

**An Evaluation of the
Partnership for Transparency Fund
(2000 – 2004)**

by

Alexander Shakow

**Prepared at the request of UNDP
March 28 2005**

AN EVALUATION
OF
THE PARTNERSHIP FOR TRANSPARENCY FUND
by
Alexander Shakow
Independent Consultant
March 28, 2005

Introduction

1. I am delighted to have been asked by Pierre Landell-Mills and Dan Ritchie, key officers of the Partnership for Transparency Fund (PTF), to carry out an evaluation of the PTF program as requested by the principal initial funder, the United Nations Development Program (UNDP). I have spent over forty years in the development business, first as a graduate student, then as a staff member holding senior positions in the United States Peace Corps, the US Agency for International Development, and the World Bank. Since 2002, when I retired from the World Bank, I have been active as a trustee of an ngo that promotes entrepreneurship and job creation and as a consultant to the World Bank and other development efforts. For many years during my Bank tenure I chaired the Small Grants Committee which annually reviewed and funded several hundred million dollars worth of projects similar in size and character to those of the PTF. While I have not previously been involved directly with anti-corruption activities and programs, my various policy jobs (and the Small Grants Committee) have brought me into close contact with certain aspects of this work. During my career I have also supervised major evaluation offices and programs and participated myself in a number of specific reviews. Thus, this opportunity to learn more about this unique program has been a distinct pleasure as well as an important learning opportunity for me.

2. My task was set out clearly in the attached terms (Annex 1) of reference that asked me to assess the effectiveness and impact of the PTF program over the initial four years of its operation and draw lessons for enhancing its contribution. This report generally follows the structure of the ToR. My approach has been marked by two quite different phases. The first involved site visits to Prague and Riga in January, 2005, to meet with a variety of key players involved in and/or knowledgeable about two PTF-supported projects. (My full evaluations of these two projects are attached.) I subsequently reviewed extensive PTF documentation on an additional fifteen projects, including, *inter alia*, project proposals and agreements, email exchanges, final reports, and in many cases project completion assessments. A list of the projects reviewed and my brief assessment of their achievements is attached. While I believe the documentation review has given me an adequate overview of major project accomplishments as well as weaknesses, clearly the two site visits have made this entire effort much more valuable and provided me with a valuable lens with which to assess other projects which I have not had the opportunity to visit.

The Sample

3. PTF funded 34 projects between 2000 and December 2004. Of these, 25 projects had been completed by the end of the period. Seventeen completed projects were included in my review. They were selected by PTF to provide a good sample of the different types of projects PTF had financed, including several that had clearly not gone as well as others. Fifteen of the projects evaluated were funded by UNOPS (including two co-financed with SIDA), two by other sources. 68 percent of completed projects (including one that was discontinued) were evaluated; these projects accounted for about 73 percent of total PTF disbursements for completed projects. The funding size ranged from \$3,573 to \$25,000, with most being in the mid-range; the average disbursement for these seventeen projects is \$14,050. The projects were widely distributed by region, including five each in Latin America and East Asia, three each in Central Europe and South Asia, and one in Africa. While these projects usually are designed to address multiple objectives, they appear to fall into four basic groups, based on their primary purpose: i) developing methodologies for and tracking and monitoring government expenditures – ten projects; ii) media campaigns to promote increased anti-corruption awareness and legislation – three projects; iii) conduct of corruption surveys – two projects; and iv) civil society participation in drafting anti-corruption legislation – two projects. (The completed projects include one project that was discontinued in Indonesia.) In eleven of the seventeen projects – 65 percent - the local Transparency International national chapter was the recipient of the PTF grant. (However, the share of TI national chapters in PTF assistance has been declining; in projects approved in 2004, TI national chapters received only about 36 percent of the PTF grants, reflecting the desired broadening of the PTF portfolio.) Thus, I believe this review covers a good sample of the entire PTF portfolio and can be considered a valid basis for generalizing about the entire PTF program, up to the end of 2004.

Effectiveness of PTF

4. **Overall Value.** As a general conclusion, my review suggests that PTF is an extremely valuable and effective instrument for support of small but important anti-corruption projects. As the following paragraphs suggest, the PTF system is not perfect, but any weaknesses are very minor in comparison to its overall value and impact.

5. **Approach.** As the ToR notes, “PTF is a demand-driven organization that responds to requests from civil society organizations for support. It is managed entirely by volunteers (apart from the finance manager), mostly retirees from international development institutions.” As noted in the Impact section below, the results achieved by PTF projects are quite remarkable and impressive. They are all the more so given the miniscule amount of expenditure on administrative overheads by PTF itself. The question arises as to whether there should be a greater effort to generate project proposals. As it stands, PTF approves grants for about 80 percent percent of the proposals received. While even greater competition would be desirable, the problem would be how an organization run entirely with volunteers could cope with increased volume. The advisory work involved

with each serious proposal is quite significant (in some cases as much as six months of back and forth discussion with project proposers), and a further expansion in demand – and presumably in the need for increased funding – could well result in a less effective organization. This remains an important issue for the PTF Board and leadership to consider, as they are best equipped to determine how fast and far they might be able to expand while maintaining their current, very effective program. Further expansion might require hiring another staffer, for example, and the impact of that on PTF would need to be considered.

6. **Methodology.** PTF has a clear and simple set of criteria used in measuring a proposed project’s appropriateness for funding. These include an assessment of the capacity of the organization making the proposal, and whether the project itself has clear-cut outcomes that can be achieved in a limited period of time. The project should also help to strengthen the voice and role of the civil society organization as a leader in the fight against corruption and for greater transparency in government operations. Less easy to meet are criteria suggesting the project be innovative and a model for others. My review suggests that PTF has generally done a good job in following its guidelines and has approved projects with these design characteristics in mind, recognizing that some are easier to meet than others. In fact, in many projects the advice and counsel of PTF advisors has often produced projects both better designed and more likely to succeed. This PTF advice has ranged from a series of probing questions raised in email exchanges with project proposers (which occurred in almost all projects before grant agreements were signed - I have reviewed quite a large number of these exchanges) to country visits on two occasions by a PTF expert advisor to provide valuable technical assistance (Pakistan NEDIANS). The tone of the emails suggests that the implementing organizations have appreciated the interest shown and the assistance provided by PTF leadership. As a general rule, the system seems to be working. In my subjective judgment, at least 13 of the 17 projects appear in retrospect to have been well-designed (at the time, no doubt all looked well-designed!), and at least 12 seem to have been well-implemented by the responsible agency. In most of the remainder there were still many positive benefits from the PTF investment, and the primary design “failures” were in failing to ensure adequate prior consultations and agreements with government authorities whose cooperation was essential to project success.

