

ANNUAL REPORT

Citizen Engagement for a Transparent Reconstruction Activity Cooperative Agreement N° 72052718CA00005

October 1, 2018 – September 30, 2019

1. Overview

On April 30, 2018, the United States Agency for International Development - USAID and Transparencia signed the Cooperative Agreement No. 72052718CA00005, to implement the "Citizen Engagement for a Transparent Reconstruction Activity" project. Transparencia signed this agreement on behalf of the Integrity Observatory¹. With this project, the Integrity Observatory is promoting citizen oversight of the reconstruction process. This agreement was modified with a new document signed on March 12, 2019, which added tasks, commitments and resources to the initially approved project. Thus, the project activities, aimed at promoting citizen participation, were complemented by joint actions with two public entities (the Secretary of Public Integrity and the State Contracting Supervisory Agency). These activities searched a quick implementation of activities included in the current National Integrity and Anti-Corruption Plan: the design and implementation of a system of complaints of corruption, and the design of a risk management strategy in public procurement processes. Additionally, the project promised to design communication materials for the dissemination of the products of both activities. This report describes the activities implemented in the second year of the project, including the latter that were added, considering the period from October 1, 2018 to September 30, 2019.

The entire period of project execution has been marked by political instability in the country. Tensions between the government and a Congress dominated by the opposition began after 2016 elections. During these years it was not possible to establish stable forms of dialogue and cooperation between the two institutions. On the contrary, conflicts were constant, and their results included the vote of no confidence to a cabinet of Ministers, the permanent harassment of ministers and other members of the government, the resignation of President Pedro Pablo Kuczynski and his succession by Vice President Martín Vizcarra, several "matters of confidence" raised by the government, and a referendum in which President Vizcarra's proposals gained high popular support. The outcome of this constant confrontation occurred on September 30, 2019, with the dissolution of Congress after it rejected a "matter of confidence" for the second time. The government has called for parliamentary elections for January 2020.

The reconstruction process was not an external issue to the aforementioned tensions. The slowness of the process was an argument constantly used by the opposition to criticize the government, although the financial resources transferred to the executing units were gradually increasing since the second half of 2018. Between mid-2017 and

¹ The Integrity Observatory was launched in May 2017 and is integrated by Transparencia, Proética, the University of Pacific, the Pontifical Catholic University of Peru, and the Antonio Ruiz de Montoya University. This initiative aims to promote, monitor and contribute to the institutionalization of policies and measures of integrity and transparency, and the fight against corruption in Peru.

September 2019, the government had transferred 11,407 million soles (43% of the total cost of reconstruction). Also, with the intention of accelerating the execution of infrastructure work, the government changed, in March 2019, the Authority's Executive Director to appoint Nelson Chui, former Lima Provincias' regional governor. Chui assumed the position and deployed a strategy of transferring responsibilities and resources for the execution of work towards subnational governments. According to a budget execution report, prepared by the *Grupo Propuesta Ciudadana*, this change had positive results in the Municipalities in charge of reconstruction works, but not the case of regional governments. Recently, on October 30, the government replaced Mr. Chui and appointed Ms Amalia Moreno his successor. The intention remains the same: achieving greater effectiveness in the execution of reconstruction work. Ms. Moreno is the fourth director of the Authority for Reconstruction with Changes since 2017.

In this context, the project achieved important results in the convocation, organization and deployment of groups of citizens that are part of the oversight committees in six regions affected by the *Niño Costero*. During 2019, the incorporation of special operations of citizen oversight to schools and health establishments was important. The results are described in this document. In this process, agreements or forms of collaboration with public entities of national level were achieved (Authority for Reconstruction with Changes, Office of the Comptroller General of the Republic, Secretariat of Public Integrity, OSCE, and programs responsible for the reconstruction of infrastructure in the Ministries of Education and Health), and with some civil society institutions (*Propuesta Ciudadana*, GirlGov). At the regional level, the project promoted the design of integrity systems for reconstruction public work in Tumbes and Piura. The proposals were presented to the respective regional governments; the first accepted the proposal, which is in the process of approval.

2. Project description

Purpose

Promoting an effective and transparent reconstruction process of the regions affected by the Coastal Niño phenomena.

Goals

1. Improving civil society's capacity to oversee and propose improvements to the Government of Peru reconstruction process.
2. Maintaining steady citizen engagement with the reconstruction process through accessible and effective information mechanisms developed by the Observatory and the ARC.

Intermediate results

1. Effective civil society oversight of reconstruction.
2. Increased public awareness of the reconstruction progress.

3. Program progress

Overall progress

Program execution for the present period has been carried out accordingly to the Annual Work Plan approved by USAID, as it has been informed in Quarterly Reports previously submitted. Further detail per intermediate result can be found in section 5 - Summary of Activities.

Monitoring and Evaluation

It is crucial to consider the Project's theory of change: ***"If civil society strengthens its capacities to performs effective oversight of the reconstruction process, private and public stakeholders are accountable for their responsibilities in this process and public awareness of the reconstruction progress is increased, then the reconstruction process can be more effective, transparent and bring resilience to the communities affected by the Coastal Niño phenomena"***, in order to evaluate the project results and impact.

