

PTF Working Paper Series

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Corruption in Public Food Distribution Systems

About the PTF Working Paper Series

The PTF Working Paper Series connects Citizens and Civil Society Organizations around the world with knowledge, experience and How-to advice on Anti-Corruption interventions, tools and methodology. Each paper is written by experienced and recognized experts in their field. The explicit focus is to bridge theory and practice, providing a set of possible solutions or entry points to an array of challenges frequently faced by CSOs. Most papers draw examples from international best practice, the universe of PTF-funded Anti-Corruption interventions or address issues with a regional focus. While not prescribing any one model for success, the PTF Working Paper Series aims at sharing and disseminating knowledge, inviting CSOs and individuals to test, comment and further discuss.

The Partnership for Transparency Fund (PTF) supports citizens and civil society organizations around the world in their fight against corruption. PTF provides small-scale grants and pro-bono technical assistance through highly experienced and specialized volunteer project advisors.

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Abstract

Few people would disagree that hunger and malnutrition are the worst manifestations of poverty. Despite an overabundance of food in the world, severe malnutrition continues to exist, particularly in South Asia and Africa. Faced with this situation, many countries have adopted some sort of public food subsidy and/or public food distribution system. Common forms of programs include ration shops, food stamps, food for work, community kitchens and nutrition supplements. While these systems can be effective in reducing hunger and poverty, they are programs that can be severely compromised by corruption.

PTF has been active in supporting and helping CSOs with programs designed to reduce corruption in PDS (Public Food Distribution Systems). Since 2009, it has financed eight projects with grants totaling \$202,000, for projects operated by 4 CSOs (civil society organizations). All of these projects have been in India. Most projects report success in raising citizen awareness, promoting collective action, reducing corruption, and improving the operations of PDS facilities to insure fuller access to entitlements.

A number of lessons learned from these projects are drawn out and recommendations for future action are provided.

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1. Introduction

The purpose of this paper is to review the experience of projects funded by Partnership for Transparency Fund (PTF) in reducing corruption in public food distribution schemes, mostly in India. These systems, while providing an important source of food security for the poor, are also areas that are ripe for corruption. PTF has worked with various civil society organizations (CSOs) to strengthen citizen voice and participation, and to improve accountability and transparency in public food distribution. The objective of this paper is to look at the results generated by these projects, the lessons learned, and prospect for further work along these lines. This study does not draw on original field work or research, but is based on a review of secondary sources, including project documents. The audience for this paper is anyone seeking a quick overview of PTF's work in this area.

2. Building Effective Food Distribution Systems

Few people would disagree that hunger and malnutrition are the worst manifestations of poverty. Despite an overabundance of food in the world, severe malnutrition continues to exist, particularly in South Asia and Africa.

Faced with this situation, many countries have adopted some sort of public food subsidy and/or public food distribution system. While these systems can be effective in reducing hunger and poverty, they are programs that can be severely compromised by corruption. There are many types of programs, and many avenues for corruption. Some common forms of programs include ration shops, food stamps, food for work, community kitchens and nutrition supplements. Ration shops are among the most common, particularly in South Asia. These provide basic commodities

at below market prices. Ration cards are issued to those eligible limiting their weekly or monthly purchase. One objective of ration shops is to provide food at a fixed price throughout the year, thereby avoiding fluctuations in prices. Ration shops are often located in low-income areas in order to improve targeting.

Despite the relative high number of ration shops, little is known about the scope of food distribution via ration shops around the world. The latest survey was done in 1994¹. This survey, while not producing world-wide



A food ration shop in Bangalore, India, targeted by a PTF supported program. Image by the Center for Advocacy and Research (CFAR).

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¹ Per Pinstrup Andersen, ed., *Food_Subsidies in Developing Countries: Costs, Benefits and Policy Options_*Johns Hopkins University Press for the Food Policy Research Institute, Baltimore and London, 1994.

statistics, examined food subsidy schemes in ten countries, including India, Pakistan, Sri Lanka, Brazil and Mexico, among others. Some of these programs have since been modified or eliminated, but many continue, including in India, Pakistan and Mexico. In India, the Government spends \$21 billion, or about one percent of GDP on subsidized food, which is distributed through a system of 500,000 privately operated fair price shops.² . A recent article on Cuba noted that the Government spent 14% of government revenue on food subsidies, which reach about 3.6 million families.³ In Egypt, bread prices are subsidized, costing \$3.1 billion a year, but until recently bread was not rationed. Rationed foods cost an additional \$1.3 billion and reach 17.6 million families.⁴ In Iran, the food ration system was expanded and now covers 17 million of its 76 million population, although shortages persist.⁵

3. Avenues for Corruption

There are many possible avenues for corruption. Government procurement of food opens up various possibilities, including collusion between officials and sellers to ship lower quality products, or less than the contracted amount. Once purchased, food can be illegally sold on the market by government officials or distributors for their personal profit, or simply lost due to pilferage and adulteration, which may involve government officials or private shop operators designated to distribute food. A study in the Philippines (2006) found that 49% of government purchased rice did not reach consumers through official channels. In India, while estimates vary, about 40% of grains channeled through the PDS gets diverted to private markets.