7. **Oversight.** For oversight PTF relies on regular reports by the implementing agency and the preparation of a project completion assessment (PCA) by an independent advisor after the project is finished. (The attached PCAs I prepared exemplify this feature of the PTF approach.) As might be expected with such a diverse array of recipients around the world, reporting quality varies widely from very thorough and detailed to rather perfunctory reflections on developments, although most recipients appear to have taken their reporting responsibilities seriously. Of course, given the short time period involved, the relatively small amounts of money involved and the absence of PTF field staff, there is little PTF can do based on such reports unless there is a complete breakdown in project implementation. Once a grant is made, the responsibility falls – as it should – on the implementing agency, even when outside expert advice is provided (as in the Pakistan case). For larger projects, however, PTF usually tranches its contribution, and so should

serious problems occur it does have some protection – as in the Indonesia case where the funding was tranced and the beneficiary (TI Indonesia) agreed to return the balance of the funds to PTF when the original project was dropped¹. In all other cases in my sample, all the second tranches were issued. Nearly all completed projects now have final reports, although several have been a bit late in arriving. Again, based on the sample I reviewed, in my judgment most submissions are helpful and apparently reasonably candid.

8. PCAs do not really provide “oversight” in the normal sense, but they are a valuable form of post-project evaluation. PCAs have been prepared for 12 of the 17 projects reviewed, which is a very good performance given that three projects were only recently concluded and one was never undertaken as proposed. These 3-5 page on-site reports have been very helpful in providing a pithy assessment of each project’s effectiveness. They can be especially helpful in determining long term impact and assessing whether a particular organization deserves consideration for a follow-up grant.

Impact of PTF

9. **Results.** PTF project impact can be judged in a number of ways. Given the size of the grants and the nature of the projects, the most frequent measures are by necessity subjective, or at least not quantitative, although there are several examples of very significant financial savings that have resulted from PTF-supported projects (e.g. Pakistan, Nicaragua) which swamp the grand total of PTF’s grants. It is also impossible to estimate whether corruption levels in a country have increased or decreased as a result of these interventions. It is obvious, of course, that to place such a heavy burden on such very small projects would be highly unfair. But overall, the impact of most of these projects has been substantial in terms of improved public awareness of corruption and the need to attack it, improved anti-corruption legislation, greater knowledge of base-line conditions and policies, enhanced monitoring by civil society of government expenditures, greater transparency in government operations, as well as strengthened organizational capability and enhanced status for the civil society organizations involved. A brief summary of the project experience is found in the paragraphs that follow.

10. **Surveys.** The **Czech Republic** Transparency International (TI) chapter carried out a survey of anti-corruption policies and practices in four Central European cities and created a valuable corruption index. Important baseline data was collected in this well-done survey, and the results continue to serve a useful purpose for those ngos trying to influence these capital city governments. This is a project, however, that would have benefitted from having greater attention to follow up built into it. (See my full PCA for this project, attached.) In **Brazil**, the local TI chapter (TB) was involved in surveying the anti-corruption approach of the San Paulo Municipality. In this case the Municipality did not cooperate fully, thereby frustrating the project’s effectiveness². While TB’s image outside government was enhanced by related media attention, TB failed to gain a

¹ The project was to monitor procurement by the Indonesian Electoral Commission. A change in the head of the Commission led to withdrawal of the Commission’s previous pledged cooperation.

² It is worth noting that the World Bank’s efforts in this regard were similarly frustrated.

cooperative working relationship with the government. Important lessons can be learned from both these projects, *inter alia*, the need to be assured that the necessary government cooperation has been obtained before the grant is approved, and the need to build into such projects resources for appropriate follow up once the survey is complete.

11. **Assisting the drafting of anti-corruption legislation.** The **Latvian** TI chapter (Delna) had quite good success, with PTF support, in working with and influencing in significant ways the government's executive branch as it drafted several pieces of key anti-corruption legislation later passed by the Parliament. In this process, Delna also gained the respect of government agencies, civil society and the media for its expertise and effectiveness, and has gone on to even greater successes in the years that followed. (See my attached full PCA for this project.) In **Cambodia**, the Center for Social Development (CSD) arranged workshops and conferences to develop and press for Parliamentary passage of anti-corruption legislation. Unfortunately, the legislation has still not passed (four years later), but the PTF-supported effort helped to raise awareness of the issues, generated further donor support, and resulted in the creation of a Coalition for Transparency.

12. **Media Campaigns to promote legislation/raise awareness.** Three of the projects reviewed had this objective. In **Nicaragua** the goal of Grupo Civico Etica y Transparencia Nicaragua (ET) was to generate support for reduced salaries for top government officials who were "double-dipping", and the result was successful – though not quite to the degree initially sought. Nevertheless, an estimated \$2 million are saved each year as a result of this PTF-supported campaign. In **Nepal**, FACT prepared (with only a \$3,500 grant from PTF, matched from local sources) an anti-corruption media campaign - a pilot radio program with a very wide and responsive listenership. A comprehensive evaluation carried out by an independent observer suggests the program was quite successful in raising awareness and gaining respect from anti-corruption bodies and government officials. Political events brought it to an end after about a year of operation, but there is hope the broadcast can resume soon. In **Mongolia**, the Zorig Foundation promoted a media campaign to fight corruption, which was quite successful from the standpoint of gaining public attention, building a useful data base, mobilizing grass roots activity and gaining government agreement to an anti-corruption action plan. Its lasting impact is less clear, as there has been no Parliamentary action and budget has not been provided for the action plan. Projects supporting media campaigns are typically harder to assess in terms of sustainability, as illustrated by the diversity of results in these three cases; in each case, however, there were substantial advances made in heightening attention to corruption issues and encouraging action to address them. Unfortunately, the impressive budgetary savings in Nicaragua resulting from ET's efforts are not a typical result of such efforts.

13. **Developing methodologies for and tracking and monitoring government expenditures.** Ten projects that I reviewed fell into this category, reflecting the frequency with which this type of project is presented to PTF for funding. Three projects involved setting up bidding/auction systems to ensure transparent procurement

procedures and seven involved developing systems for and monitoring local purchasing experience.