Intermediate Results	Indicators
1. Effective civil society oversight of reconstruction	1.1. Number of oversight committees that have received training, support and technical assistance when required. 1.2. Percent of total value of public procurements overseen by the citizen oversight committees without observations of risks. 1.3. Percent of total of public works overseen by citizen oversight committees that had corrective action taken based on their inputs and recommendations.
2. Increased public awareness of the reconstruction progress	2.1. Number of participants in national and regional activities on reconstruction topics. 2.2. Number of dialogue spaces to discuss reconstruction process - related topics with participation of: (i) government entities, (ii) private sector (contractors), and (iii) civil society organizations, 2.3. Number of alliances with main reconstruction process stakeholders. 2.4. Number of agreements, previously adopted in dialogue spaces, implemented with: (i) government entities, (ii) private sector (contractors), and (iii) civil society organizations 2.5. Number of communicative pieces disseminated, according to type of media. 2.6. Percent of citizens satisfied with the information on reconstruction process provided by authorities at national or regional levels.
4. Gender mainstreaming indicators	3.1. Quality of women participation in civil society forums 3.2. Number of gender approach – based policies or measures related to the reconstruction process adopted by local, regional and national authorities.

Measurement of indicators

Purpose. Indicator 0: Number of government decisions at the regional or national level which escalate recommendations made by citizen oversight or agreements adopted in dialogue spaces.

Project baseline was 0, and during year 2018 our target was met with 1 as result. For year two, we can include the following decisions made that the project had influenced in:

1. The implementation of regional offices for the ARCC with teams that now provide key technical information. The need to decentralize the technical capacity of the ARCC is an issue that the project team has been emphasizing in meetings held with the ARCC team.
2. The redesign of the ARCC web page, which now provides information in a friendlier interphase.
3. The implementation of a full platform to provide information on schools under reconstruction as part of the PIRCC execution, which was implemented by the National Program for Infrastructure on Education - PRONIED.
4. The public compromise of employing more women in public infrastructure public work in the province of Morropon, made by its Provincial Mayor in a meeting with the project team, USAID staff, and then in a training with regional councilmen and oversight committee members. The decision was adopted after project team presented the Mayor his previous experience in the district of La Matanza as a good practice that was being told through all the project's regions.
5. The decision of implementing municipal oversight committees for all public work under execution in the Provincial Municipality of Morropon, replicating the model observed in the Project.
6. The adoption of an Integrity System addressed to prevent corruption in the reconstruction public work execution, by the Tumbes Regional Government.

In order to evaluate targets and achievements, please see in Annex 1 the project Monitoring, Evaluation and Learning Plan.

Detailed report per indicator

Intermediate result 1. Effective civil society oversight of reconstruction

Indicator 1.1: Number of oversight committees that have received training, support and technical assistance when required.

Until September 2018, the project had successfully facilitated 75 oversight committees, and provided USG funded training to 238 citizens. The results for 2019 are: **26 more committees, making a total of 101 oversight committees.** New committees are located in the regions of Piura, Lambayeque and Áncash, distributed as follows:

Region	Province	Districts
Piura (21)	Huancabamba (9)	Lalaquiz Lalaquiz, Centro Poblado San Juan de los Guayaquiles San Miguel de El Faique San Miguel de El Faique, Centro Poblado El Higuierón San Miguel de El Faique, Centro Poblado Chamelico San Miguel de El Faique, Centro Poblado Pizarrume

	Morropón (10) Piura (2)	San Miguel de El Faique, Centro Poblado Lúcumo Huasimal San Miguel de El Faique, Centro Poblado La Capilla San Miguel de El Faique, Centro Poblado Ñangay Chulucanas I (Colegio de Ingenieros) Chulucanas II (Chulucanas da la Mano) Chulucanas, Centro Poblado Villa Batanes Chulucanas, Centro Poblado La Encantada Chulucanas, Centro Poblado Villa Paccha Chulucanas, Centro Poblado Villa San Pedro Chulucanas, Centro Poblado Villa Talandracas Chulucanas, Centro Poblado Sausal y anexos Chulucanas, Centro Poblado San Juan Bigote Chulucanas, Centro Poblado Nueva Esperanza La Unión Cura Mori
Lambayeque (3)	Lambayeque (2) Ferreñafe (1)	Mórrope Jayanca Incahuasi
Áncash (2)	Aija (1) Carhuaz (1)	Aija Carhuaz
Total	+26 (2019) 75 (2017-2018) 101	Oversight committees that received training, support and technical assistance during 2019

Activities on reconstruction topics in all project regions add up to 1,437 participants (717 women and 720 men). Such number includes informative activities that are open to the public and also activities that are exclusively for the oversight committee members. As per USG training, which was exclusively received by all committees the result for 2019 is a total of 852 citizens trained, 53% of which are women.

Indicator 1.2: Percent of total value of public procurements overseen by the citizen oversight committees without observations of risks.

Description	Value
48 Public work projects under observation during 2019	S/. 44,036,243.76
47 Public schools observed in Operation 1	S/. 9,644,834.00

72 Health facilities observed in Operation 2	S/. 381,764,000.00
145 Public schools observed in Operation 3	S/. 224,366,335.00
Total: 312 Projects, total value under observation	S/. 659,811,412.76

Public work under observation includes 312 projects. First line item refers to public work under observation, which implies all forms collected during 2019 that are **not** part of the special operations performed on health and education facilities. Operations are included in separate line items in order to appreciate the magnitude that oversight committee deployment can reach under such work methodology.

For the first line item, nine projects reported irregularities that are not necessarily corruption related, and 42 projects did as well as part of special operations, which means 16% of total projects reported risks and **83.6 % were reported risk free**.

During the current reporting period, the ARCC transferred S/ 3,139'727,196 in order to provide financing for 2916 interventions in the six regions where the project locates its intervention. All 312 projects under observation constitute 11% of total projects financed during the period, and 21% of total budget transferred during the current reporting period.

