

*Final report on grant from Partnerships for Transparency Fund
City of São Paulo anti-corruption project - September 2003*

1. Background

On March 31, 2003, Transparencia Brasil presented to the administration and the World Bank representatives the first draft of the report on the survey conducted in the city. From that date till July 7th there protracted negotiations with the administration around quite irrelevant details of the report. The administration consistently delayed responses, re-opened already agreed-upon issues and generally tried to postpone as much as possible the conclusion of the report.

At the same time, following the course laid in our April report to PTF, Transparencia Brasil tried to format the seminar in which the survey's report would be announced and which would mark the beginning of the second phase, namely, drawing an action plan. So, during July till around mid-August, a series of tri-lateral formal and informal exchanges were conducted between the administration, Transparencia Brasil and the World Bank around that issue.

On July 21st TBrasil sent to the Secretary of Administration (the municipality's representative in the process) a letter stating our suggestions as to the proceedings, in which we once again drafted what would be, in our view, a reasonable course to follow, and which would be in exact accordance with what was publicly announced in the administration's own website.

Those negotiations were unilaterally frustrated by the administration when they decided once again to postpone *sine die* the announcement of the survey's results and subsume any further initiative to internal discussions of their own.

On August 27-28, the administration conducted an internal seminar, which Transparencia Brasil was invited to observe (not to participate in), with the participation of a number of World Bank representatives. The explicit aim of the seminar was to identify initiatives of the administration since Jan 1st 2001 (when the present admin was inaugurated) that could be made to fit into vulnerabilities haphazardly attributed to the admin machinery on the basis of the survey's results and present the result as the realisation of a plan.¹

The aim of the administration was quite clear: 1) to attribute every possible motive for negative judgements to past administrations; 2) to present every possible positive judgements arising from the interpretation of the survey to the present administration;² and 3) (implicitly) to frame whatever

¹ All this can of course be checked - although perhaps only informally - with the World Bank representatives present, who were horrified.

² Although the obvious methodological contradiction between 1) and 2) was repeatedly pointed out to the administration, it was impossible to steer



discussions, initiatives etc. relating to the survey within the mayor's reelection bid, due next year.³

On September 2nd, Transparencia Brasil Board held an emergency meeting in order to assess the situation and decide on how to proceed. I was decided that TBrasil should independently announce the survey's results.

This decision was not taken in isolation. It was reached at within a shift in our general strategic approach to the collaboration with the State. As State institutions will always tend to refrain from anything resembling criticism or perceived harm to its image, it is not worth the effort to try to collaborate and end up with a confrontation where TBrasil will most probably hold fewer trumps. Thus, we decided that, from now on, as a general principle TBrasil will establish coalitions with State institutions only around initiatives aimed at other State institutions, and not directly aimed at the partner itself.

The report on the survey was publicly announced to the press on September 15 (see www.transparencia.org.br). As a token of the administration's attitude, they declared that the report is Transparencia Brasil's report, not theirs, although each and every amendment and modification they asked for was included, and its announcement was delayed from March till September only because of their procrastination.

The report did not provoke big interest in the first moment, although it is maintaining a reasonable presence in the news - so that it is not being seen as a one-shot affair. Transparencia Brasil continues to promote the report before the media, with acceptable results.

them away from such a course. It is worth mentioning that from some point on, the administration was aided by an advisor on surveys endowed with peculiar methodological notions.

³ It is to be observed that, while municipal elections happen in October 2004, campaigning for it already started. This anticipation of the succession is a well-known phenomenon in Brazilian politics - which helps further hindering administrative efficiency, as actual mandates are effectively reduced because attentions are drawn not to the administration of cities, but to the following elections. It is also worth pointing out that the mayor of São Paulo is the third most visible political post in the country, and a "natural" candidate both for the state's governorship and the Presidency.



2. Assessment of the project's impact

In view of the developments, the project's impact on curbing corruption cannot be assessed. In the short run, it did not attain any impact whatsoever. But, in the medium term, the project's results will tend to become part of the immediate political environment. Whatever stems from there will depend on the politicians.

It is also worth underlining that the "project" in question was a World Bank/administration project with the participation of TBrasil as non-deciding partner. Nevertheless, the only results so far were due to Transparencia Brasil initiatives, funded by PTF. There were no other results.



3. Finances

<i>Credited (US\$)</i>	<i>Date</i>	<i>Exchange rate</i>	<i>R\$</i>
7 350,00	Aug 8, 2001	2,51	18 448,50

Expenses incurred in 2001 (see previous report): R\$ 739,90

Transported to 2002: R\$ 17708,60

Expenses incurred in 2002 (R\$): R\$ 6017,27

Expenses incurred in 2003 (R\$):

Partnership for Transparency Fund (SP)	
<i>São Paulo Anti-corruption Programme</i>	
<i>Amount spent</i>	11 682,00
<i>Available</i>	9,33

Type	Total	<i>Expenses by type</i>	%		
a	11 334,00	<i>Human resources</i>	97,0%		
b		<i>Technical services</i>			
c		<i>Hardware and software</i>			
d		<i>Communications</i>			
e		<i>Travel, transportation etc.</i>			
f		348,00		<i>Running costs</i>	3,0%
g		<i>Accounting and control</i>			
h		<i>Money transfer costs</i>			
i		<i>Administration</i>			
j		<i>Internal transfers</i>			
k		<i>Others</i>			
l		<i>Documentation</i>			
m		<i>Workshops</i>			

Remaining: RS\$ 9.33, or about US\$ 3.

São Paulo, September 24, 2003

Claudio Weber Abramo
General secretary