Colombia and Panama were also ACSF members.

Stemming from ACSF experience, C&A has created several listserv with more specific focus. Among these are listservs for

- Dominican Republic in general ([transparenciado@egroups.com](mailto:transparenciado@egroups.com))
- Cibao Region in particular ([cibaotransparencia@egroups.com](mailto:cibaotransparencia@egroups.com))
- Guatemala ([guatettransparente@egroups.com](mailto:guatettransparente@egroups.com))
- The latest listserv brings together civil society organizations in Guatemala interested in social auditing activities ([auditoriasocialguate@gruposyadoo.com](mailto:auditoriasocialguate@gruposyadoo.com)). This social auditing listserv may serve to include other social auditing initiatives in Central America.

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**Task Order No. 800**

**Nigeria: Governance/Corruption Survey and IEC Activities**

The Task Order came to a close during this reporting period as the two remaining pending activities – broadcast of the Tightrope radio series in English and Hausa and the final evaluation of the Task Order – were completed. The last episode of the radio series was transmitted on June 10, 2004, as originally programmed.

The results of the evaluation were quite positive, the report noting that “Overall ... the objectives of the TO were largely achieved.” It goes on to note that good-quality survey results and reports were produced while the workshops that were held, as well as the media products that were broadcast, were effective and of high quality. The evaluation, conducted by a Nigerian evaluator, examined:

*the effectiveness of both the design and the execution of TO activities against the bench-marks set by the literature and best-practices as they concern this kind of activities. In particular, in evaluating the TO programme, the study examined the nature and quality of its major deliverables, drawing on the accumulated knowledge in statistics and best practices governing the conduct of surveys, analysis of survey results, writing of the associated reports, the conduct of workshops and media campaign. Furthermore, interviews were held with 50 randomly selected television viewers – consisting of 10 persons from each of the cities of Lagos, Ibadan, Port-Harcourt, Kaduna and Ilorin – to determine whether or not the media campaign was effective. Also, discussions were held with 6 key persons that were involved in implementing TO activities to determine whether or not the TO objectives/goals have been realized and identify challenges to its implementation.*

The assessment of the effectiveness of the media campaign was very positive, with 90 percent or more of the television viewers interviewed reporting that they found the media messages helpful/very helpful and 94 percent claiming the timing of the messages was very appropriate. Only when the interviewees were asked about the appropriateness of the frequency of the media message, did the positive assessments drop below 80 percent.

### **Television Viewers’ Assessment of the Media Campaign**

Questions	Helpful/ Appropriate as % of Total	Very Helpful/ Very Appropriate as % of Total	Helpful/ Very Helpful/ Very Appropriate as % of Total
Were the media messages helpful to you in understanding better the nature and scope of corruption in Nigeria?	50	40	90
Were the media messages helpful to you in understanding better the magnitudes of the costs of corruption in Nigeria?	52	36	86
How appropriate is the frequency of the media messages?	60	16	76
How appropriate is the timing of the media messages?	70	24	94
Overall, how do rate the media messages?	52	36	88

The evaluator also contacted 20 randomly selected participants of the policy workshops to assess their views regarding the usefulness and appropriateness of these events. The results are summarized in the following table.

### **Participants’ Assessment of the Workshops**

Questions	Helpful/ Effective as % of Total	Very Helpful/Very Effective/ Wonderful as % of Total	Helpful/ Very Helpful/V. Effective/ Wonderful as % of Total
Was the workshop helpful to you in understanding better the nature and scope of corruption in Nigeria?	70	25	95
Was the workshop helpful to you in understanding better the magnitudes	70	25	95

of the costs of corruption in Nigeria?			
Was the workshop helpful to you in understanding better what set of policies are appropriate in reducing corruption in Nigeria?	80	5	85
Was the workshop helpful to you in identifying other persons /institutions that are involved in anti-corruption activities in case you need to work in partnership with them?	75	25	100
Overall, how do rate the effectiveness of the workshop(s)?	75	25	100

The evaluations were equally positive as nearly every participant interviewed was satisfied, every one of them rating the workshops as effective both in terms of content and as venues for identifying other individuals concerned with the extent of corruption in Nigeria.

The evaluator also noted several issues – already highlighted by the contractor – related to the quality of the survey data. They largely arose from the challenges posed by working in the Nigerian-poor statistical environment and by the decision of the Mission to engage a consortium of universities representative of Nigeria’s regional and ethnic diversity for the conduct of the survey. This decision posed significant coordinating difficulties due to differential institutional capacity. These difficulties, and political sensitivities, also accounted for delays in project implementation.

