



Monitoring Uses and Abuses of Government Vehicles

CSO:	Environmental Cooperation and Linkages Inc. (ECOLINK)
Years:	2006 - 2008
Country:	Mindanao, Philippines
Amount:	\$ 46,368 USD
Sector:	Government Vehicle Procurement

Corruption Problem:	Wastage of local government funds to corrupt practices and lavish expenditures in the procurement, use and maintenance of government vehicles
Tools Employed:	Vehicle expenditure monitoring, vehicle use monitoring, educated public through advocacy campaign

The 2003 Government Procurement Reform Law sought to reform government procurement procedures in order to eliminate or minimize procurement-related corruption by mandating a more transparent process. This includes the presence of third party observers in the activities of the Bids and Awards Committees that approves these procurements. Millions and even billions of pesos of local government funds are allegedly lost due to corruption in the procurement and use of vehicles. In 2006, the Environmental Cooperation and Linkages Inc. (ECOLINK) was granted funds by PTF to look into corruption and waste associated with government vehicles use in the City of Oroquieta. Upon completion of the project in 2007, PTF granted more funds to Ecolink to scale up the project to cover two more cities in Mindanao, with the latter project activities taking place in 2008.

Corruption Problem Addressed and Project Objectives

Corruption in the procurement, use, and maintenance of government vehicles is supposedly so broad as to cause the loss of millions of pesos of public funds. In particular, the Office of the Governor of the province of Misamis Oriental was reported to have lost 12 million

pesos to illegal vehicle expenditures, including the diversion of fuel funds to private uses. This rampant corruption was supposedly abetted by the fact that “mechanisms in preventing corruption . . . are weak if not totally absent.” Phase I (ACT I) of this project focused on the local government of Oroquieta City, which also allegedly failed to invite third party observers in its vehicle procurement process resulting in overpricing and “dubious bid awards.” Phase II (ACT II) of the project extended and expanded the activities covered in Phase I to include the cities of Pagadian and Dapitan.

Approaches, Methods and Tools Used to Address the Problem

To address this problem, ECOLINK sought to significantly reduce and prevent the wastage/corruption of local government funds through an anti-corruption and transparency project using participatory, low-cost, innovative, and creative strategies. Specifically, it endeavored to accomplish the following objectives within the six months that the project (ACT 1) was to be operational:



- Reduce corrupt/lavish expenditures of the local government of Oroquieta on vehicle procurement, use, and maintenance by at least 20%;
- Strengthen Oroquieta City's compliance with the Government Procurement Reform Act (GPRA) of 2002;
- Significantly increase citizen participation in anti-corruption and transparency programs and actions;
- Strengthen local mechanisms for CSO participation in the monitoring of local government procurements.

This fourth objective was actually elaborated in ACT II, which then constituted the fourth and fifth project objectives, namely:

- Strengthen capacities of NGO's; and
- Enhance existing policies and institutional mechanisms in vehicle procurement, use, and maintenance.

The main activities in both phases consisted of vehicle expenditure monitoring, vehicle use monitoring, educating the public through an information and advocacy campaign, advocating institutional and policy reforms in local government, and capacity building of partner CSOs.

ACT II was essentially a replication of ACT I, but with emphasis on strengthening and capacity building of partner CSOs in the three cities, and deepening specific approaches to monitoring and awareness activities based on the lessons learned from the first phase.

Expenditure monitoring involved the conduct of expenditure analysis workshops in both phases. These workshops calculated the savings on vehicle related expenditures (for fuel and lubricants) by comparing the

amounts appropriated for these expenses and the actual expenditures realized after project intervention. In ACT II, a vehicle monitoring information system (VMIS) software was to be developed to give LGUs a way to systematically monitor vehicle use.

Monitoring the misuse of official vehicles sought the involvement of the volunteers and the public to report and to document the abusive behavior of officials who used their government-issued vehicles for private purposes. This was done with the use of text messages, photographic evidence of misuse, and other forms of public feedback such as on community radio.

Conducting a public advocacy campaign meant undertaking a wide array of activities including a photo journalism contest, a school-play contest, the creation and distribution of posters, the publication of an on-line monthly newsletter, and the airing of a popular weekly radio program called *Bantay Kurapsyon*. Similar venues for advocacy were employed in ACT II and expanded with the holding of youth festivals and the production of a video documentary. Public service radio programs were also aired, daily in Pagadian and weekly in Dapitan. These activities aimed at increasing public participation in the anti-corruption campaign.

ECOLINK sought institutional and policy reforms such as by raising Oroquieta's level of compliance with the Government Procurement Reform Act and by conducting a training workshop regarding the Bids and Awards Committees (BACs). In the second phase, the project was able to conduct a vehicle ordinance formulation workshop and a seminar on legal and ethical standards for vehicle use, and initiated the development of the VMIS software to track vehicle use. ECOLINK was also involved in the filing of precedent cases to hold misbehaving officials into account.



