

PARTNERSHIP FOR TRANSPARENCY FUND

Philippines: Anti-Corruption and Transparency Project (Government Vehicle Monitoring) Oroquieta City

Project Completion Assessment

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Background

The Anti-Corruption and Transparency (ACT) Project was an initiative of the Environmental Cooperation and Linkages Inc. (Ecolink) and was implemented in coordination with the Department of the Interior and Local Government (DILG) and the City Government of Oroquieta. The project was launched in December 2006 and was completed in July 2007. The project received a grant of \$16,500 from PTF while from local sources the equivalent of \$5,150 was contributed. A detailed project completion report was submitted to PTF on 21 September 2007.

The purpose of this assessment report is to analyze whether the purposes of the grant were achieved and to draw out lessons, both for the ACT project and for similar projects elsewhere in the Philippines. The report is based on a review of available reports and on meetings with the Mayor of Oroquieta, the Vice-mayor, a City Councilor, the Schools Division Superintendent of the Department of Education, and the Project Director, Paul Pastrano Gangoso and his staff.

In this report the following questions will be addressed:

1. Has the project achieved its objectives?
2. Are the achievements sustainable?
3. How do project cost compare to achievements?
4. Are the achievements replicable?
5. What lessons can be learned from the project?
6. What follow-up actions are needed?

1. Achievement of Project Objectives

The project document contains a clear statement of project goal and objectives. The goal of the project is to significantly reduce and prevent the wastage/corruption of local government funds through an anti-corruption and transparency project using participatory, low-cost, innovative and creative strategies. The project objectives to achieve in six months are the following:

1. Reduce corrupt/lavish expenditures of the Local Government of Oroquieta on vehicle procurement, use and maintenance by at least 20%;
2. Strengthen Oroquieta City's compliance with the Government Procurement Reform Act (GPRA) of 2002;
3. Significantly increase citizen participation in anti-corruption and transparency programs and actions; and
4. Strengthen local mechanisms (this objective was more explicitly stated in the completion report)

The project document contains a logical framework that provides for each of the three objectives the inputs needed, the indicators to be used to assess achievements, and the means of verification (the logical framework is reproduced in annex 1). This provides an excellent basis for assessing project achievements.

Reduce corrupt/ lavish expenditures of the Local Government of Oroquieta on vehicle procurement, use and maintenance by at least 20%; four inputs were directed towards achieving this objective:

- (i) Monitor government expenditure on vehicles - This was accomplished by Ecolink processing raw budget data as current government expenditure data were not available; comparing the data for the first six months of 2007 with those for the same period in 2006, the data show a 40% decline in expenditure between June 2006 and June 2007.
- (ii) Monitor actual vehicle misuse - This was done by relying on volunteers and the general public to report misuse of vehicles. Initially there was significant reporting of abuse but this tapered off in recent months. The completion report convincingly argues that, as citizens were increasingly active in providing feedback more generally, the lower reporting of vehicle abuse is likely the result of less abuse. This is reinforced by in-depth interviews of Local Government Department Heads and further by actual ocular observations;
- (iii) Establish a feedback mechanism within Oroquieta City – the statistics provided show an increasingly responsive citizenry using text messages, phone calls and letters to make their views known. Ecolink is the operator of this mechanism although the intention is that this role be assumed by the recently established Oroquieta City Coalition Against Corruption; and
- (iv) Information, Education and Communication/Advocacy – to be discussed under the third objective.

Strengthen Oroquieta's compliance with the GPRA; three inputs were directed towards achieving this objective:

- (i) Information, Education and Communication – to be discussed below;
- (ii) Monitor GPRA compliance with respect to vehicle procurement – this was done by participating as observers in Bids & Awards Committee (BAC) meetings;
- (iii) BAC training programs – two such programs were held.