## **Task Order No. 802**

### **Colombia: Strengthening Transparency and Accountability through Improved Government Controls and Increased Citizen Oversight**

#### **Overview**

In late March 2004, a no cost modification was executed extending the Task Order completion date from March 31, 2004, to June 30, 2004. This extension was issued to enable C&A to carry out high priority activities requested by the GOC as described below.

#### **A. Activities Completed**

##### **Component 1: Improved Government and Internal Controls – National Entities**

###### ***Special Project: "Adios a Las Trampas"***

C&A provided support to the GOC Anti-Corruption Office by financing part of a "rule of law" public relations campaign entitled "Adios a Las Trampas." This innovative activity sponsored an anti-corruption contest for school children ages 6-16. The contest received 56,428 entries that were displayed regionally and nationally in nine cities. This contest was highly publicized by regional and national media. The contest and the publicity from the media helped to convey the GOC's anti-corruption message to the public and increased understanding about the harm done by corruption and ways to fight it.

##### **Component 2: Improved Government Internal Control – Sub-National Entities**

###### ***Training in Ethics***

Ethics assessments and workshops were carried out by the Centro Colombiano de Responsabilidad Empresarial (CCRE) in the following nine entities in four departments:

- Antioquia: Gobernación de Antioquia and Municipalities of Medellín and Envigado.
- Valle del Cauca: Gobernación del Valle and Municipalities of Cali and Buenaventura
- Atlántico: Gobernación de Atlántico
- Nariño: Gobernación de Nariño and Municipality of Pasto

The workshops and briefings reached 186 new senior members of the nine entities under this activity. CCRE interviewed 3,400 people in the nine entities. New governors, mayors and senior staff of these entities are now aware of the perception of ethics in their organizations. Their strengths and weaknesses were detailed in assessment reports and recommendations were presented to address weaknesses.

### ***Training in Public Communications***

An assessment of public communications in nine entities in four departments (see above section, "Training in Ethics," for list of entities and departments) was carried out during the three month extension. Surveys to measure public communications in the nine entities were filled out by a wide cross-section of the employees of the selected entities.

Results of the assessments were provided during briefings to 186 new senior members of the nine selected entities. New governors, mayors, and senior staff of these entities are now aware of the status of communications in the organizations. Their strengths and weaknesses were detailed in assessment reports and recommendations were presented to address weaknesses.

Workshops for civil servants and other professional staff in the nine selected entities were held to present the Public Communications Model in the nine entities. Over 200 entity employees who are working in public communications attended these workshops and received training on the Public Communications Model and its implementation. Participants in the workshops received copies of the Model.

### ***Training in Internal Auditing***

Price Waterhouse Coopers (PWC) reviewed auditing practices in three entities, Gobernación de Antioquia and Municipalities of Medellín and Envigado, and designed workshops to address weaknesses encountered. Training was provided to 70 career employees and other professionals during four all-day workshops per entity. In addition, Audit Plans and Internal Control Improvement Plans were developed by the three entities with PWC support. These workshops will be expanded upon during the next phase of the program under C&A's new contract and provided to additional entities.

### ***Training in Operations as Processes***

Key business process were reviewed and streamlined in the following nine entities in four departments:

- Antioquia: Gobernación de Antioquia and Municipality of Medellín
- Valle del Cauca: Gobernación del Valle and Municipalities of Cali and Buenaventura
- Atlántico: Gobernación de Atlántico and Municipality of Barranquilla
- Nariño: Gobernación de Nariño and Municipality of Pasto

Two-day workshops were held in nine entities. The 198 participants at these workshops were primarily career employees and other professionals comprising the high impact teams in each entity. Assessments were made of the status of operations by process in each entity. These assessments were presented to the senior staff of each entity.

***International Conference on Governmental Financial Management – April 20, 2004:***

C&A Colombia, along with the GOC Accountant General, made a presentation to the Conference on the new Internal Control Model for Colombia developed with USAID funding. Interactive CDs, which included the technical internal control model and an implementation manual, were distributed to over 200 participants.

USAID Deputy Administrator, Frederick Schieck, was a keynote speaker at the conference and praised USAID Colombia's GOC anti-corruption efforts. He encouraged participants from other countries to review the work done in Colombia. He specifically singled out: a) the new internal control model based on international standards, b) the ethics code developed and adopted by over 25 government entities, and c) citizen oversight grants which have enhanced public participation in decision-making.

**B. Current and Potential Problem Areas**

In general, the various training sessions and assessments described above increased the capacity of the selected entities to implement the USAID-Casals internal control model. However, the assessments pointed out that there was slippage in the implementation of the internal control model during the first six months of new administrations in the selected entities. It appears as though the management of the new administrations place most of their energies in the design of their Government Development Plans which were due in June 2004.