Capacity building activities were primarily aimed at strengthening ECOLINK's partner CSOs, particularly the Coalition Against Corruption in Oroquieta City, the Transparency and Accountability Network of Civil Society in Dapitan, Inc. (TANCSDI), and the Pagadian Transparency and Accountability Network (TAN), in monitoring official vehicle use in their respective areas. These consisted of: a training workshop on corruption monitoring, prevention, reporting and documentation; training workshop; resource generation seminars to strengthen CSOs' ability to raise funds to sustain anti-corruption activities; an experience-sharing workshop with NGOs; the BAC training workshop; the establishment and strengthening of cooperative relations between the local Ombudsman office and the relevant CSOs in each city; and the development of LGU anti-corruption toolkits.

Results Achieved

Reduced LGU expenditures in vehicle use, repairs, and maintenance: In ACT I, ECOLINK noted a reduction in the city's expenditures for gasoline and lubricants for its vehicles for comparable periods before and after its intervention. Whereas the Oroquieta city government had formerly overspent its budget by 1.7 million pesos, it now had a surplus of over 300 thousand pesos. In ACT II, this surplus over a similar period rose to nearly 450 thousand pesos. ECOLINK attributed this increase not just to more judicious use of vehicles but also to the city government's ridding itself of old, inefficient vehicles as recommended by the CSOs.

The estimated annual reduction in spending for gasoline and lubricants (between 2007 and 2008) by city governments in ACT II was highest for Pagadian City at over 550 thousand pesos, followed by Dapitan at over 400 thousand pesos. Oroquieta's total spending, on the other hand, declined by 44 thousand pesos. ECOLINK noted that vehicle expenditure monitoring in these

three cities, including the disposal of old vehicles worth nearly 8 million pesos, had netted the Philippine government over 9 million pesos in savings.

Eradicated vehicle misuse practices: Due partly to the participation of the public in reporting and exposing misbehavior, ECOLINK noted the end of specific cases of misuse of government vehicles in Oroquieta while apparently minimizing the total number of misuse by project end in ACT I.

In ACT II, vehicle misuse was virtually eliminated in all three cities by project end. The reductions were evident both in the decrease in reported cases of vehicle misuse as well as in the results of public surveys conducted in the three cities. Such dramatic reduction in vehicle misuse was partly attributed to the fact that official action was taken against erring officials ranging from reprimand and dismissal to the actual filing of administrative cases.

Raised awareness and participation of citizenry in anti-corruption campaigns: In ACT I, ECOLINK received a total of 1,197 SMS, 179 phone calls and 55 letters relevant to the project. At least 906 individuals directly participated in project activities. Also, ECOLINK mobilized and partnered with 71 organizations—NGOs, POs, and various government agencies.

In ACT II, 7,800 people participated in the anti-corruption festivals and other public activities conducted in all three cities. The project signed up 711 volunteers and generated 3,110 text messages pointing out vehicle misuse. Five hundred posters printed and posted while 3 billboards were installed in strategic places, one for each city. A couple of video documentaries were also produced.

Enhanced LGU policy on vehicle use management and improved policy implementation: In ACT I, the Oroquieta City government adopted specific measures to prevent



widespread corrupt practices such as gasoline diversions and theft and vehicle misuse.

- The Sangguniang Panlungsod drafted a Committee Recommendation on the Proposed “Ordinance Setting the Guidelines in the Use, Procurement and Management of LGU Vehicles.”
- Barangay LGUs adopted a specially drafted ordinance for their vehicles.
- The city mayor issued an executive order organizing the project monitoring committee that included ECOLINK’s executive director as a member.
- Local government vehicles were labeled with huge logos of the city government and marked “for official use only.”
- Trip tickets were issued as a way of managing vehicle use.

Oroquieta City’s compliance with procurement laws was significantly strengthened in the following areas:

- Presence of third party observer in BAC and bidding processes;
- Posting and publication of bidding announcements; and,
- Accessibility of bidding documents.

In ACT II, Oroquieta City passed its ordinance on official vehicle use while similar ordinances for the other two cities were drafted. In lieu of ordinances, the city mayors of Pagadian and Dapitan issued executive instructions to implement key measures, such as the trip ticket system and the marking of official vehicles. Workshops were held to orient 140 city personnel on these new policies.

CSO participation in the BACs was facilitated with the conduct of procurement observer trainings in the three cities that involved 146 participants. BACs from the three cities also sent 18 participants each to attend the training.

The strengthening of policies, procedures, and the institutional mechanisms to enforce these policies were reflected in (1) improved GRPA compliance; (2) effective management of official vehicles; and (3) punitive sanctions against erring officials and personnel.