14. **Bidding/auction systems.** In **Ecuador**, the Latin American Corporation for Development (CLD) made major progress in its project by developing guidelines to ensure the transparency of the auction system used in bidding for communications frequency bands and other public services. In **Pakistan**, NEDIANS worked closely with the Karachi Water and Sewerage Board to set up a corruption-free bidding system for procurement of engineering and supervision services for a giant water project. While not as large a segment of the total project was covered as had originally been hoped, the savings were enormous as costs were reduced by about 65-75 percent (saving many millions of dollars) and establishing both a model and a precedent for other public sector projects. In this project PTF provided substantial technical assistance, including two visits to Karachi by a volunteer expert. In **Peru**, Proetica convinced a regional government to buy fuel through a bidding system rather than at local gas stations; as a result, corruption has been reduced and much money saved. It had less success when its arrangements for a similar tendering arrangement with the Ministry of the Interior were suspended when the initiative lost political support.

15. **Monitoring local procurement and expenditures.** This is the most common of the project types I reviewed, and for the most part these projects succeeded in establishing a basis for tracking government expenditures in ways that enhanced the chances for greater transparency and efficiency, and for the actual delivery of the goods. Separate projects in the **Philippines** illustrate two ends of the spectrum – one quite successful, the other much less so. The G-Watch Project was designed to make delivery of social services more effective – in this case textbook distribution and highway infrastructure as pilots, with other government agencies to follow. The Ateneo University group, which managed the initiative, had great success in this project, for it developed close working relationships with the appropriate government agencies – which followed up on the project's recommendations – and established templates that were then utilized by many other ngos in a national citizen action monitoring effort. The project determined that 21 percent of the textbooks were not actually delivered to their schools, creating losses of more than \$3 million which the Department of Education promised to rectify. In another project, Procurement Watch Inc. (PWI) had less success in its effort to monitor bidding arrangements in selected local government units. While useful draft bidding checklists were developed, the local government entities were simply not interested in participating. In this case, PWI had not been proactive enough before beginning the project to establish close working relations with interested local government authorities. As a result the project did not succeed in its main objective.

16. Five other projects in this category focused on similar goals. In **Tanzania**, the Rural Initiatives and Relief Agency (RIRA) helped ten local communities track government program expenditures for health and education, in part by strengthening community participation. These pilot projects were successful, valuable handbooks and manuals were prepared, and a large number of practical recommendations were made. It is too soon to know the degree of lasting impact, but initial results are promising. In **Poland**,

Asocjacje developed and tested an instrument to track subsidies given by local governments to ngos, but with broader application, and prepared a manual for widespread use by government officials and civil society. The effort has been successful, but the PCA suggested that additional efforts are needed to simplify the message and reach a larger audience. In **India**, the local TI chapter worked well with the Delhi State Government to prepare a diagnostic report on five departments, and then promoted the use of Citizens Charters or Integrity Pacts to help reduce corruption in implementation of government programs. Once again, having an established working relationship with the government facilitated project success. In **Brazil**, PTF supported Transparency Brazil's development of a website as a guide to local government procurement legislation and arrangements. Extensive technical assistance was provided to this project as well, and the website was well-designed; until very recently, however, funding for the implementation phase had not been secured, several years after the original design work was completed. As this has now been achieved, it is expected that more tangible results will be forthcoming, but this case highlights the need to ensure that all necessary elements required for project success are in hand when a grant agreement is signed. In **Indonesia**, a project to assist the election commission fell through and TI-Indonesia implemented a smaller, quite different program to introduce Integrity Pacts with three local government authorities; this project was apparently quite successful in establishing more transparent systems for goods procurement, government reform, and a further consultation process in one out of these three sites. This change was made without reference to PTF, and while PTF sought a refund this has not yet occurred as funds had already been expended on the substitute project. The planned second tranche was never disbursed, of course, as TI-I did not make the necessary progress on the agreed project.

17. **Sustainability**. As each of these relatively small and low-cost projects was expected to be completed within about six to twelve months, to expect that there would be significant and tangible elements of sustainability sets a very high standard. And yet, in many – perhaps most – cases, some element of sustainability is achieved. It was easiest for me to see in the two projects I visited, as it was evident that in both Riga and Prague the PTF-supported projects had left strong lasting benefits, especially in Latvia. But in addition to anti-corruption legislation, in many cases new systems and associated manuals had been established for monitoring expenditures in ways that promoted civic participation and increased transparency; in other cases significant and apparently lasting budgetary savings were achieved; in others, greater public awareness of corruption issues seemed to be taking hold; nearly all implementing organizations seem to have gained valuable experience and stature through their participation in the PTF-supported projects; Citizens Charters and Integrity Pacts have been introduced and nurtured; and good relations were established with many governments by these civil society organizations without losing their independent voices. All these illustrations suggest that in a variety of ways PTF-supported activities will have a lasting impact.

18. **Value-Added**. It appears from my review that PTF's involvement certainly added value. While PTF policy and practice does not permit it to meet total project costs, it is apparent that without PTF many of these projects would not have gone forward at all, or would have been much delayed. PTF's ability to move quickly once satisfied with the

project design has been a fine and much appreciated attribute of its administration. Many projects were significantly improved as a result of PTF volunteer advisors providing expert advice during the design stage and in some cases during implementation as well. In many cases other sources of funding followed PTF's lead in supporting associated activities, thereby helping to expand the donor base for these civil society organizations. While each case and country is different, PTF itself is developing a valuable body of experience which serves the anti-corruption community well. And PTF is doing all this at a very low overhead cost – for example, 2004 administrative expenses (e.g. finance manager, auditors) were \$16,449 compared with total disbursements of \$219,781, only about 7.5 percent, an outstanding performance any organization would envy.

Recommendations

19. As is evident from the review above, I am much impressed by PTF's approach and effectiveness. My suggestions for possible adjustments are marginal compared to the entire PTF program. While I urge consideration of these suggestions by the PTF Board and leadership, they are not meant in any way to diminish the importance of PTF sticking to its basic approach.

- PTF's criteria for selection include that the project be innovative and serve as a model for others. These are difficult to meet, but in reviewing proposals PTF could help by ensuring that adequate attention, time and resources are built into the grant for associated follow-up activities, if they are an important part of the investment, and to independent evaluation as well, so that the benefits of the project are not lost. Without this, staff are pulled off to other projects, given the typical hand-to-mouth existence of most civil society ngos (e.g. Prague). Alternatively, PTF should be willing to give priority to making follow-up grants that ensure, where needed and appropriate, that there are follow-up actions;
- Similarly, when manuals are prepared based on extensive survey or other work, PTF should consider whether it would be useful to ensure preparation of an English translation as a guide to other groups outside the country of origin (e.g. Latvia);
- In early projects PTF provided considerable technical advice but may not have been as tough or demanding on project design and deliverables as it became later. In any case, it should continue to maintain high standards and insist on adequate design rigor before granting funds – including, wherever possible, the presence of monitorable measurable outputs (e.g. Latvia);
- PTF should always be certain funding for the entire project is available if PTF is supporting only a part of the project. Otherwise, PTF runs the risk that its grant will not be fully successful (e.g. Brazil TB);
- PTF should always insist on the implementing agency having received concurrence from the appropriate government agency(ies) before making a grant where the project's successful implementation depends on cooperation of such entities (e.g. Peru);

- PTF should consider expansion of its program, but always bearing in mind the need to maintain an adequate volunteer base; in this connection PTF might consider the desirability of hiring another part-time staffer to manage the larger workload;
- PTF should continue its admirable record of being to unbureaucratic and swift in responding to requests;
- PTF might put a bit more emphasis on getting the word out in proper channels about its existence, bearing in mind the need to not be overwhelmed with proposals.