The use of ration cards opens the door for people who are not eligible to bribe officials to obtain ration cards. For example, in India, the counterfeiting of ration books is a common problem. Ration shop officials often overcharge clients for the food (taking the profit for themselves), or dispense less than the amount called for in the ration book (disposing of the extra in the black market). Where subsidies are high, incentives are created for officials to sell official food in the black market and substitute cheaper products for distribution to clients, pocketing the difference. As a result, card holders routinely complain about the poor quality of products in the ration shops, and the lack of availability of their full entitlement. As a result of these corruptive practices, food available at ration shops is often of poor quality, sold at above the regulated price, and/or not available in the quantity set by the ration book.

² R. Kattumuri, "Food Security and the Targeted Public Distribution System in India", LSE Asia Research Center, Working Paper 38 (2011), and IFPRI, *2013 Global Food Policy Report*, Chapter 3, "India's Right to Food Act: A Novel Approach to Food Security" (Washington DC, May 2014)

³ Juan O. Tamayo, "Cuba's Food Ration Stores Mark 50th Anniversary", *Miami Herald*, July 11, 2013.

⁴ "Briefing: Egypt Rethinks its Subsidy System for the Poor" Humanitarian News and Analysis, May 14, 2013.

⁵ Nasser Karimi, "Iran's President Regrets Food Ration Problems" *The Daily Star* (Lebanon), February 6, 2014. http://www.dailystar.com.lb/ArticlePrint.aspx?id=246572&mode=print

⁶ Aashish Mehta and Shikha Jha, "Corruption, Food Subsidies and Opacity: Evidence from the Philippines" *Economic Letters* 117(2012), 708-711.

⁷ IFPRI*, op. cit.,* p. 36

4. The Role of PTF in Combating Corruption

PTF has been active in supporting and helping CSOs with programs designed to reduce corruption in PDS (Public Food Distribution Systems). Since 2009, it has financed eight projects with grants

totaling \$202,000, for projects operated by 4 CSOs (civil society organizations). All of these projects have been in India. Project Completion Reports (PCRs) have been completed for all of these projects, and three have had evaluations by external evaluators. In addition, PTF has supported joint projects which have focused on public employment generation (PE), as well as food distribution. It has supported 7 of these joint projects, with total support of \$166,000 (total, includes non-PDS activities). Overall, the average PTF contribution has been about \$25,000 per project⁸.



A 'Right to Information' awareness raising campaign in Bangalore, India, supported by PTF. Image by CFAR.

PTF selects partner CSOs that have experience and capacity to carry out these projects, based on past track records. The approach is based on helping CSOs to organize citizen opposition to corruption, through organization, training, and constructive engagement among key stakeholders⁹.

In general, these projects have focused on some or all of the following activities:

- Raising awareness of citizen rights and entitlements, through the dissemination of information and education, through group meetings, public media, street plays, etc.;
- Identifying and building capacities of community based citizen groups, particularly of women and youth, to engage with government officials and to put pressure on them to increase transparency and comply with entitlement rules;
- Raising citizen participation in the monitoring of PDS activities, particularly though applications under the Right to Information Act(RTI);
- Establishing citizens' groups to monitor effective provision of service and reducing corruption of PDS outlets, including strengthening/establishing citizen Vigilance Committees as called for under government regulations;
- Monitoring performance of individual PDS outlets, in terms of issuance of rations, quality
 of food, existence of counterfeit ration cards, and requests for payments from ration shop
 managers;

⁸ See Annex I for a listing and description of each project.

⁹ The PTF supported projects for food distribution were part of a broader program in India called "Citizens Fighting Corruption. See Vinay Bhargava, Indira Sandilya, Alexander Varghese and Harish Poovaiah, *Citizens Frighting Corruption:Results and Lessons of An Innovative Pilort Programme in India*, Public Affairs Centere. Bangalore, India, 2013.

- Improving networking among CSOs in terms of fighting for greater transparency in the use
 of government funds, including tripartite discussions between users, government officials
 and CSO groups; and
- Surveying PDS users, to determine the extent of corruption, and to measure progress in reducing it.

5. Results Achieved

Most projects report success in raising citizen awareness, promoting collective action, reducing corruption, and improving the operations of PDS facilities to insure fuller access to entitlements. Some examples are ¹⁰:

Centre for Advocacy and Research (Bangalore, India): The Centre for Advocacy and Research



Local campaigning to ensure inclusion of eligible families in the PDS. Image by CFAR.

(CFAR) worked to: (i) consolidate on-going efforts by Women's Forums and Community Advocates to strengthen transparency and pro-poor urban governance, (ii) make the urban bodies sensitive and accountable to the entitlements of the community, and (iii) strengthen mechanisms to legitimize community participation and involvement. Specifically, CFAR worked to ensure inclusion of eligible families in the PDS, and to ensure that the ICDS¹¹ centers across eight Bangalore slums work in accordance with rules and regulations by holding all stakeholder accountable and taking up issues to curb corruption at the advocacy level, and looking for effective mechanisms to implement anti-corruption measures. As

a result of this work, CFAR established 13 Vigilance Committees for 13 ration shops¹² in the Bangalore slums, plus 9 committees to monitor 9 ICDS centers. A base line survey identified 1246 eligible households that did not have ration cards, and by the end of the project¹³ 612 (40%) had received their cards. By the end of the project, 62% of families were receiving the stipulated rations and paying the stipulated prices. The PCR notes that 9 or 13 ration shops are now considered to be operating properly, as are 6 of the 9 ICDS centers.