The training sessions and the assessment briefings for senior management in the selected entities served as a wake-up call to the new administrations. All those entities are now aware of what steps have to be taken to renew efforts to implement the new internal control model and improve the efficiency of their administrations. These entities are scheduled for further assistance under C&A's new contract.

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**Task Order No. 810**

**Honduras: Reconstruction Accountability and Transparency Activities**

**A. Tribunal Superior de Cuentas**

***Activities/Achievements for the Quarter April – June 2004***

- Participated in the review, translation and correction of four audit reports of USAID/Honduras projects that resulted in the publication of three of these reports.
- Prepared self-study materials for seven courses bringing the total number of courses prepared to thirteen.

- Worked with the Information Technology Department of the Tribunal to update the system for follow-up of audit recommendations (SISERA).
- Due to a shortage of qualified personnel in UAPOI, negotiated with top officials of the Tribunal to assign two audit teams and supervisors to perform four audits of USAID/Honduras projects so that UAPOI can comply with its commitment to USAID/Honduras to publish five new audit reports by September 30, 2004.
- Coordinated efforts with two prospective donors for the TSC municipal audit program.

***Activities planned for the next quarter***

- Continue to supervise UAPOI audits in process.
- Continue to prepare self-study courses on other subjects.
- Follow up on the implementation of the TSC's audit recommendation follow-up system (SISERA).
- Review draft of the Municipal audit manual.
- Update the UAPOI audit manual.

***Any obstacles encountered this quarter***

- None

**B. Public Awareness Campaign Activities**

***Activities/Achievements for the Quarter April - June 2004***

During the quarter the Task Order continued training and assistance in the organization of transparency efforts in the four selected cities. In several of the locations, as many as eight or nine sectors of the population (educators, public employees, health care workers, church, youth and community leaders, women, etc.) have received the training. One of the immediate results of these sessions is the selection by each group of representatives for a formal transparency group. The municipality of Choloma, by far the one with the greatest resources in terms of civil society organization, has taken the process one step further with, during the month of June, the calling of an assembly of all of the sector-selected representatives, the election of a Board of Directors from that group for a formal Transparency organization, and the drafting of regulations. Two of the other four cities are coming along in the process as well.

The PAC publicity campaign, "Transparency is Development," aimed at the local level and approved by the Mission in content, was presented to prospective sponsors with enthusiastic success. Negotiations with the municipal organization AMHON, which the Mission hopes to have as a sponsor, have delayed and complicated efforts to distribute the campaign messages to the media. The issue was brought to the Mission and a deadline has been set for a final decision on the part of this organization, after which the campaign will be disseminated.

Casals participated in the preparation of donor documents for the Consultative Group meeting in Honduras in follow-up of the Reconstruction and Transformation process and the Stockholm Accords.

***Activities planned for the next quarter***

- Close out of Task Order activities on September 30.
- Support for and participation in an open Town Meeting for Choloma for official presentation of the new Transparency Commission.
- Distribution of radio PSAs under PAC publicity campaign.

***Any obstacles encountered this quarter***

Difficulties communicating with some of the more distant municipalities continue to pose considerable challenges.

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**Task Order No. 812**

**Guatemala: Technical Assistance for Anti-Corruption Activities**

The technical assistance for the Anti-Corruption and Transparency Program TO supports national efforts to enhance transparency and accountability and deter corruption in Guatemala. It seeks to build consensus around an anti-corruption policy and action agenda to contribute to a national strategic effort. It also seeks to strengthen the *Contraloria General de Cuentas* (CGC) and its capacity to effectively combat corruption.

C&A continues providing technical assistance to both the Office of the Transparency Commissioner and to civil society on the implementation of the Inter-American Convention Against Corruption (IACC). It also provides technical assistance to the Office of the Comptroller General and to civil society organizations engaged in social auditing.

**Implementation of the Inter-American Convention Against Corruption**

***Public Sector***

C&A has worked closely with the Office of the Transparency Commissioner on implementation of the IACC. An Inter-Agency Task Force created earlier at C&A's suggestion became a working group collecting information required for the GOG's Report to the Organization of American States (OAS) Expert Committee on compliance with the IACC. It is the first time that this type of collective effort has been established among GOG institutions on such a sensitive topic. It was agreed that the Office of the Transparency Commissioner would be responsible for coordinating the information and drafting the Report. Guatemala will be evaluated in February 2005 on specific articles.