Conclusion

20. PTF's track record is very impressive. The vast majority of its projects have been designed and implemented well and achieved valuable results; even those with design flaws have had positive benefits, and often the difficulties encountered have been caused by changes in government or other factors beyond the implementing agencies' control. Given the difficulties of working in this highly sensitive area, the PTF success rate is a great tribute to the many courageous people implementing these programs across the globe, and to the PTF leadership for its commitment, professionalism and good sense. There are, as noted above, lessons to be learned, but by and large this volunteer operation sets very high standards, and meets them.

Attachments

Annex 1: Terms of Reference

Annex 2: List of Projects Reviewed

Annex3: Project Completion Assessments V4 City Institutional Corruption Index (TIC))

Annex 4: Project Completion Assessment for Monitoring Government Issues to Address "State Capture" Issues (Delna)

January 2005

United Nations Development Program

Evaluation of Program Support to the Partnership for Transparency Fund

Terms of Reference

Introduction

1. The Partnership for Transparency Fund (PTF) is an international organization created in 2000 to support civil society involvement in anti-corruption and good governance activities in developing countries. The PTF makes small grants of US\$25,000 or less to civil society organizations (COs) involved in time-bound projects. Activities supported include civil society monitoring of public procurement, licensing, privatization and delivery of public services, media campaigns, participation in government anti-corruption programs, surveys and other activities designed to promote good governance and transparency.
2. The United Nations Development Program (UNDP) has been the principal funder of the PTF in its initial four years of operation. With funds provided by the Government of Germany (BMZ), the UNDP has provided \$322, 685 to the PTF from 2000 through 2004 to support 24 grants (Attachment 1).
3. As part of a broader effort to evaluate its effectiveness in support to anti-corruption activities, the UNDP is sponsoring an assessment of the PTF-supported program from 2000-2004.

Objectives

4. The basic objective of the evaluation is to assess the effectiveness, impact and value-added of the Partnership for Transparency program over the initial four years of its operation, and draw lessons of experience for enhancing its contribution. The review will examine in particular:

- **Effectiveness of the PTF**

5. One goal of the evaluation is to assess the usefulness of supporting a unique organization making micro-grants to COs in a bottom-up approach to good governance—stimulating demand for better quality services and transparency of the public service.

(a) Approach. The PTF is a demand-driven organization that responds to requests from COs for support. It is managed entirely by volunteers (apart from the finance manager), mostly retirees from international development institutions. Has this been a cost-effective way of supporting civil society engagement in anti-corruption activities? Should the PTF be more pro-active in seeking out opportunities as funding becomes more plentiful? Has the PTF applied its selection criteria appropriately?

(b) Methodology. The PTF evaluates project proposals according to a methodology spelled out in its operational manual (Attachment 2). It assesses both the capability of the requesting organization and the quality of the proposal. Projects must be time-bound with specific (and measurable) outcomes. Senior advisors review each proposal and often engage in extensive consultations and iterations with the requesting CO. Has the methodology been effective in developing good quality projects? Are there ways to enhance the efficiency and usefulness of the methodology? Has the work of the advisors in strengthening the proposals and their potential impact been particularly beneficial to the outcomes?

(c) Oversight. The PTF relies for oversight on two mechanisms: (i) regular reporting by the implementing agency on project progress and finance, including a final report and certified financial statements, and (ii) independent project completion reports (CPAs) by PTF advisors. It may also ask for the annual audit report of the beneficiary CO. There has been no field supervision. Has such oversight provided reasonable assurances on the use of funds and adequate due diligence by the PTF?

(d) Reporting. The PTF makes regular reports to its funders and the Board on the progress of the program and its potential impact. Has the UNDP found these reports to be helpful in monitoring the use of its funds?

- **Impact**

6. The second goal of the evaluation is to assess the impact and sustainability of the activities supported by the PTF:

(a) Impact. Twenty of the initial 24 projects have been completed. The evaluation will examine the results of the projects and assess the overall impact. In particular, it will summarize the results to the extent possible by their (i) financial impact (e.g., cost savings on procurement (Pakistan), budget savings from policy reform (Nicaragua), opportunity costs from better public service delivery (the Philippines)), (ii) institutional impact on the CO itself or public institutions, (iii) methodological impact on ways to fight corruption (e.g., manuals, monitoring mechanisms, survey approaches, civic engagement, etc) and (iv) public awareness impact.

(b) Sustainability. To the extent possible, the evaluation will assess whether the project made any lasting or durable impact on the fight against corruption and promotion of good governance.

(c) Value-added. The PTF approach through micro-grants may appear to be like gnats biting an elephant. Is there evidence that the impact extends beyond the individual project? Have the recipient institutions themselves been strengthened? Have they had any catalytic effect? Is this more than a piecemeal approach to fighting a complex issue?

Methodology

7. The evaluation will be carried out by Alexander Shakow, a former senior official of the World Bank, United States Agency for International Development and US Peace Corps. His CV is provided in Attachment 3.

8. The evaluation will be carried out in three phases.

9. In Phase 1, the consultant will carry out project completion assessments (CPAs) for two projects funded by the UNDP through the PTF:

- **Latvia—Monitoring of government activities addressing issues of political corruption**
- **Czech Republic—Measuring Government Transparency in Four Eastern European Capitals**

10. The CPA methodology is attached (Attachment 4).

11. In Phase 2, the consultant will review documentation of the 20 completed projects, including the quarterly reports, final reports, financial reports and CPAs for the twelve projects for which there have been independent evaluations.

12. In Phase 3, the consultant will review the results of an Email survey to be carried out by the PTF with the 23 beneficiary organizations to gauge the effectiveness and efficiency of the PTF support.

Output

13. The outputs of the evaluation will be (i) two project completion assessments and (ii) an Evaluation Report of no more than 15 pages that will (i) assess the effectiveness of the PTF, (ii) the impact of the projects it has supported, and (iii) draw lessons of experience and suggest improvements for the future.