The following matrix shows the general progress with respect to GPRA compliance;
Procurement Compliance Levels

Major GPRA Compliance Indicators	Pre- Project Intervention			Post-Project Intervention		
	Barangays	City Govt Oroquieta	Natl. Line Agencies	Barangays	City Govt Oroquieta	Natl. Line Agencies
CSO Representation in BAC	None	Minimal	Minimal	Minimal	Significant	Significant
Posting/ Publication of Bid Info	None	Minimal	Minimal	Minimal	Minimal	Significant
Accessibility of Documents	None	None	None	Minimal	Significant	Significant

Significantly increase citizen participation in anti-corruption and transparency programs and actions. A wide array of activities was undertaken including photo journalism and school-play contests, the creation and distribution of posters, the publication of an online monthly newsletter and a weekly radio program. All numerical target set for these activities were achieved or exceeded. The radio program, called Bantay Kurapsyon, proved to be very popular and a second program, run by students has now been introduced. All these activities reflect a significant increase in citizen participation in anti-corruption activities.

Strengthen local mechanisms; the main accomplishment here has been the creation of the Oroquieta City Coalition Against Corruption. This is a loose coalition of local CSOs with Ecolink acting as the secretariat. This is still new and fragile and will require fostering to see it develop into a strong local mechanism. The project has also helped to reinforce existing government programs such as the Oplan Red Plates of the Ombudsman.

2. Sustainability of Project Achievements

Can the reduction in government expenditure on vehicle procurement, use and maintenance be sustained? Will the improved compliance with GPRA be continued? And will citizen participation in anti-corruption programs continue to grow?

There have been a number of developments that give reason to cautious optimism. Ecolink has prepared a city ordinance on vehicle use and maintenance that is expected to be approved before the year ends. Another ordinance deals with vehicle use at the barangay level and this is expected to be issued as a memorandum circular by the Department of the Interior and Local Government.

The radio program is popular and continuing and a Junior Graft Watch group has been formed that appears to be quite active. The Department of Education will continue the

various contests initiated under the project and has also introduced a strong focus on anti-corruption in the school curriculae.

The increased compliance with GPRA represents solid progress and the presence of observers in procurement-related meeting has become a matter of course.

While the project has naturally met opposition from those that have seen their freedom in using public vehicles curtailed, it appears to be well accepted by the community. The channels created to report misconduct are increasingly being used for matters other than the use of vehicles.

However, the local network of CSOs that was created in July 2007 (Oroquieta City Coalition Against Corruption) is still fragile, and highly dependent on Ecolink that acts as its secretariat. Ecolink itself has very limited means and is much dependent on the enthusiastic work of its young staff.

My overall assessment is that it is unlikely that the gains achieved will quickly erode, but that continued support is needed to solidify these gains and expand public vigilance to other areas of local government responsibility.

3. Cost versus Benefits

Many of the benefits produced by the project in just six months cannot be quantified in monetary terms. These include the enhanced public vigilance, the greater awareness of corruption at the local level and the means that now exist for citizens to air complaints.

However, total savings of P2.2 million can be demonstrated. The bulk of this (P1.9 million) is in the form of lower government expenditure for gasoline and lubricants during the period January to June 2007, as compared to the same period in 2006. Smaller savings have resulted from lower gasoline expenditure at the barangay level (P0.10 million) the prevention of vehicle misuse, (P0.25 million), and of gasoline reselling (P0.06 million).

The total monetary value of the benefits that can be quantified (\$45,000 at current exchange rates) compare favorably with total project cost (\$21,700 of which PTF contributed \$16,500). These financial benefits will continue indefinitely, if the project's achievements are sustained, while the cost will taper off to a much lower level. This clearly shows the efficiency of the approach adopted under this project.

4. Replicability and Lessons Learned

This is an ideal project for replication in other cities in the Philippines, and indeed elsewhere. The problem of vehicle misuse is a very common one and the approached adopted by Ecolink has proven to be an effective one. It is based on a generally constructive relationship with local government authorities and aims to put in place systems that enable the mobilization of the general public in monitoring government

performance. It is also an approach that can readily be extended to other areas of local government responsibility.

Several important lessons can be learned from this project:

- The project has demonstrated that a small CSO can successfully mobilize the local population in monitoring corruption at the local level;
- Ecolink has rightly steered away from focusing on catching erring individuals, although it is in the nature of their work that information is gathered that enables action to be taken against particular individuals. In many cases, the turning over of such information to the concerned department of the local government proved sufficient in stopping the misuse of vehicles. Where misuse persists the radio program is sometimes used to report the vehicle number (not the name of the person responsible). A few cases of persistent misuse are being forwarded to the Ombudsman and Ecolink will be asked to provide the evidence;
- The project has also shown the importance for funding agencies (in this case ADB) to adopt an arm lengths approach during project implementation. In this case issues raised in a letter from the mayor to the president of ADB were successfully handled at the local level; and
- The project has once again made clear how important a constructive relationship with local authorities is if strong monitoring systems are to evolve.

