



Reducing Corruption in Local Revenue Collection through Transparency and Participation in two Communities in Ghana

CSO:	People’s Action to Win Life All-around (PAWLA)
Years:	2010 - 2011
Country:	Two communities, Pina and Nabulu, Sissala East District, Ghana
Amount:	\$ 36,248 USD
Sector:	Controlling Corruption in Delivery of Social Services: Social Safety Net

Corruption Problem:	Leakages in the collection and disbursement of locally generated revenue in conjunction with lack of monitoring capacity of civil society.
Tools employed:	Constructive Engagement, Capacity Building, Citizen Monitoring, Awareness Raising, Community Driven Development

Internally Generated Funds (IGFs) refer to any resources mobilized locally to meet local development objectives and improve the quality of life for citizens in Ghana. The funds derive from different sources, among them, rates, lands, fees and licenses. The collection and management falls within the political responsibility of district assemblies (DA).

People’s Action to Win Life All-around (PAWLA), a local NGO, started an ambitious and smartly designed project, aiming to eliminate opportunities for corruption within the collection and management of the IGF. The project was successful; there is however the risk of a reversal of the initially generated positive changes due to a lack of follow-up funding.

Corruption Problem Addressed

The IGF system provides multiple opportunities for corruption. There are “leakages” in the collection of the IGF; commonly evidenced by a disparity between what is actually collected and what the DA claims it has available. There is no transparency in the management, allocation, and distribution of the funds.

As a result of corrupt practices development projects never get off the ground, contracts are granted to projects that are not started in reality, and communities do not get their proper share of the IGF development funds they are entitled to. Additionally, many stakeholders, including some DAs, are unaware that the IGF system is in place. Almost no DA is prepared to manage the multilayered process adequately.

The lack of knowledge at the DA level is partly due to the importance and precedence of financial support provided by large outside resources such as bilateral donors, rendering the need IGF funds inconsequential and minor.

Actions Taken by PAWLA

A major component of the implementation process was the development of guidelines for the tracking and monitoring of the IGF resources. PAWLA secured a constructive relationship with the District Assembly’s Coordinating Director and the Head of the Social Welfare Office who championed the cause. PAWLA worked within the two communities and with a range of stakeholders at the district level, effectively serving as a connector and facilitator.



The ongoing inclusive process of developing detailed guidelines provided a platform for open dialogue between citizens and their representatives. In order to further enhance transparency and strengthen local capacity to monitor the IGF process, PAWLA undertook the following activities:

- ✓ Baseline research on the capacity of citizen groups and villagers to effectively monitor the collection and disbursement of funds.
- ✓ Trainings for District Assembly administrators, department officers, elected representatives and citizen groups at the district level to build and retain capacity to administer the IGF.
- ✓ Sustained dialogue with all stakeholders involved, trust-building with village chiefs.
- ✓ Regional seminar advocating for the importance of ongoing monitoring and portraying the need for further transparency efforts on the part of the Assembly.
- ✓ Outreach to the interested public via notice boards and radio programs, generating a positive and constructive undertone regarding the use and role of citizen participation.

Impact and Results Achieved

The project created a positive impact on the behavioral and the systemic level. The Pina community of about 800 people implemented a rigorous collection effort which fostered and facilitated a cultural shift toward increased understanding and effective utilization of tools to garner the benefits of good governance. Furthermore, with the new tools at hand, the village raised the highest amount of IGF collected in Sissala East in 2011.

The DA took notice and rewarded this achievement in various ways. The following year, the community topped its 2011 figures and collected even more revenue. Based on their new knowledge, Pina community members started tracking workers and merchants wishing to establish a presence in Pina, widening their own conceptualization of good governance processes. This move underlined the changing approach toward revenue tracking and the community's sense of empowerment.

Reacting to these positive developments in Pina, the DA has become more responsive to the community's needs. For example, the DA navigated national bureaucratic channels, rectifying corrupt behavior by national contractors, based on a consorted vigilance effort and reports supplied by the community. Another example is the award of a new mango plantation to Pina because of its excellence and due diligence in IGF collection efforts.

The interest of the DA is important since the district head count is 56,528. Constructive engagement and the creation of a win-win situation for all stakeholders involved may well lead to replication throughout the district over time. The buy-in of district officials has been an important mile stone to further make progress.

Replication and Sustainability

Despite the positive impact that PAWLA has made in Pina, fundamental questions regarding the sustainability of the project remain. The community's understanding of its role does not yet equate to complete ownership of the process. Mobilization was labor intensive and requires follow-up. For PAWLA to sustain and deepen its efforts, additional funding and the continued collaboration of the DA are essential. Under these conditions, however, behavioral and systemic shifts toward good governance and better transparency



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are realistic, and have already proven to lead to better development outcomes.

Documentation

Project completion reports (PCRs) and Project completion assessments (PCAs) can be accessed at www.ptfund.org under the “Where-we-work” tab

For further information, please contact alasadongor@yahoo.co.uk

PTF can be contacted at info@ptfund.org

Prepared by: Alasadongor Baluri, PAWLA; William Experton, PTF; Colby Pacheco, PTF