Timing

14. The CPAs for Latvia and the Czech Republic will be carried out in late January 2005. The Phase 2 review will begin in January and be completed by mid-February 2005, as will the client survey (Phase 3). The draft Evaluation Report will be completed by end-February 2005 for submission to the UNDP and the PTF management. The final Report should be completed by mid-March 2005.

Cost

15. The consultant is making his time available as a volunteer. Travel and office expenses will be funded by the UNDP. The estimated cash cost is about \$1500-2000 (airfare to Riga and Prague is paid for by other work). After expenses, the funds originally budgeted for consultant services will be made available to the PTF for grantmaking.

Attachments (not attached)

Attachment 1—List of UNDP-funded grants

Attachment 2—PTF Project Assessment Methodology

Attachment 3—Mr. Shakow's CV

Attachment 4—Project Completion Assessment Methodology

<u>PTF Projects Included</u>	<u>in the</u>	<u>Evaluation Report 2000-2004</u>	<u>Annex 2</u>
Grantee	Date of Grant	Basic Purpose	Purpose Achieved?
UNOPS FUNDED			
Delna, Latvia	1.18.2001	Help Draft Anti-Corruption Legislation	Achieved
T. Brasil #1	3.22.2001	Prepare Website on Government Procurement System	Partially Achieved
T. India	4.03.2001	Prepare Diagnostic Reports on Delhi Govt Departments to Reduce Corruption	Achieved
CSD, Cambodia	4.30.2001	Develop and Promote Anti-Corruption Legislation	Partially Achieved
NEDIANS, Pakistan	6.28.2001	Develop and Implement Corruption-free Bidding System - Karachi Water Project	Achieved
T. Brasil #2	8.08.2001	Survey Anti-Corruption Approach San Paulo	Partially Achieved
Asocjacje, Poland	10.13.2001	Develop System to Track Government Subsidies	Achieved
Zorig Foundation, Mongolia	12.11.2001	Promote Media Campaign to Fight Corruption	Achieved
CLD, Ecuador	6.11.2002	Develop and Implement Guidelines for Communications Frequency Auction	Achieved
TI Indonesia	12.09.2002	Assist Election Comm (dropped); Increase Transparency in Govt Procurement	See 1 below
PWI, Philippines	5.22.2003	Monitor Bidding Arrangement in Local Governments	Partially Achieved
FACT, Nepal	7.28.2003	Develop Anti-Corruption Media Campaign	Achieved
ET, Nicaragua	7.26.2003	Promote Media Campaign to Support Anti-Double-Dipping Legislation	Achieved
RIRA, Tanzania	1.10.2004	Develop System to Track Local Government Health/Education Expenditures	Achieved
TI Czech Republic	3.02.2004	Anti-Corruption Baseline Survey	Partially Achieved
Other Sources			
Proetica, Peru	10.01.2003	Promote Government Fuel Procurement Through Bidding System	Partially Successful
G-Watch, Philippines	10.15.2003	Improve Delivery of Social Services	Achieved

1 - The original Indonesia project was dropped by the implementing agency and replaced with another which was not approved by PTF but was apparently quite successful.

Note: The Purpose Achieved column should be read in conjunction with the full report as these results are not easily subsumed in one or two words.

**PARTNERSHIP FOR TRANSPARENCY FUND
PROJECT COMPLETION ASSESSMENT**

**V4 City Institutional Corruption Index
Transparency International – Czech Republic (TIC)**

Prepared by Alexander Shakow, Independent Consultant
February 7, 2005

Background

1. This assessment was completed after reading all the background materials provided by PTF and following a three day visit to Prague from January 23-25, 2005. (This report should be read in connection with the Final Report submitted to PTF by TIC on September 30, 2004. It provides an excellent overview of the project, its accomplishments and the lessons learned by TIC.) My January visit was organized very well by Mr. Michal Sticka, Project Manager for this project, who went out of his way to be helpful in arranging for the contacts noted below and to facilitate an open exploration of the project experience and its impact.

2. During the visit I was pleased to discuss this project and the broader context of the anti-corruption efforts in the Czech Republic with the following individuals, to whom I am most grateful for their time and insights:

Ms. Adriana Krnacova, Executive Director, Transparency International Czech Republic
Mr. Michal Sticka, Project Manager, TIC
Mr. Martin Trnka, Chief Executive Director, City of Prague
Ms. Martina Deverova, Director, Legal and Law Department, City of Prague
Ms. Lenka Petrakova, Project Manager, Oziveni (Bohemian Greenways) (NGO)
Mr. Tomas Kramar, Project Manager, Oziveni (Bohemian Greenways) (NGO)
Mr. Ladislav Klika, Division Manager, GfK Prague (survey firm)
Mr. Tomas Sedlacek, Advisor to Dep. PM and Min. of Finance, Czech Republic
Mr. Radek Spicar, Deputy Vice Prime Minister for Economic Affairs, Czech Republic
Prof. Andreas Ortmann, Charles University Center for Economic Research
Mr. Stuart Summers, UK Embassy, Prague

Project Objectives and Design

3. TIC believed it very important to have a strong factual basis on which to build its case for stronger measures and institutions to combat corruption in the Czech Republic. While TIC finds the TI Corruption Perception Index (in which the Czech Republic falls about in the middle) very useful to raise public awareness about the existence of corrupt practices, they believe it is not adequate for developing effective action programs to provide

solutions to these problems. Thus, TIC proposed to PTF and other funders early in 2004 a project using an innovative methodology to survey the level of corruption in the official institutions of the Visegrad Region's four capital cities – Bratislava, Budapest, Prague and Warsaw. (The original idea for a comparison of this kind started in a V4 Roundtable in 2003; TI/Hungary volunteered to set it up, but as little was happening after many months, TIC essentially took it over.) The project required the development and application of two survey instruments – an “objective” review of the existence of anti-corruption laws, procedures and policies in these cities (based on interviews with two senior city officials in each city), and the “subjective” assessment of how these anti-corruption tools were being used (as reflected in the views of about 100 interviewees from selected knowledgeable groups in each city – i.e., city assembly members, journalists, ngo representatives and “active citizens”- businessmen and city officials). These two interrelated surveys were intended to provide an initial basis for assessing the “corruption propensity” of each city, comparing results between them, and using the findings to raise public awareness of the corruption problem.

