

**INDEFINITE QUANTITY CONTRACT DFD-I-00-03-00139-00**

**Quarterly Performance Monitoring Report No. 1  
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. DFD-I-00-03-00139-00.

### Programmatic Trends:

Two Task Orders were begun under the IQC contract.

Task Order 800, entitled “Efficiency and Accountability,” is a follow-on to a USAID-funded C&A project to support anti-corruption activities in Colombia. The project consists of four components: improving transparency, efficiency and public management; citizen oversight; supporting civil society; and fiscal planning and management process.

The second Task Order (801) involved a rapid turn-around corruption assessment in Cambodia. Results from this TO will be available during the upcoming quarter.

### Unresolved Issues/Constraints:

None to date.

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

The ongoing Task Orders in this reporting period are as follows.

<b>Task Order No./Country/Project Title</b>	<b>Start Date</b>	<b>Estimated End Date</b>
800: Colombia – Efficiency and Accountability	04-01-2004	10-24-2006
801: Cambodia – Corruption Assessment	05-03-2004	07-15-2004

IQC Contract Start Date 09-30-03 / End date 09-30-08.

**Task Order No. 800**  
**Colombia: Efficiency and Accountability**

Casals and Associates, Inc. (C&A) is pleased to submit this quarterly report for the work carried out during the months of April, May and June 2004. This period has marked the start-up of a new contract on a second phase of an anti-corruption program entitled "Efficiency and Accountability." C&A spent most of the period developing a time-phased implementation plan and budget and identifying additional staff and subcontractors needed to carry out the contract objectives. In addition, meetings were held with key GOC and NGO counterparts to plan their participation in program activities. A draft work plan was presented to USAID on June 16, 2004. As a result of comments received from USAID on June 16 and 24, C&A is revising its work plan in close consultation with the project CTO and the USAID/Colombia Democracy Office Director.

**Activities Carried Out**

***Component I - Improve Transparency, Efficiency, and Public Management***

C&A held meetings with key counterparts at the national and sub-national levels to discuss program strategy and the needs of project counterparts in order for them to: a) participate efficiently and effectively in the program, and b) assist C&A in the development of a time-phased work plan and budget for program activities.

Key counterpart entities at the national level include:

- Anti-Corruption Office in the Office of the Presidency
- Office of the Comptroller General
- Office of the Accountant General
- Office of the Auditor General

Tentative agreements were made with all the above-mentioned entities in terms of their participation in the program. Formal agreements will be signed with each entity after USAID approves the work plan and budget. These entities agreed to be part of a project coordinating committee that will provide overall guidance and support to the program.

Scheduling difficulties did not permit C&A to meet with the Administrative Department of the Public Function (DAFP) to make tentative agreements for their participation in this program component and in the project coordinating committee. A meeting is scheduled in early to mid-July. The program design anticipates that DAFP will take a lead role in ushering legislation through the GOC that will establish the USAID-Casals Internal Control Model as the unified internal control standard for all national and sub-national public entities. C&A anticipates that the other project coordinating committee members will assist the DAFP in this effort.

In addition to making tentative agreements with GOC national entities, C&A has also requested proposals from successful subcontractors under the first phase of the anti-corruption program, "Strengthening Transparency and Accountability," to submit technical and cost proposals for follow-on activities.

At the sub-national level, C&A has discussed participation in the new program with the Gobernaciones and capital cities in the following five departments:

- Antioquia
- Atlántico
- Bolívar
- Valle del Cauca
- Nariño

Other sub-national entities are being reviewed with USAID and will be presented in the work plan for approval.

### ***Component II - Citizen Oversight***

C&A held meetings with partner civil society organizations (CSOs) in the four departments that C&A worked in during the first phase of the program in order to develop plans for the second phase. The project also identified a new CSO partner, Fundación Funcicar, in the Department of Bolívar. Under the second phase of the program, C&A is increasing its efforts to obtain more private sector participation in this component. In addition, we have held meetings with Occidental of Colombia (OXY) to investigate opportunities of utilizing OXY's Fundación El Alcaraván as a CSO partner in the Department of Arauca.

C&A has also held meetings with GOC national entities who are supporting citizen oversight activities in order to coordinate our efforts and review emerging national policies as a result of the passage of new legislation on veedurías, Law 850 (December 2003). Meetings were held with the following national entities:

- Comptroller General
- Administrative Department of the Public Function
- Office of Anti-Corruption in the Office of the Presidency
- Ministry of the Interior

### ***Component III - Supporting Civil Society--Small Grants***

C&A has developed a draft implementation plan and preliminary procedures for administering this grant program. C&A has received various proposals from NGOs, the GOC and the US Embassy that include innovative activities that are supportive of the objectives of USAID Colombia's anti-corruption program. Final procedures for administering this grant program will be provided for USAID approval during the next quarter per contract requirements.

### ***Component IV - Fiscal Planning and Management Process***

C&A presented a draft work plan to the Ministry of Hacienda for review. This draft work plan was based on the terms of reference in the RFP for this contract. To the surprise of both USAID/Colombia and C&A, the MOH decided that it wants to change the scope of the assistance to be received under this program. USAID/Colombia is awaiting a revised scope of assistance from the MOH before deciding on the next steps on this component.

## **Current and Potential Problem Areas**

As discussed above, the Ministry of Hacienda does not appear to be interested in the assistance package requested in the USAID RFP and in the activities proposed by C&A in the technical proposal and work plan. USAID/Colombia will need to decide whether what the MOH wants to do is of interest to the Mission.

## **Future Activities**

1. Finalize work plan and budget and submit to USAID/Colombia for approval.
2. Meet with DAFP to solicit their participation in the program.
3. After work plan and budget are approved, sign agreement with GOC counterpart institutions at national and sub-national levels.
4. Meet with the Governor of Cesar to solicit his participation in the program.
5. Meet with CSO partners in all departments and solicit work plans and budgets.
6. Sign contracts with new staff.
7. Sign contracts with subcontractors.
8. Develop final procedures for approval of grants under Component III.

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## **Task Order No. 801 Cambodia: Corruption Assessment**

The task order was initiated with the arrival in Phnom Penh on May 3, 2004 of the assessment team composed of Mr. Michael M. Calavan, Team Leader, and Mr. Sergio Díaz-Briquets, Anti-Corruption Specialist. There they were joined by Mr. Jerald O'Brien, DCHD/DG, USAID/Washington, also a participant in the assessment assignment. During the next three weeks, the assessment team met repeatedly with Mission officials, conducted dozens of interviews with key Cambodian informants and officials from bilateral and international financial institutions, visited selected sites, and reviewed numerous documents.

While in country, the assessment team analyzed and began to organize its information with a view to produce the assessment report. Following the departure of Mr. O'Brien and Mr. Díaz-Briquets the week of May 17, the Team Leader remained in Cambodia for several more days to conduct final interviews and provide a briefing to the Mission on the assessment's preliminary findings. A preliminary draft report was subsequently prepared with input from the other assessment team members. At the invitation of the Mission, Mr. Calavan returned on two occasions (June 3 - 4 and June 10) to Phnom Penh from Thailand to review in more detail with USAID and Embassy officials the draft report.

As of the end of this reporting period, the final assessment report was being revised while waiting for Mission guidance regarding the preparation of a briefer version designed for wide public distribution. It is expected that the Task Order will be completed by mid-to-late July.

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