C&A consultant Roberto de Michele has continued to provide technical assistance to the Commissioner and the Commission's Executive Director in order to analyze progress on responding to the OAS questionnaire that will be the basis of the implementation Report. The Office of the Commissioner has the personnel required for completion of the questionnaire. The Report, however, may not show substantial progress from an earlier report since there are laws required for compliance with the IACC that have not been approved.

Dr. de Michele has also briefed President Oscar Berger and his Vice President on the IACC and the Follow-Up Mechanism. He outlined those areas on which the GOG will be evaluated and the significance of the reports issued by the OAS's Committee of Experts. Dr. de Michele explained to the nation's two highest officials that the ratification of the Convention and adoption of the Follow-Up

Mechanism commits the State of Guatemala and that it is the responsibility of the GOG to implement it.

### ***Civil Society***

Dr. de Michele conducted a two-day training on civil society independent reporting on IACC implementation. Over 20 civil society representatives from Guatemala and 10 from neighboring Central American countries attended the training in Antigua. As a result, the prominent civil society organization, *Acción Ciudadana*, will be coordinating the efforts of approximately 15 different civil society organizations in Guatemala that have agreed to draft a report and present it to the OAS's Committee of Experts. The Central American participants were motivated to conduct similar training in their respective countries.

The Anti-Corruption and Transparency Program invited the USAID Americas' Accountability and Anti-Corruption (AAA) Project to sponsor a seminar in Guatemala on the IACC just prior to the training. The seminar, entitled "From Discourse to Practice: The Role of Civil Society on IACC Implementation," included a panel on theory and practice of the IACC and the Follow-Up Mechanism. Transparency International leaders from Colombia and Panama explained to the participants the experiences of civil society in their respective countries on drafting and presenting a report. Participants at the seminar included all those attending the training as well as numerous members of the GOG Inter-Agency Task Force and US Ambassador to Guatemala, John R. Hamilton.

These events have broken ground in bringing together a variety of civil society organizations on carrying out a specific objective. It has also raised awareness on the need for Guatemalans to implement a common anti-corruption agenda.

### ***Social Auditing Experiences***

Ricardo Puerta, an international consultant, returned to Guatemala in May to review findings related to the inventory of social auditing experiences in Guatemala and share them with USAID officials and to define the terms of references for the forthcoming workshop on social auditing.

Dr. Puerta also met with representatives of the *Coalición por la Transparencia* to form an electronic discussion group among civil society organizations engaged in social auditing activities. He will be returning to Guatemala in July to conduct a workshop on social auditing.

### ***Strengthening the Office of the Comptroller General***

C&A consultant, Alfonso Chan, will return to Guatemala in July to provide technical assistance to the Office of the Comptroller General. After much delay, the acting Comptroller General has sent a letter to USAID's Richard Layton outlining areas where Chan's support is needed and making a commitment to support his work. Mr. Chan will also be briefing civil society organizations on the ideal profile of the new Comptroller General, despite the continued postponement on the selection of the official.

### ***ListServe***

*Guate-transparencia*, a ListServe to provide communication among interested stakeholders, continues to disseminate information among its readers.

## **Task Order No. 811**

### **Bolivia: Program of Assistance in the Fight Against Corruption**

The Program is in full operation, and has already, after six months of operation, produced results: a stronger government counterpart in the Delegación Presidencial Anticorrupción (DPA); effective new ties between police and prosecutors in the Anti-Corruption Task Forces; a joint DPA-Vice Ministry of Justice commitment to draft and lobby for tough anti-corruption laws, both criminal and administrative; and a new alliance among government control entities to track, sanction, and recover state funds lost to corruption.

Program relationships with the DPA are excellent, with the Program staff viewed by both the Delegada Presidencial and her staff as trusted collaborators. Program staff has close connections as well with the Public Ministry (Attorney General's Office) and the National Police, allowing the work on the anti-corruption task forces to go forward with general agreement.

The Program completed the first stage of a comprehensive monitoring and evaluation process of its first six months of operation in June, with the result of a revised and enhanced workplan (a draft version has been developed and will be proposed) as well as performance indicators.