Detail for projects, executor units and values that reported risk is in the table below:

N°	Project	Executor unit	Region, province, district	Value in PEN
1	Servicio de conservación para la recuperación y / o reposición de la infraestructura vial Huarmey - Aija	MTC	Ancash, Aija, Aija	S/. 22,592,593.87
2	Colegio N°86681 Yungay - Shupluy - Tamba	PRONIED / MINEDU	Ancash, Yungay, Shupluy	S/. 1,687,500.00
3	Canal denayo en el sector de Carachaca	MINAGRI	Ancash, Ocros, Cajamarquilla	S/. 41,318
4	Renovación de carreteras de acceso en el camino vecinal Chamelico - Pizarrume - Lucumo Huasimal	Mun. Distrital San Miguel del Faique	Piura, Huancabamba, San Miguel de El Faique	S/. 4,889,535.15
5	Mejoramiento del servicio de transitabilidad vehicular y peatonal de la localidad de Tunal	Mun. Distrital Lalaquiz	Piura, Huancabamba, Lalaquiz	S/. 11,802,422.36

6	Rehabilitación de vías vecinales cambio Puente A 14 Incas	Mun. Provincial del Santa	Ancash, Santa, Chimbote	S/. 1,787,782.22
7	Rehabilitación del sistema de saneamiento básico de la localidad de Huayllán	Mun. Distrital Huayllán	Ancash, Pomabamba, Huayllan	S/. 99,350.37
8	Mejoramiento del servicio de agua en el sistema de riego de la microcuenca San Lorenzo	MINAGRI	Piura, Huancabamba, Lalaquiz	S/. 7,585,943.72
9	Mejoramiento del camino vecinal desde el cruce San Juan Guayaquiles - Guayaquil	Mun. Distrital Lalaquiz	Piura, Huancabamba, Lalaquiz	S/. 1,869,328.97
10	Obras y módulos educativos con demoras y falta de acceso a la información que reportaron alta insatisfacción	PRONIED	All 6 regions	S/. 61,983,151.00
	Total value with risk report			S/. 62,024,469.00

In value, risk reported is even lower, as 9.4%. That would leave us with **over 90% of observed value without risks** reported.

Indicator 1.3: Percent of total of public works overseen by citizen oversight committees that had corrective action taken based on their inputs and recommendations.

266 public work out of the total under oversight have had corrective actions taken, based on inputs and recommendations that are directly or indirectly attributable to the project advocacy. Such number adds up to **85.5% of total public work under oversight** and includes corrective actions taken by PRONIED in order to ensure proper implementation of educational modules in public school facilities, PRONIS, in order to accelerate the execution of public work in health infrastructure, and two projects that registered corrective actions taken in the region of Piura, after addressing letters to the CGR and ARC office.

Intermediate result 2. Increased public awareness of the reconstruction progress

Indicator 2.1: Number of participants in national and regional activities on reconstruction topics.

All activities in reconstruction topics for the current year add up to 1437 participants. Participation has been gender-balanced, as it can be seen in the table below:

Total participants	Women	Men
1,437	720	717
100%	50.1%	49.9%

Indicator 2.2: Number of dialogue spaces with participation of government entities, private sector and civil society organizations in order to discuss reconstruction process-related topics.

Sub indicator	Description of result	Total
Government entities	Partnerships with the General Comptroller's Office (CGR), the Authority for the Reconstruction with Changes (ARC), the Organization for the Supervision of State Contracting (OSCE) and the Secretariat for Public Integrity (SIP).	4
	The project dialogue space has also incorporated Ministerial Programs in charge of infrastructure development in the Health and Educational sector (PRONIS and PRONIED) in order to discuss and share information on the development of operations and elaboration of reports.	2
	Regional and municipal governments, such as the Tumbes Regional Government and the Provincial Municipality of Morropon have taken active part in project initiatives during the year in order to strengthen anti-corruption and citizen participation mechanisms when executing public work.	2
Private sector	Actions with this sector are yet to be developed. During this period, the project team has advanced with initial contacts with representatives of the private sector. On the one hand, the citizen oversight proposal was presented to the director of the Private Anti-Corruption Council. On the other, representatives of business organizations participated in activities in which the identification of risks in public procurement processes was discussed, as well as the measures to mitigate them. At the end of the period, Antonio Ruiz de Montoya University has defined a strategy for working with the private sector that will be developed during 2020.	0
Civil society organizations	To the 5 Impulse Committees consolidated during year 1 in Piura, Lambayeque, Tumbes, Áncash (Huaraz and Chimbote), and La Libertad, strategic alliances with Propuesta Ciudadana and the citizen collective Chulucanas da la Mano in Morropon have allowed broadening and enriching the project perspectives during the year.	3
Total		10

Indicator 2.3: Number of alliances with main reconstruction process stakeholders.

During the year, the Integrity Observatory has reached written agreements with four main reconstruction process stakeholders, as explained below:

- Agreement with the **Comptroller General of the Republic**, to define forms of collaboration between the strategies of citizen participation promoted by both entities. This framework has served to establish coordination channels with the Subdirector for Citizen Participation and the regional offices of this entity.
- Agreement with the **Supervisory Agency of the State Contracting**, to collaborate with the development of capacities of the citizen observers and to channel the observations on contracting processes formulated by the citizen oversight committees. This agreement has facilitated the joint development of added activities during the year, in particular the design of a risk management strategy in public procurement processes.
- Agreement with the **Grupo Propuesta Ciudadana** that establishes forms of collaboration in the follow-up to the reconstruction process.
- A letter of understanding signed with **GirlGov**, an initiative created for the empowerment of girls and adolescents. Through this agreement, this organization is helping us understand the point of view and identify the needs of girls and adolescents in post-disaster scenarios.