4. The total cost of the project was about \$59,000, of which PTF provided \$13,846 or about 23 percent. The PTF grant was approved on March 2, 2004. Other funders were the UK Embassy in Prague (about \$14,000) and the Soros Foundation's Open Society Institute (about \$27,000). While the PTF portion was administered without any issues, the UK Embassy was less happy about the administrative details as their larger amount of assistance (about GBP22,000) was provided in three segments and they were not always kept informed prior to some new expenditures being made – though in the end, for example, they were happy that their funding had permitted TIC attendance at an OECD Symposium. (Note that the UK Embassy thinks very highly of TIC and its effectiveness and has every intention of continuing to support its activities.)

Implementation Experience

5. The entire project was carried out under considerable time pressure, as the original goal was to present the complete findings at the “Corruption-free Town Hall in the Visegrad Region” Roundtable in Warsaw on May 14, 2004. The setting of anti-corruption standards in five areas (public procurement, internal audit and control mechanisms, codes of ethics, conflict of interest, and access to information), the selection of the survey firm through competitive bids (GfK), the development of the index methodology, the collection of data, the completion of the collection and calculation of the index, and the presentation of the data were all completed to meet this schedule – with one notable exception. The data for Bratislava had to be redone as its accuracy was deemed poor by TI/Slovakia (there was no additional cost to TIC, as the problem was with the Bratislava branch of the survey firm, and not with TIC), and this delayed the full survey presentation until June 30, 2004.

6. The survey results showed that Budapest had by far the strongest set of anti-corruption tools in place, while Warsaw, Prague and Bratislava lagged far behind. In terms of perceptions as to how well these anti-corruption tools are used, Budapest again led the four cities, while Prague was at the bottom of the list, although the four cities are bunched

rather closely together in this “subjective” survey. The survey itself was carried out very professionally and produced a massive array of useful data which was analyzed by GfK and by TIC and made available in attractive printed documents in various accessible formats. TIC monitored implementation on a weekly basis during the survey period, ensuring that the activities were carried out according to plan.

Assessment

7. Technical Aspects. The survey gets generally high marks from the people with whom I met, although TIC and other knowledgeable people did identify some weaknesses, both in design and implementation. For example, having only 100 respondents in each city on the subjective questionnaire was less than ideal; 250-300 or more would have been preferable – though the mix within the 100 is quite good. The limits here were set by cost and time constraints. There was also concern from the Prague city officials I spoke with that a number of the questions did not reflect the complex reality of their situation, leading to answers that inadvertently harmed Prague’s standing. (While the Mayor’s Chief of Staff thought there were enough such questions to change the overall results, this is not the view of other observers; moreover, it is probable that with further explanations he would have been somewhat more satisfied, at least about the methodology used.) According to the Project Director, the survey methodology was also the subject of a comprehensive discussion at the Warsaw Roundtable and so other useful suggestions were received at that time (including, for example, the pros and cons of coming up with a single unified measure rather than two). When a second such survey is undertaken – and the plan is to do so in the next year or so – TIC (and presumably GfK-Prague, with whose work they are very happy) will seek to enlarge the sample and draw other useful methodological lessons from this first survey. Overall, Professor Ortmann, who provided methodological advice early in the project’s conceptualization but was not involved in the development of the survey itself, believes that the study design, structure and results are “remarkably good” and wrote positively about the survey in *The Prague Post* when it was released.

8. Project Benefits. Based on my review of project documentation and conversations with the people listed in paragraph 2 above, the project yielded many important benefits, both for the knowledge base about corruption in these four cities and for the stature of TIC itself.

- a) The data base is the only one of its kind and provides TIC and others important, reliable and actionable information on the state of corruption in these four cities. TIC will be able to use it to shape its future work, and it will provide useful baseline data for the planned subsequent survey.
- b) The survey results, which required the cooperation of the four city governments to be collected, have gained the attention of governments – at least in Prague. While not happy with the conclusions, the Mayor’s Chief of Staff is trying to benefit from the data. For example, he invited his Budapest counterpart to Prague to explain how his city more successfully approached the corruption problem. Moreover, TIC will provide anti-corruption training

for the Prague City officials in March/April 2005. The Mayor's Office would welcome another survey and "always appreciates cooperating with TIC", although at the moment some politicians are a bit unhappy with TIC as they had no advance warning of the results.

- c) The results provide strong evidence of the need to improve the Prague government's performance, and the NGO staff (at Oziveni) I spoke with said they had frequently used the survey results to lobby hard for strengthened independent external audit procedures, a code of conduct, and other measures.
- d) A number of university students in Prague are using the survey data in their dissertations on governance issues.
- e) There were about 60 "hits" for the June 30, 2004 press release about the survey results, and the Project Director appeared on a popular morning TV show, thereby reaching a large audience.
- f) The Warsaw Roundtable (which was not financed by PTF but was valuable to the project in a number of ways) has spawned increased cooperation among NGOs throughout the Visegrad Region on anti-corruption work.
- g) In addition to the Warsaw Roundtable in May, the Survey was presented to an international audience at an OECD symposium on September 9-10, 2004, thereby increasing understanding of the region's situation, promoting the survey methodology and enhancing TIC's reputation abroad. (PTF's role as a funder was given recognition in the TIC presentation.)
- h) The survey and the professional way it was designed and implemented has added to the already good reputation TIC has in most quarters in the Czech Republic; and
- i) PTF's role was important to the project being carried out, especially as its grant provided the essential last piece of required funding. The PTF decision was reached quickly and without bureaucratic bother, thereby permitting the project to proceed on schedule. Had PTF funding not come though, the Survey would probably have gone ahead but with a much reduced scope and value.

9. Project Weaknesses. In addition to the various suggestions noted above on the methodology, none of which in my judgment significantly reduces the value of the survey in this first, path-breaking version, there is one area in the design and implementation worth further attention by PTF and TIC - the issue of follow-up to the survey itself and its sustainability. It is not apparent that in the TIC design, or in any exchanges with the several project funders, that much attention was paid to ensuring that the Survey results were well-utilized and a full program of post-Survey actions was planned and funded. In fact, as noted above, the results are being used in a number of useful and important ways by various actors, which is commendable, but these individual steps do not represent a strong and coherent program of follow-up actions and so the Survey sits on a shelf more than is desirable. There was no money built into the basic project for follow-up – although the UK Embassy did provide related funding (without it being planned) that was used to send TIC representatives to the OECD Symposium. I did not have the opportunity to speak to representatives of the TI chapters in the other three cities, but the Czech Project Manager was not aware of any special follow-up in those locations either,

and it was clear that TIC was in the lead on this project. Thus, it is likely that the impact of the project in the other cities was weak, although I cannot confirm that from my other informants.