A summary of Program results is:

#### **Component I: Law Enforcement**

- Task force design accepted by the Public Ministry, Police, Financial Investigation Entity, and Contraloria, with commitments to commit resources and assign staff. The task forces in La Paz and Tarija will be operating with trained staff in August.
- Commitment from the Vice Minister of Justice, with the assistance of the Delegada Presidencial to personally oversee the drafting and proposal of a comprehensive package of criminal and administrative anti-corruption laws. This will be the first package of such laws proposed at this high level of government, and thus has a very good chance of succeeding in Congress, with lobbying as well from civil society. We plan to have the package, which includes a far-reaching and effective conflict-of-interest law, ready for presentation to Congress in September.
- Agreement from the Public Ministry on the Program plan to provide technical assistance not only in the selection of a first-time ever Inspector General, but also for full technical assistance in designing the new office, establishing inspection procedures, training staff investigators of corruption, and providing the daily help of side-by-side technical advisors to the new inspectors. The Inspector General is responsible for investigating and prosecuting acts of corruption within the Attorney General's Office, which is widely perceived to be the very nucleus of corruption within the justice system.
- Commitment from the Public Ministry, Supreme Court, and National Judicial Council to work with the Program in developing effective ethics codes, train staff in the codes, and implement procedures based on the codes. The project is now designed, and work will begin on writing the codes in July. As well, the President of Supreme Court directly requested from USAID technical assistance to design and implement a new disciplinary system for judges that includes oral disciplinary procedures; this project will begin in August. The Program has

the commitment of the National Police to collaborate in training courses for police based on their existing ethics code, and to work together on a project to implement the code.

- With other international donors, the Program designed a system of interinstitutional cooperation among the DPA, Public Ministry, Contraloria, Financial Investigation Entity, and the Judiciary to investigate and prosecute corrupt acts. The entities involved are scheduled in July to present their plans to the donors for implementing the design, along with cost estimates. The Program is already implementing the task forces, which are an essential part of the plan.

### **Component II: Civil Society Leadership in the Fight Against Corruption**

- The grant fund is now designed, with criteria developed in conjunction with the DPA. The public invitation for submitting proposals will be issued in July. The Program has allocated \$250,000 for direct grants to civil society organizations for anti-corruption projects at the local and state level for: monitoring and evaluating government function; proposing and lobbying for new regulations and procedures; and citizen training and awareness-raising.
- An evaluation of civil society's knowledge of, participation in, and activities regarding anti-corruption will be completed by the end of July, providing first-time and essential information about the state of civil society readiness, needs, and current activities.
- The Program will prepare a training course in July for civil society, presented through the Citizen Anti-Corruption Networks formed by the DPA. The course will be presented in August and September throughout the country, with the objective of training organizations on mechanisms in the fight against corruption in these areas: monitoring and evaluating government function, law and procedure reform initiatives and lobbying; and raising awareness of the fight against corruption.
- The Program has initiated contact with the National Association of Journalists, and will be designing a project in July to train journalists in investigative journalism regarding corruption. As well, the Program began discussions with the National Chamber of Commerce regarding business leadership in the fight against corruption, with the aim of developing a joint project with the DPA.
- The DPA, with the technical assistance and financial support of the Program, will present a major international conference in September on the involvement of civil society in the fight against corruption. Anti-corruption ministers from the five Andean countries will meet as well to decide on strategies for the adoption of the United Nations Anti-Corruption Convention, and joint strategies for better involvement of civil society in the fight against corruption. The conference design is complete, and expert consultants are now preparing the basic documents for discussion. Fifty civil society leaders in Bolivia will be invited to participate.

### **Component III: Strengthening Government Leadership**

- Bolivia earned a favorable progress report from the Organization of American States on its implementation of the Inter-American Convention Against Corruption, based on reports prepared by the Program. The OAS recommended a list of further activities that Bolivia must take in order to continue its progress; with these recommendations, the Program has designed a project to implement the Convention in five state entities, which agreed in June to participate. By September, the Program will have designed an implementation plan for each

entity, trained staff in how to implement the plans, and be providing continued technical support for implementation.

- Organizational design, with procedure manuals and staff training, was completed in June for the DPA, which is now implementing the design. The staff is now organized into specific units, with job descriptions for each person, as well as supervisory responsibilities. DPA now has 30 staff, up from seven in December.
- Four state control entities met in June, with Program support, to design for themselves better coordination and procedures for addressing the problem the economic damage caused by corrupt public servants, both in preventing and sanctioning such acts. The project will focus on vastly improving the tracking of personal assets, detecting illicit enrichment, and properly obtaining evidence for prosecution, with implementation planned for September.
- The DPA, with the technical assistance and financial support of the Program, will dramatically strengthen its three regional offices, with planning and training for staff in July and August, and full operations scheduled to begin in September.

### **Conclusion**

Despite the obstacles of fragile, underfunded, and inexperienced government counterparts in the DPA and Public Ministry, the Program has made rapid headway in establishing the task forces and strengthening the DPA so that it can plan and execute activities that prevent corruption. With six months of experience, we have strengthened our position as advisors to the government and tightened our workplan so that it better reinforces our counterpart activity.