A fifth agreement, still under construction, is the constitution of a Technical Board to monitor the reconstruction process, with the participation of the regional government of Tumbes and representatives of civil society. The norm that formalizes this space is under evaluation in the regional government.

Although there are no signed agreements, forms of collaboration with five public institutions involved in the reconstruction process have been defined, mainly for the exchange of information. These institutions are: the Authority for Reconstruction with Changes, the Secretary of Public Integrity, the National Health Infrastructure Program, the National Educational Infrastructure Program and the Ombudsman's Office. Joint visits have also been made with the Authority in some regions. Finally, Transparencia and the Municipality of Morropón (Piura) agreed on a form of collaboration through which the local authority provides facilities to visit the works in charge of this entity and Transparencia supports them in the organization of a municipal oversight.

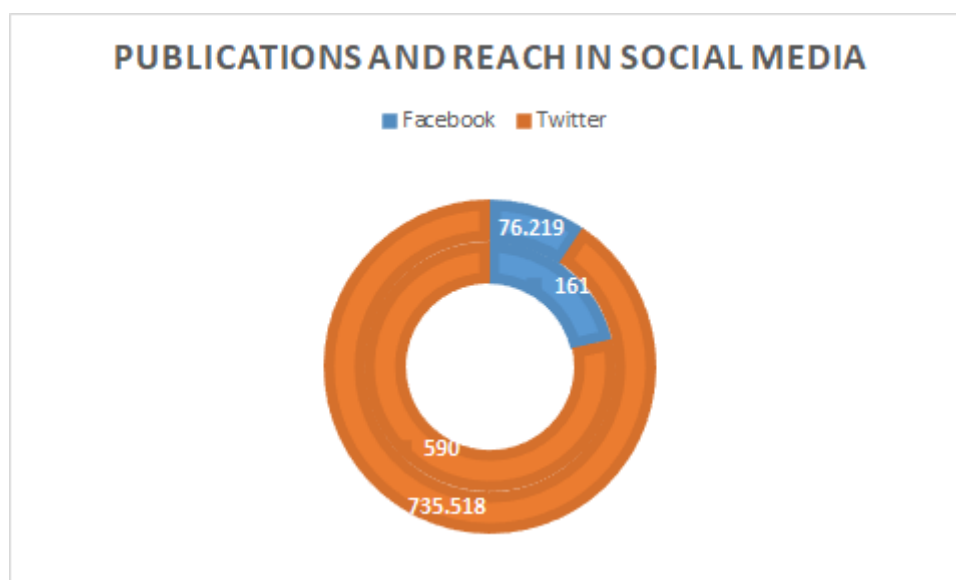
Indicator 2.4: Number of agreements, previously adopted in dialogue spaces, implemented with:

Sub indicator	Result description	Total
Government entities	1. Implementation of regional offices for the ARCC with teams that provide key technical information. 2. Redesign of the ARCC webpage with a user friendlier interphase. 3. Dissemination of the PRONIED platform "Mi Cole en Reconstrucción" to provide detailed information to citizens who wish to observe the progress on public school infrastructure development. 4. Public compromise of the Morropon provincial mayor to employing more women in public work.	5

	5. Public compromise of the Regional Government of Tumbes to adopt an Integrity System to prevent corruption in the reconstruction public work execution	
Total		5

Indicator 2.5: Reach of communicative pieces disseminated, according to type of media.

During the first year of the program, communicative pieces were mainly informative, as public work had yet not started its highest execution. The second year of the project brought us the opportunity of using storytelling as a much more effective communication tool, as not only public work was actually under execution, but citizen oversight committee members were deployed on the road. Thus, publications that tell a story from a personal perspective have proven broader impact in the project pieces disseminated in social media: with a total of 161 pieces disseminated on Facebook, such media had a total reach of 76,216, while 590 publications made on Twitter, made a total of 735,518 impressions.



Indicator 2.6: Percent of citizens informed on and satisfied with the reconstruction process.

Indicator is not applicable for the current reporting period, as surveys that generate data for this indicator will be applied only twice during the project: the first was applied in 2018 and has been used as project baseline; the second will be applied the last year of the project (2020).

Gender mainstreaming indicators

Indicator 3.1: Quality of women participation in civil society forums

Although the project seeks for gender balance in all of its activities, this indicator evaluates the participation of women in Impulse Committees; as such, regional spaces are responsible for planning and making decisions on the oversight committee's work. The critical mass expected to guarantee women's leadership and agency as part of such committees is 30%, but for the current reporting period, the expectations have been long exceeded, as it can be seen in the table below:

Region	Percentage of women in Impulse Committees
Ancash (Huaraz)	80%
Ancash (Chimbote)	100%
Lambayeque	38%
Tumbes	47%
La Libertad	70%
Piura	50%
Total average	64%

Indicator G2: Number of gender approach – based policies or measures related to the reconstruction process adopted by local, regional and national authorities.

The project has identified four gender approach - based practices and decisions during the current reporting period: The first consists in the decision made by the Provincial Mayor of Morropón, in Piura, to **incorporating more women as public work labourers**. Such decision was announced in a workshop for local authorities carried out with the Observatory of Integrity in the city of Chulucanas, and it is indirectly attributable to the project, as the Observatory team highlighted the Mayor's previous experience in a District Municipality employing women labourers as a good practice to close gender gaps in access to temporary work during the reconstruction process.

The second measure consists in the decision made by the Mayor of El Higuero town, in the district of San Miguel del Faique (province of Huancabamba, Piura) so that citizen oversight committees are directly supported by the town municipality and are encouraged to be gender balanced in their composition. Such measure is directly attributable to the project, as the committees were elected in a joint activity carried out by the Observatory and the municipality, whose coordination has remained close.