Strengthened capacity of anti-corruption networks, NGOs, and POs: In ACT I, ECOLINK established the Oroquieta City Coalition Against Corruption as the network of local CSOs that would sustain the mechanism for public feedback that the project had established. The project has also helped to reinforce existing government programs such as the Oplan Red Plates of the Ombudsman.

In ACT II, ECOLINK established or strengthened local anti-corruption networks as the aforementioned CAC, the Pagadian Transparency and Accountability Network, and TANCSDI in Dapitan. It conducted trainings and workshops to enhance these networks’ abilities to monitor official vehicle procurement and use and to strengthen their observer role in the BACs.

What worked well and what did not?

Partnership with DILG: This partnership was crucial in enabling ECOLINK to intensify its project activities in Oroquieta City and to extend them to the other cities of Pagadian and Dapitan. This partnership caused these LGUs to welcome ECOLINK’s intervention in the monitoring of their official vehicles, which in turn led to “the reduction of wastage in LGU funds due to corrupt practices in the use, procurement and maintenance of vehicles.” ECOLINK was also able to engage in policy



reform at the LGU level by its participation in the crafting of barangay and city ordinances regulating the use of government vehicles. This partnership made dealing with the government bureaucracy less difficult than it ordinarily would have been, but it depended on having an “internal champion” in the person of DILG Secretary Jesse Robredo who personally supported the project.

Raising Public Awareness and Community Participation: Conducting public awareness activities laid the groundwork for encouraging citizens to consciously and actively participate in monitoring the use of public vehicles. A total of 972 volunteers registered for the project, whose reports led to significant reduction in the number of vehicle misuse cases. More than 11,000 persons were estimated to have participated in the project’s various activities.

Developing a Vehicle Management Information System (VMIS): A VMIS software was to be developed in order to enable computer-based monitoring of vehicle use but it was aborted by the fact that it required integration into the LGUs’ fiscal management system, a step that the LGUs could not or declined to do. Instead, a manual system (toolkit) was developed that included “simplified tools to determine gasoline corruption and an improved trip-ticketing system” that had been part of the VMIS. The LGUs were more receptive of this manual system.

Lessons Learned

For the Anti-Corruption and Transparency Project (ACT) I, the following lessons in implementing the project were noted:

- The project demonstrated that a small CSO can successfully mobilize the local population in monitoring corruption at the local level;

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

For ACT II, the following provided lessons for successfully implementing these types of projects:

The use of mass media is crucial in implementing anti-graft projects. Media helps to put pressure on the authorities and deters commission of crimes. It is also an effective platform for mobilizing the community, fostering transparency, and promoting the gains of project. Mass media is most effective when it is an integral part of the project.

ACT II confirmed that the project’s citizens-based ‘project technologies and implementation system’ were replicable in any area, even where there was a security problem, as in Pagadian. At the local level, the one



constant success factor was a ‘constructive relationship’ between the CSO and the LGU leadership. The commitment of the CSO and the credibility of its leadership was also a condition for developing relationships among NGOs in a network. The slow progress in the strengthening of the Pagadian TAN demonstrated that careful selection of network partners is critical to success.

Sustainability

In ACT I, it was noted that several factors appeared to favor the ability of ECOLINK to sustain specific project activities despite the end of funding. These were:

Public awareness regarding graft and corruption will be sustained by the continuation of poster making, short-play and photojournalism competitions as these were included in the Annual Calendar of Activities of the Department of Education – Oroquieta City Division. On the other hand, ECOLINK intended to continue to publish the newsletter with support from the business sector while the radio program will be supported by the Oroquieta City Press Club.

Policy reforms will be sustained with the drafting and approval of ordinances setting the guidelines for vehicle use management by the LGUs.

With the establishment of a citizen-based anti-corruption coalition, the major gains of the project will be continued and expanded. There was, however, an obvious and critical aspect of weakness in the project’s sustainability—the operation of the Oroquieta City Citizens Coalition Against Corruption. The network had very limited financial resources and other organizations did not have the capacity to contribute for its program. It is therefore important for ECOLINK to ensure that future similar projects include strengthening the

institutional capacities of local transparency networks or similar groups.

For ACT II:

Oroquieta CAC, TANSCDI and Pagadian TAN integrated the project into their respective regular annual Procurement Monitoring Programs.

The project strategy to link institutionally to existing programs of partner agencies, particularly the Junior Graft Watch of DepEd and OBM, ensured that project sustainability became a concern of these partner agencies. This is concretely illustrated in the case of DepEd-Oroquieta that decided to:

- hold the annual Youth Arts Festival in coordination with the city government,
- incorporate graft and corruption lessons as early as the fifth grade, having seen the value formation training of the students from their participation as volunteer monitors,
- support the use of the Junior Graft Watch for project activities as the venue for the “application in real life situation of concepts learned inside the classroom that showed students immediate concrete results of their action.”

The achievements in Oroquieta City provide TANSCDI and Pagadian TAN a model of what their own projects could become and the blueprint for how to get there.