5. Follow-up Actions

It was noted above that the project achievements are still fragile and that follow-on support is needed to prevent erosion of these gains. More work is needed to mobilize local civil society through the Coalition against Corruption. The many good initiatives taken under the project (such as the radio program, the various contests, and the Junior Graft Watch) need nurturing to ensure that they become a regular part of the work program of different agencies. It is also important to broaden the perspective beyond the current focus on vehicle misuse to cover other areas of government such as public works, education and health services. Ecolink will need to look for ways to become more self-sustaining by developing alternative sources of income. For all of this to come to fruition, further financial support from PTF will be important.

Manila, 20 November 2007

Annex: Logical Framework

OBJECTIVES	INPUTS	INDICATORS	MEANS OF VERIFICATION
GOAL: SIGNIFICANTLY REDUCE AND PREVENT THE WASTAGE/CORRUPTION OF LOCAL GOVERNMENT FUNDS THROUGH AN ANTI-CORRUPTION AND TRANSPARENCY INITIATIVE			
OBJECTIVE 1: After 6 months, reduce corrupt/ lavish expenditures of the Local Government of Oroquieta on vehicle procurement, use and maintenance by at least 20%.	Monitor LGU Expenditures through Quarterly Expenditure Analysis Workshops Monitor Actual Vehicle Misuse Establish a Feedback mechanism within the LGU IEC/ Advocacy	Budgetary Data collated, integrated and analyzed with the following specific indicators: 1) Amount of LGU expenses in excess of allocation 2) Amount of LGU funds used to private consumptions of oil, gasoline & repairs Actual Vehicle Misuse Records At least 50 Reports/ Complaints acted by the LGU Specific measures adopted by the LGU to prevent gasoline diversions/ theft and vehicle misuse	Testimonies of LGU Officials/ Workshop Accomplishment Report Photos/ SMS/ Phone Reports Comparative Budgetary Data Policies adopted and implemented
OBJECTIVE 2: After 6 months, strengthen the LGU's compliance to GPRA .	IEC/ Information Drive on GPRA (same as below) Monitor LGU's compliance to GPRA on vehicle procurement B.A.C. (Bids & Awards Committee) Enhancement Training	GPRA Compliance of LGU on Vehicles based on the following specific indicators: 1) Posting/ ads 2) accessibility of docs. 3) Presence of 3rd-party observer throughout the whole process 1 BAC GPRA Compliance Training Conducted including 1 Benchmarking New policies recommended	M&E Reports Copies of legislations/ policies enacted GPRA Compliance Assessment Workshop Proceedings
OBJECTIVE 3: After 6 months, significantly increase citizen participation on anti-corruption and transparency programs and actions .	Organize anti-corruption Photo-journalism contest Create and Distribute "Conscience Posters" Organize inter-school short-play contest Publish Monthly Newsletter Conduct a weekly 30-minute block time local radio program dubbed "Bantay Kurapsyon" (Corruption Watch) Network Building/ Conference on Corruption in the Local Government Establish a Citizen's Feedback mechanism within the LGU	<ul style="list-style-type: none"> • At least 5 campus papers and 2 local newspapers participating in the photo-journalism contest • 300 "conscience posters" distributed and posted in government offices and public places • at least 5 entries in the play contest with at least 200 audience • 1 monthly newsletter in 100 copies published and distributed/month • At least 100 calls/ text messages from radio listeners reporting improper use of public vehicles • anti-corruption conference held/ at least 10 participating CSO's, PO's, NGO's and private institutions in the network/ conference • Feedback mechanism established 	M&E Report Pictorials Copies of articles published and posters printed Radio-recordings/ Photo – documentations Contest results/ reports Conference proceedings/ attendance/ pictorials/ documentation Accomplishment Report