The third result consists on a practice, and it involves the Mayor of San Juan La Virgen district in Tumbes. Ruby Villanueva Dioses is one of the few 81 (4.9%) women elected district mayors in 2018 Regional and Municipal Elections. The Oversight Impulse Committee in Tumbes is aware of the need that not only she remains involved in plural dialogue spaces related to the reconstruction process, but also that she remains part of a space that allows her strengthening her capacities to fulfil her duties with human

rights and gender perspectives. Thus, Ms Villanueva has agreed taking part in a technical group that provides follow up to the reconstruction process together with civil society institutions on which the Impulse Committee has a protagonic role, the regional government and the Ombudsman regional office. Such result is directly attributable to the project.

Finally, the Ombudsman Office has taken part of the same technical group, in order to provide the reconstruction follow up from a human rights approach, with strong emphasis in women and girl's rights. This results is indirectly attributable to the project.

Gender and vulnerable groups mainstream.

During the current reporting period, the study on the reconstruction effects in gender indicators has been started. Research will allow identifying gender gaps that preexisted the FEN 2017, as well as the effects that the disaster and post emergency attention had in them, together with improvement opportunities for the design of public policies.

Activities executed during the current reporting period have strongly emphasized the importance of ensuring participative and safe citizen spaces for women who wish to take part of the Oversight Committees. Thus, gender mainstreaming workshops have been offered to all Impulse Committees, a Protocol to Prevent Sexual Harassment has been developed as well, and close companionship has been offered to committees that showed difficulties on maintaining their composition gender balanced, paying special attention to the conditions on which women took part as oversight committee members. A diversity and intersectionality perspective have been used in order to guarantee that professional women, women from agricultural communities, students and even girls and teenagers are incorporated to the project activities in order to allow them to speak, exchange opinions and strengthen their capacities as agents.

5. Summary of activities

This section provides a general description of the activities carried out during the period October 2018 - September 2019. In addition, the main lessons learned from the execution of the project are proposed.

5.1. Intermediate Result 1. Effective civil society oversight of reconstruction.

Impulse Committees meetings

The six initial Impulse Committees have been consolidated as spaces for deliberation and analysis of the reconstruction process, as well as planning, accompaniment and evaluation for citizen sellers. During the year, most Committees incorporated new members in order to strengthen their monitoring capacity. Although the Transparencia and Proética teams have promoted periodic meetings, some Committees have gained autonomy (Tumbes, La Libertad, Huaraz). The operations carried out in 2019 have given special dynamism to these Committees. In the cases of Piura, Lambayeque and La Libertad it has been especially important that the members come from different provinces of each department, which gives a greater scope and richness to the exchange of experiences. The project has promoted activities to expand knowledge and strengthen the capacities of the members of the Committees, including topics such as: new regulation in public procurement applicable to the reconstruction process; gender mainstream in natural disasters and reconstruction contexts; communication

skills; use of the SEACE system. Meetings and trainings have been carried out throughout the year in a monthly frequency.

Design and printing of observation forms

The project has delivered to the citizen observers the necessary materials for their work (elements of identification and material). Observation forms have been a central part of the material produced and delivered. In the first operation of oversight in educational institutions, the form used for visits was used; After the evaluation, the coordination team decided to generate special forms for the following operations.

Training activities

Citizens who wish to join citizen oversight have participated in several training activities through the year. The common contents of these sessions have been the norms and institutions in charge of the reconstruction process, public procurement processes, and the role and methodology of citizen oversight. They have also received training to strengthen their communication skills, following the recommendations made in the Regional Macro Meeting of Citizen Observers. In Piura, some workshops have been aimed at promoting the participation of women in oversight committees.

Location	N° of training sessions
Ancash - Chimbote	3
Ancash - Huaraz	2
Lambayeque	1
La Libertad	3
Lima Provincias	2
Piura	6
Tumbes	3
Total	20

Deployment of the oversight committees

The citizen oversight committees have visited a total of 398 works included in the Comprehensive Plan for Reconstruction with Changes (6.1% of the interventions in this Plan that have resources transferred). For these works, a budget of more than 3,388 million soles has been allocated (34.8% of the total reconstruction budget allocated to the six regions where the project is carried out).

Year	Projects visited	Reconstruction Budget
2018	86	2,728,884,493.00
2019	312	659,811,412.76

Total	398	3,388,695,905.76
Percentage of overseen projects in 6 regions in comparison with the total Reconstruction Plan	6.1	34.8

The previous table shows a significant increase in the number of works monitored between 2018 and 2019. This difference is explained by three reasons: this year there are more works in execution; Impulse Committees better plan deployment; and the realization of special operations to schools and health establishments.

Systematization of information / Oversight Reports

During the past fiscal year, three citizen oversight reports have been prepared and disseminated. The first, published at the end of last year, showed the results of the first visits made. The other two reports, both year 2019, describe the operations carried out to educational institutions (February) and to health facilities (July). At the close of this report an additional report is being prepared with the results of the second operation to educational institutions. The reports have served to establish spaces for dialogue and coordination with the Authority for Reconstruction with Changes, national executing units (state programs in charge of infrastructure works in the health and education sectors) and control institutions (Comptroller General of the Republic and Ombudsman Office). Reports presentations in regions served to make visible the work of citizen oversight and establish forms of collaboration with some public entities and other civil society organizations.