10. A related aspect is a characteristic of most NGOs that are operating on a hand-to-mouth basis – staff are overworked, and while the Project Manager in this case would have liked to focus more on follow-up, his time was immediately swallowed up by having to manage several other projects and to raise money for them, and so he simply did not have time to do what was needed – and what he would have liked to have done. This reinforces the importance of PTF, in the original project agreement, programming time and resources for follow-up if this is an important feature of the investment, as it should have been in this case.

11. Overall Impressions. TIC is very influential and well-regarded in the Czech Republic – its officials appear on TV frequently, its Director was the cover story on the most recent (Jan. 24, 2005) issue of Tyden, the Czech Time Magazine, and there are many other examples of the wide respect TIC engenders. The quality and competence of the leadership and staff, in my opinion, are very high, and they are open, good-humored, self-critical and eager to learn from experience. The Survey Project seems to have clearly further strengthened that image, despite any technical criticisms that may exist and which should be corrected the next time the Survey is done. TIC is likely to continue to receive support in small amounts from a variety of sources, but in this field such contributions – used in combination with others – goes a long way. Domestic contributions from private sources are still hard to find – although the TIC office rent is now heavily subsidized by its landlord – and so reliance on the Soros Foundation and its various subsidiaries, OECD governments, and small foundations will continue to be crucial in promoting TIC's important work. By itself, of course, the Survey cannot be expected to reduce the level of corruption in these four cities – and anecdotal evidence provides conflicting judgments as to whether the level of corruption in the Czech Republic is up or down in recent years. Only effective follow up by all interested groups and officials, using the survey data to bolster arguments for change and to shame poor performers into improvements, will produce lasting results. In my judgment, however, this nearly \$14,000 from PTF was money well spent, and it will have a lasting benefit over a long period of time.

PARTNERSHIP FOR TRANSPARENCY FUND Annex 4
PROJECT COMPLETION ASSESSMENT

Monitoring Government Initiatives to Address “State Capture” Issues
Transparency International – Latvia (DELNA)

Prepared by Alexander Shakow, Independent Consultant
 February 12, 2005

Background

1. This assessment was completed after reading all the background materials provided by PTF and following a visit to Riga from January 25-28, 2005. (This report should be read with the Final Report submitted to PTF by Delna on June 16, 2003. It provides an excellent overview of the project, its accomplishments and the lessons learned by Delna.) My January visit was organized very well by former Delna Chairman Inese Voika, to whom I am especially grateful as she made all the arrangements by email and phone from Cambridge, Massachusetts where she is currently a Fulbright scholar. Delna’s current Chairman Roberts Putnis and Project Director Daiga Rutka provided much appreciated warm hospitality and valuable assistance while I was in Riga.

2. During my visit I was pleased to discuss the original project – which dates back to 2001 – and the broader context of Delna’s subsequent anti-corruption efforts in Latvia (based in part on the experience and reputation gained during this project) with the following individuals. I much appreciate their willingness to share their time and insights with me.

Ms. Inese Voika, former Project Director and Delna Chairman (by phone before the visit)

Mr. Roberts Putnis, Chairman, Delna

Ms. Daiga Rutka, Project Director, Delna

Mr. Peteris Timofejevs, Delna researcher (leading current Delna campaign finance monitoring study)

Dr. Valts Kalnins, Researcher, Providus Centre for Public Policy (short term expert on PTF-funded project and a current Delna Board member)

Ms. Vita Terauda, Director, Providus Centre for Public Policy, former head of Soros Foundation, Latvia

Prof. Rasma Karklins, Dept. of Political Science, University of Illinois at Chicago (expert on region and corruption issues, currently doing research in Latvia)

Ms. Diana Kurpniece, Head of Public Relations and International Cooperation Bureau, Corruption Prevention and Combating Bureau (KNAB), former Director of Delna

Mr. Pauls Raudseps, Editorial Page Editor, Daily Diena (a founder of TI-Latvia)

Mr. John Ginkel, Second Secretary, US Embassy, Riga

Ms. Linda Austere, former Delna staff member who evaluated PTF-supported project

Mr. Lars Jeurling, retired World Bank staff, formerly WB country representative in Riga (by phone)

Project Objectives and Design

3. This grant for \$11,835 was approved in January, 2001, which makes it one of PTF's earliest projects. Its purpose was to permit Delna to participate in three working groups set up by the Latvian Government to prepare legislation on political party finance, a new corruption law on public officials' conflict of interest and a proposed new anti-corruption bureau to investigate corrupt officials. The Delna objective was both to monitor the legislative process and to have an impact on the shape of this legislation. The main goal was to create a basis and a structure for closer cooperation and dialogue between the government and civil society. About half the funding was spent on expert services and the other half on support services, communications and distribution of reports.

Assessment

4. Project Benefits. Based on my review of project documentation and conversations with the people listed in paragraph 2 above, I conclude that the project yielded many important benefits, both for the anti-corruption legislation itself and for the enhancement of Delna's skills, experience and standing in Latvia. As so much time has passed since the project's completion, my assessment is focused less on the details of its implementation in 2002 and more on what the passage of time since then permits us to say about the value and positive impact achieved from this small expenditure of PTF monies. (It should be noted that as set out in the project proposal, Delna participated as planned in the workshops, produced a full report in Latvian, as well as shorter pieces on particular aspects of the working group deliberations, and also initiated a number of public discussions of the workshop results. There was, however, no complete report or manual produced in English for wider distribution through the TI network as both funds and time were limited.)

- a) Impact on Delna. This was the first opportunity for Delna – or in fact any civil society representative - to participate in an organized fashion with the executive branch of government in preparing legislation for submission to Parliament. Delna and other informed observers agree that this was the real beginning of an important movement, for it legitimized the involvement of NGOs in this legislative process. Delna gained valuable experience and knowledge about the workings of government, established a record of responsible participation with colleagues from inside and outside government, demonstrated its expertise and capacity to contribute substantively to the evolving debate, and built up important contacts both within and outside government, including with international organizations such as the World Bank and with EU embassy representatives.
- b) Impact on the anti-corruption legislation. Delna's active participation in the drafting of the proposed legislation was important to the outcome in several

significant ways. Thus, for example, a Delna initiative resulted in the concepts of corruption and conflict of interest being separated and the latter becoming the focal point of the new law. Delna had a major role in shaping the new anti-corruption bureau – now called the KNAB. Delna also had an instrumental role in the amendments made to the political party finance law – a subject very much on Delna’s continuing agenda. The legislation was considered very important by the Europeans as Latvia prepared itself for EU membership.