Impulse Committees Macro Regional meetings

In November 2018, the institutions of the Integrity Observatory and the Impulse Committees of each region met in Chiclayo. In this meeting the progress in the implementation of the reconstruction citizen oversight was evaluated, and tasks for the following year were defined, oriented to consolidate this strategy. Some outstanding achievements: the creation of the Promotion Committees, the diversity of territories covered by citizen oversight committees, the participation of women in these committees, and the approach to the affected population. The main difficult mentioned was the weak positioning of the *veedurías* before regional and local authorities. In the meeting there was also a space to talk with a representative of the Authority for Reconstruction with Changes, and to know the plans and strategies of this entity.

Citizen Oversight Committees' meetings

Throughout the year, Transparencia and Proetica organized these regional meetings that served to exchange experiences and strengthen the capacities of participants in topics such as: public procurement, gender mainstreaming, disaster and risk management and communication skills. Oversight committee members have shown great enthusiasm for such learning opportunities, and they have also proven as a reliable mechanism to decrease high rotation among committees.

Citizen Oversight Committees Macro Regional Meeting

On June 21 and 22, 2019, a Macro Regional Meeting for Citizen Oversight Committees took place in Trujillo, with over 40 citizen committee members from every region

participant in the project. The encounter allowed a deep evaluation of the operational issues on deployments, capacities to be strengthened with the committee members and strategies to be used to improve the committees agency and effect with local authorities and media. As a result of the meeting, a prevention and immediate attention protocol will be adopted in order to fight sexual harassment during observation duties and training will be also provided to prevent it from happening within the committees. Participants also requested special training to serve as spokespersons. The meeting ended with a citizen fair in El Recreo square, where all committees presented their work.

Activities with Secretary of Public Integrity

Transparencia supported the Secretary of Public Integrity in the design of a system of complaints of corruption. This integrated and interoperable information system will permit overcome some identified problems in the registration, attention and consultation of complaints by citizens. The expectation is a system with a standardized procedure for registration, management and consultation of complaints; duly integrated to the governmental interoperability platform; easy to use for citizens; and with adequate protection measures to guarantee the reserved identity of the system users.

In the first stage of this process, a consultant developed a diagnosis on the processing of such complaints in various public entities, from which it drafted the Supreme Decree to regulate the corruption complaints system. In the second stage, a specialized company was hired to develop the corruption reporting system software, based on the previous analysis. At the end of this period they were making final adjustments requested by the Secretary of Digital Government. Also, Transparencia and the Secretary of Public Integrity defined the terms of reference for personnel in charge of pilot development, training for public officials and the communication campaign.

5.2. Intermediate Result 2. Increased public awareness of the reconstruction progress.

Activities with candidates and elected authorities

On October 7, 2018, regional and municipal authorities were elected for the 2019-2022 period. Before that date, the project encouraged working meetings with candidates to discuss government proposals on transparency, integrity and disaster risk management. In the first quarter of 2019, the La Libertad and Ancash Impulse Committees organized work meetings with elected authorities, in which the work of the citizen oversight was presented and in which the participants discussed issues related to the reconstruction process, public contracting and strategies to fight corruption in local and regional governments. Another similar event was organized in Tumbes on May 9. After this event, the regional governor proposed to create a technical panel, with the participation of civil society, to monitor the reconstruction process. This initiative has been formalized in a draft regional ordinance, which is being processed by the Regional Government of Tumbes. In general, the activities carried out before and after the elections helped establish initial contact with the new subnational authorities, and the establishment of a minimum work agenda. The summary of sessions and participants can be seen in the chart below:

Region ▼	N° of sessions ▼	Women ▼	Men ▼	Total ▼
Tumbes	2	26	45	71
Lambayeque	1	12	11	23
Piura	1	20	49	69
Ancash	1	29	15	44
La Libertad	1	24	40	64
Total	6	111	160	271
		41%	59%	

Design / implementation of a communication strategy

El Directorio continued to design and implement the project's communication strategy. In the last quarter of 2018, the communication pieces collected information from the public opinion survey mentioned above. Subsequently, testimonies from citizen from all regions were included, as well as a wide dissemination in social networks of field visits to public work, especially during operations. Storytelling has proven further impact when communicating the project results, thus the strategy will be continued under such perspective.

Dissemination campaigns

In the last quarter of 2018, dissemination campaigns with university students were carry out in Huaraz and in the province of Huaura (Lima region). These activities searched to create awareness in the need of citizen participation to prevent corruption in public work execution. The project has produced informational and dissemination material (spots, poster, flyer and merchandising) for the "I commit" campaign, which is designed to disseminate the work of the oversight committees.

Workshops with journalists

During October 2019, Transparencia and El Directorio organized the workshop "Telling stories that contribute to the reconstruction process" with participants from local media in Lambayeque, Áncash, Piura and Tumbes. The objective was strengthening capacities to report on the reconstruction process in a propositive scope, with real and recent data. Journalists were connected with the Impulse Committee members in order to optimize the level of incidence that committees have in their regions. Workshop contents were the following: official information sources on the reconstruction process, testimonials from the Impulse Committees, constructive criticism when reporting in after disaster contexts.

Study. Perception that affected population has on the reconstruction process.

The presentation of results of the public opinion survey elaborated by the PUCP Public Opinion Institute was first presented to the Integrity Observatory partners, who met in Lima on October 23. The study was then presented meetings with civil society and authorities, in Tumbes and Piura (November 22), Trujillo (November 27) and Huaraz (November 30). Besides presenting the survey results in such activities, they were also presented in mass media, such as regional radio stations and in interviews with regional newspapers.

Activities with the OSCE

Transparencia and the OSCE shared interest to develop management tools to minimize the risks in the public procurement processes, in order to guarantee the integrity in the contracting of works, goods and services. The products expected should be aligned with specific provisions included in the National Plan of Integrity and Fight Against Corruption 2018-2021. This activity will provide to OSCE a clear identification of the main risks of corruption in public procurement processes, specific guidelines to public entities to develop, implement and oversight risk management in public procurement processes, and a legal framework to promote citizen participation in this field.

Transparencia and the OSCE hired consultants Trinidad Inostroza (Chile) and Raquel Centa (Peru) to design a risk management strategy in public procurements. As part of their work plan, both consultants held meetings with OSCE officials and key actors (public officials, contractors, oversight citizens) in Lima, Piura and Iquitos, and conducted a work meeting in Lima with experts and academics (August). All the information collected was used to present a diagnosis of the risks in public procurement processes. Between September 23 and 27, the consultants conducted final interviews with officials of key entities (Ministry of Economy and Finance, Comptroller General of the Republic, Secretary of Public Integrity), presented and validated the results of the diagnosis with a set of officials at the national level, and made a preliminary presentation to the Executive Director of the OSCE.

On the other hand, Transparencia was in charge of the design of citizen oversight models in state contracting processes. A consultant was hired to support this activity and performed an analysis of similar experiences in Peru and other countries. On this basis, two citizen oversight models were formulated, which were discussed with the teams of the Integrity Observatory institutions, and subsequently presented to the Executive Director of the OSCE.

5.3. General Advocacy

The project maintained a permanent relationship with the directors and officials of the Authority for Reconstruction with Changes, to whom the results of the citizen oversight were presented. At the regional level, these coordination were fluid in several regions, including joint visits to some works (Lambayeque, La Libertad, Ancash). Similarly, coordination spaces were maintained with the Office of the Comptroller General of the Republic and the Office of the Ombudsman, which were quite frequent in the regions. The first of the mentioned institutions received reports of works where serious deficiencies were found. Officials of this entity also accompanied visits to works in Piura.

During 2019, Transparencia and the State Contracting Supervisory Agency signed a cooperation agreement, through which Transparencia received technical support so that the *veedurías* improve their capacities for the review of public procurement files. In the second semester, in addition, the project collaborated with this entity in the development of two products: on the one hand, a strategy for risk management in public procurement processes, and on the other, the design of a citizen oversight model for public procurement processes. Similarly, during the year 2019, the project supported the Secretary of Public Integrity in the development of a system of

complaints of corruption, in addition to joint participation in various events and spaces for dialogue.

On August 29, 2019, the new Director of USAID Peru met in Trujillo with part of the project team and a group of oversight citizens. In such meeting, the project was presented to him using a video that summarized the strategy, the achievements and some challenges. Likewise, citizen observers related their experiences and told stories about the findings of this citizen participation exercise. This meeting was attended by the Executive Director and the Regional Manager of the Authority for Reconstruction with Changes, who also reported on the work they are doing. After this meeting, same participants accompanied the United States Ambassador to visit the school No. 2343, where he witnessed a practical exercise in citizen oversight of a reconstruction project. Project director highlighted the contribution of citizens in a process of transparent reconstruction, a fact that was grateful and recognized by the Director of the Authority for Reconstruction with Changes. The Ambassador appreciated the contribution made by USAID so that the Peruvian government and civil society collaborate in the fight against corruption.

6. Main learnings

Although with different levels of consolidation and autonomy, the alliance between the Integrity Observatory and civil society organizations in the regions, expressed in the Impulse Committees, has proven to be an adequate way to implement this citizen oversight strategy. Consequently, the capacity building of these Committees is a key aspect of the process as a whole, and surely a condition for its sustainability. With the same purpose, during the year all the Impulse Committees established forms of collaboration with professional associations or with engineers and architects individually, to have specialized technical support for their citizen oversight work.

In addition to the planned deployment in each region, the coordination of the project decided to carry out special operations (three in 2019). These activities brought together citizen sellers from all regions in a single simultaneous activity. Operations gave greater visibility to the project and the work of the Impulse Committees, as the reports prepared served as a pretext for organizing working meetings with national and regional institutions related to the reconstruction process. These meetings allowed links with regional representatives of the Authority for Reconstruction with Changes, the Comptroller General of the Republic and social organizations, with which joint visits were subsequently organized to some works where alleged irregularities were detected.

The citizen oversight has had several outstanding results last year. In a few cases, serious irregularities have been identified, such as paralyzed works or evidence of poor execution. These cases were reported to the competent entities, and motivated several joint visits. But most of the observations refer to deficiencies in project management, both in the hiring and in the execution stage: regulatory changes; weak capacity of those responsible for the formulation of projects or contracting processes; little information about the projects (and the delays in their execution) not only to the beneficiary population, but also to those responsible for their management; problems with the legal sanitation of lands where works will be executed; slow budget execution. All these samples of an inefficient State are constantly informed by citizens, and constitute situations that, if not resolved promptly, offer opportunities for corruption practices.

The media were not called to most of meetings organized by the project, which constitutes a weakness of the strategy last year because it was not possible to build alliances with local media and journalists. This relationship began only with the workshops for journalists, towards the end of the period. Dialogues have barely begun with the private sector. The project director held an initial meeting with the Executive Secretary of the Private Anti-Corruption Council, and representatives of business associations were invited to work meetings to discuss corruption risks in public procurement. But a more structured dialogue with companies, oriented to agreements or joint actions in favor of good practices of transparency and accountability in infrastructure works, remains a pending task.

The collaboration with the Secretary of Public Integrity and the OSCE have allowed a better understanding of the contribution of a strategy like this within the national policy of integrity and fight against corruption. Both entities consider citizen oversight as a fundamental tool of any integrity proposal for the public sector, as it promotes social participation as a complement to the efforts made by public entities.