- c) PTF role. i) PTF’s overall goal is to permit the independent ngo voice to be heard in important fora. In this case, had it not been for PTF, Delna would not have been able to participate in this process, and in the judgment of knowledgeable observers the benefits noted above would have been missed and the legislation itself might have gone nowhere. ii) On another point, the then-project director, looking back on the grant process, thought that PTF was perhaps “too easy”, not demanding enough of Delna in terms of specific requirements and structure before providing the grant. (In more recent grants PTF leaders have become quite demanding, but as noted this was one of the first activities supported by the Fund.) iii) For many years the major source of funding for civil society activities in Latvia and elsewhere in the region has been George Soros, through one channel or another. He has left a very important legacy, but it is a matter of some concern to NGOs in this area that they not become too dependent on just one source. While Delna has not been overly dependent on Soros funding, this small grant from PTF helps in a small way to diversify its funding.

5. Project Weaknesses. a) The most significant weakness, as far as Delna’s then-project director is concerned, was Delna’s inability to influence most of the Parliamentary decisions. While Delna was actively engaged in the executive’s drafting, once the texts reached the Parliament there was no role for Delna or other representatives of civil society, except on the party finance law on which Delna was consulted on a regular basis. Parliament moved very quickly and made changes in the legislation, usually without reference to the debates that had occurred in the working groups. (As noted below, this situation is now much improved.) b) In addition, the project director regrets that by joining the working group structure Delna gave up the opportunity to criticize the draft resolutions in public as much as they would have wished, thereby to some extent losing their public voice. With more experience they know how to do both now. c) Of highest priority is ensuring more effective implementation of existing laws. Nevertheless, this project’s focus on improving the legislative base was an appropriate one at the time, and certainly since the new laws were put in place Delna has been very active in monitoring their implementation. d) As noted in paragraph 4 above, Delna had neither the time nor the resources to prepare a manual in English based on their workshop participation, as had been proposed in the project design. The then-project director now suggests this aspect of PTF grants deserves another review, as the benefits of such experience to others elsewhere in the world could be significant, but as the translation cost is usually a

significant share of the rather small grant it tends to be deleted or short-changed in actual budget proposals.

6. Subsequent Developments. As this project was completed three years ago, it is possible to see how Delna has developed since that time.

- a) Through this project, Delna gained valuable experience in how to influence legislation, and since 2002 Parliament itself has become much more open to relying on outside expertise. It is now common for Delna and other NGO experts (particularly those of Providus, the more policy oriented anti-corruption NGO with which Delna works closely) to be relied upon by Parliamentary committees for advice as they discuss and prepare legislation. This has been reflected in conflict of interest and other anti-corruption legislation considered more recently. There has also been a general improvement in Latvia's legal structure in the last five years. But while there has been progress, the key need remains improved implementation.
- b) The creation of the anti-corruption bureau (KNAB) has been a major development and very helpful to the anti-corruption fight. While KNAB is criticized by some in the anti-corruption community (including by Delna) for concentrating too much on "small fish" (Latvia's Chief Prosecutor is, however, now investigating four "big fish" who are deeply involved in the political arena as well as in finance), KNAB has in fact prosecuted a number of senior government officials, including a minister, prosecutors, tax collectors, and Armed Forces officers. Its criminal case load is growing. KNAB wins about 50 percent of the cases it brings, and it has specialists in certain areas – such as conflict of interest – far in excess of what any NGO can offer. Delna works closely with KNAB.
- c) Delna is considered very effective in raising public awareness, and it is viewed as credible, constructive and engaged. In a recent independent survey, Delna emerged as the most well-known NGO in Latvia and is widely seen as playing a very effective "watchdog" role. In Latvia there is reportedly a high level of collusion between finance and politics – reflected, for example, in the cost of political campaigns where per capita costs exceed those elsewhere in Europe. Delna has not been afraid to take on high-profile targets. For example, last year Delna led a public effort to have the President's nominee to be Latvia's first European Commissioner withdrawn because she had been Chairman of a political party found to be in serious violation of the new, stricter campaign finance law (which Delna had championed). In what was viewed as a "shock to the system", the campaign succeeded, and the nominee had to be replaced. Delna's Chairmen have made regular appearances on Riga TV and radio and in the independent daily *Diena*. Partially as a result of this high-profile activity, Delna has been subject to increasing numbers of attacks from some leading political figures and from unsympathetic media. Public attacks against Soros and other externally supported organizations are not new, but this past

year has apparently been particularly rough on this NGO community. One result has been more overt foreign embassy (especially US) support for NGO efforts to promote openness and transparency – expressed privately to the government and to some extent in public as well. Delna’s leadership has made clear it does not intend to shy away from controversy, and despite the criticism and its more controversial image, the government does seem to still be reaching out to Delna and other NGOs.

- d) Delna’s three year strategy is very broad ranging, with its highest priority on addressing political corruption.. Its ability to cover the wide area lies in its ability to find the resources and people needed. Foreign support has been very valuable, and continues to be so, but Delna is also concerned that now, following EU accession, the pressure to respond to EU requirements is no longer a lever for results with Latvian politicians and the government. (For example, many EU countries have poor records on anti-corruption issues – so it is hard to argue that Latvia should be tougher on corruption than, say Italy.) But as a further example of the respect Delna has developed, the US Embassy recently initiated a request to Delna that it lead a \$25,000 joint project on the judiciary with Lewis and Clark University in Oregon, USA. Growing out of its extensive work on party finances, one area of Delna current interest is the monitoring, in the March 2005 municipal elections, how incumbents use the advantages they have as officeholders to either attract positive publicity for themselves or generate negative publicity for their opponents. The goal is to establish the facts which can then serve as a basis for programmatic action and public naming and shaming. The field work is being done by volunteers. This work parallels monitoring underway by Providus of non-official expenditures in these same elections.

7. Overall Impressions. Delna is an effective and influential organization, well-regarded by its partners, both domestic and foreign, and seemingly respected by government and by its critics as well. It is prepared to take on tough issues, and to make its views known. It has learned how to be effective in influencing the executive and legislative parts of the government, and is dedicated to following up with practical surveys and studies to help improve implementation. Of course, not all of these developments can be attributed to the small project PTF funded four years ago, but it is fair to look back at that activity and see the benefits that accrued to Delna and others: they influenced important legislation, and have helped to ensure it is implemented; they have learned how to work together with both the executive and the parliament in a constructive and effective fashion; they have strengthened their ability to reach the public with their views on important topics; and they have built their own staff capacity to carry out important tasks – including monitoring of performance under the new laws - under very difficult financial and physical constraints. In my judgment, the \$11, 835 was a very good investment. For the future, PTF should review how it provides in its grant budget for the preparation of materials in English that would permit wider utilization of the experience in such projects.