7. Status of budget expenditures

The following table summarizes the quarterly budget execution during the second year of the project. It is observed that 83.5% of the programmed budget has been executed, but there are differences between the two components of the project. In the first component, the execution amounts to 99.7% of the annual budget, which is explained by the wide deployment of groups of citizen sellers, and the activities related to this deployment. In the second component, budget execution only reached 70% of the programming. The reasons for this are detailed below:

- January-March, 2019. The consultancies' dissemination activities in regions (consultancies carried out in the previous semester), and the internal planning and coordination meetings, demanded fewer resources than expected.
- April-June, 2019. Resources from two activities were not executed: the study of the impact of reconstruction on gender equity indicators, and the consulting for the design of a risk management strategy in public procurement processes. Further, the development of activities carried out by the Antonio Ruiz de Montoya University (implementation of integrity systems in two regional governments) was slower than planned, and its implementation has been extended to the following quarter.
- July-September, 2019. The study of reconstruction perceptions and the study on the impact of reconstruction on gender equity indicators were not carried out during this period. Also, resources for the communication strategy and dissemination campaigns were used only partially. Finally, although the activities coordinated with the OSCE began after the planned time, a good level of execution of resources was reached in the consultancy on citizen oversight in public procurement processes (87%), being somewhat lower the use of resources in the consultancy for the design of a risk management strategy in public procurement (61%).

Quarter	Goal 1			Goal 2			Total		
	Work Plan	Expenditures	%	Work Plan	Expenditures	%	Work Plan	Expenditures	%
Oct-Dec 2018	67,934.98	60,835.00	89.5%	72,512.98	77,844.00	107.4%	140,447.96	138,679.00	98.7%

Jan-Mar 2019	62,575.88	48,102.86	76.9%	73,700.00	51,161.02	69.4%	136,275.88	99,263.88	72.8%
Apr-Jun 2019	65,417.75	87,363.49	133.5%	95,430.61	49,726.57	52.1%	160,848.36	137,090.06	85.2%
Jul-Sep 2019	120,235.77	118,915.30	98.9%	138,812.77	87,444.27	63.0%	259,048.54	206,359.57	79.7%
Total	316,164.38	315,216.65	99.7%	380,456.36	266,175.86	70.0%	696,620.74	581,392.51	83.5%

8. Next period

The following table shows the possible risks that the project must face as part of its implementation. The last column indicates the options that can be adopted to manage these risks.

Characteristic of the context	Possible risks / situations	Alternatives
Political crisis	Tensions between the government and Congress continue throughout the period. In the worst-case scenario, the struggle finishes by Presidential vacancy or the dissolution of Congress. Another possible scenario is that the clashes continue permanently until the end of both Presidential and Congressional terms, without solution. Both situations may not affect the reconstruction process, but they do not generate an adequate environment for an objective analysis of their progress and difficulties. Under these conditions, political actors may improperly use citizen oversight and its results as arguments to delegitimize their adversaries.	The Integrity Observatory's Board of Directors will evaluate the political conditions on which the project is developed, and will recommend the necessary actions to mitigate possible effects on the neutrality of citizen oversight. Adjustments will be discussed with USAID at periodic follow-up meetings.
Integrity and the fight against corruption on the public agenda	Two situations will maintain the importance of the issue on the political agenda. On the one hand, government efforts to implement the National Integrity and Anti-Corruption Plan 2018-2021. On the other hand, advances in legal proceedings against those involved in large cases of corruption.	This context is appropriate to strengthen cooperation bonds with public entities responsible for the implementation of the aforementioned Plan. Such bonds can provide support to citizen oversight strategies.

Slow public investment in reconstruction works	If public investment, from both ministries and subnational governments, is not accelerated as provided by the Authority for Reconstruction with Changes, criticisms directed at the government may increase, including those of the population in the affected areas.	The Integrity Observatory, based on a permanent analysis of the progress in the budgetary execution and the programmed works, will issue alerts identifying critical aspects and recommendations to overcome the identified situations.
Season of rains	Although the entities responsible for monitoring the El Niño phenomenon have not issued alerts yet, the next season of rains (December 2019 - March 2020) can generate problems in already affected areas. Among the problems that may arise, are the damages to recently completed work or the aggravation of infrastructure that has not been rebuilt to date.	The monitoring actions that can be carried out will be discussed with each regional Impulse Committee, especially to verify the impact of the rains on completed work.

The following table shows the main activities scheduled for the third year of project execution.

Component	Activities
Project Management	• Planning meetings • Monthly follow-up meetings with USAID representatives. • Periodic meetings of Integrity Observatory institutions. • Quarterly reports
IR 1. Citizen Oversight Committees	• Impulse Committees' meetings • Oversight Citizens Kits • Design and printing of observation forms • Training Workshops for Citizen Oversight Committees • Support for Oversight Citizens Deployment • Citizen Oversight Report - printing and dissemination • Impulse Committees' macro regional meeting • Citizen Oversight Committees' regional and macro regional meetings • Expansion of citizen oversight to new areas • Pilot: Application-based system for citizens to report corruption by public officials
IR 2. Strategic alliances and advocacy	• Consultancy. Impacts of the reconstruction in gender equality indicators

	• Dissemination. Impacts of the reconstruction in gender equality indicators • Development of a risk management strategy for public procurements • Dialogues with private sector organizations in Lima and regions
IR 2. Public Awareness and Communication	• Implementation of a communication strategy • Consultancy. Perception of the affected population on the reconstruction process • Dissemination of new products (complaint system and risk management strategy for public procurements) to their potential users and beneficiaries
Closing activities	• Systematization of citizen oversight experience • Monitoring, Evaluation and Learning Report • Annual Report (final) • Closing ceremony