¹⁰ Except where noted, the information in this section is based on Project Completion Reports (PCR), Project Completion Assessments (PSA) and independent evaluation reports.

¹¹ Infant and Child Development Centers. These centers focus on child health and nutrition, including distribution of infant formula and food.

¹² In India, ration shops are privately owned and operated under license from the Government.

¹³ The project operated from May 2011 to November 2012.

<u>Paraspara Trust (Bangalore, India):</u> The project successfully formed 50 PDS Citizens Monitoring Committees (20-25 people) to monitor performance of 50 PDS ration shops. ¹⁴ Awareness of citizen entitlements improved with better information in PDS outlets, distribution of handbills, community dialogues and street play demonstrations. Citizens were trained in the use of RTI as a

tool to monitor PDS outlet shop performance. The project took steps to bring 1580 eligible, but excluded families into the PDS system; at the end of phase two of the project 1098 had been included. About 1500 bogus ration cards were identified, of which 500 were revoked. The project defined a "model PDS shop" in terms of absence of bribery, sufficient stocks of essential items, proper scales, and supply of quality materials at the right weight/counts. By the end of the project, 19 PDS shops were certified as "model "shops. The project also made progress in improving water services.



Local campaigning to ensure inclusion of eligible families in the PDS. Image by Paraspara Trust.

<u>Youth for Social Development (Orissa, India)</u>: The objectives of the project were to engage citizen groups and civil society in the monitoring of basic services (PDS, water supply, land records); to build capacity of the citizen groups and civil society by utilizing Right to Information (RTI) access; and to advocate for proactive disclosure of information, provision of grievance redressal and

institutional reforms to reduce bribery and ensure transparency and accountability. YSD was successful in constructive engagement among stakeholders, and in building community awareness. Six Citizens Monitoring Committees were formed, and information on service norms were disseminated in six areas, including PDS. YSD sponsored groups filed 161 RTI applications. An end-project survey showed a 28% drop in corruption. While the community is now aware of its rights and issues, there is still reluctance on the part of citizens to raise their voices because of fear of loss of benefits.



Building community awareness of government programs.

Image by CFAR.

<u>Suraksha (Odisha, India)</u>: Efforts to empower and educate people about their entitlements have improved access, both to PDS and the MGNREGS¹⁶. SURAKSHA used a variety of methods to raise

¹⁴ 30 under Phase I, 20 under Phase II.

¹⁵ John Clark, "India Report", March 2013.

¹⁶ Mahatma Gandhi National Rural Employment Guarantee Scheme.

awareness, strengthen community organizations, training citizens on the use of RTI, and engage in constructive dialogue with officials. As a results, the numbers of PDS Card Holders has increased 16% over the baseline values; 100% of PDS beneficiaries have regularly been getting PDS commodities (rice & cooking oil) in correct quantities and of good quality. PDS distributing agents have stopped collecting extra charges on sugar; 100% of PDS entitlement-holders confirmed that they are not paying anything extra for the commodities such as rice and sugar.

6. Lessons Learned

There is a natural fear among PDS recipients to raise these kinds of issues, given the danger of reprisals that would deny them access to basic food supplies. The solution is steady and careful organization, to build an atmosphere of collective action, and the identification of champions within the community that can take a leadership role.

Likewise, there is often substantial resistance on the part of government officials, distributors, and ration shop owners to recognize and admit to problems of corruption, since they are often the beneficiaries of this corruption. Change occurs slowly over time; most projects faced resistance at first, but over time officials and shop owners became more cooperative. The activities of these citizen groups can push government officials into greater use of their own enforcement mechanisms.

Engagement on this issue must be done on all levels, not just with clients. These include shop owners/operators, government officials and elected representatives.

The use of the media to raise awareness is critical, including print media, film, TV and radio. The use of "street plays" to dramatize the situation has proven especially effective. This has worked well in India which has a high degree of freedom of expression and assembly, but may not be so readily available in other countries.

In India, the RTI enabled citizen groups to monitor the performance of individual stores. CSOs supported by PTF were instrumental in building capacity within community groups for making RTI requests and using the information to make PDS shop owners and government officials accountable.



Awareness raising among the local community in Bangalore, India. Image by CFAR.

These projects have had a particularly important impact on women, in terms of providing an organization through which they can voice complaints and share experiences, as well as increasing access to food for their families.

Once organized to address PDS issues, there is evidence that groups expand their purview to take on other issues, such as violence against women, drunkenness, rights of widows and pensioners, and access to caste and birth certificates.¹⁷

7. Future Action

The projects described here have had an impact, but compared to the overall level of corruption, their impact is limited. PTF projects have improved services at perhaps 100 ration shops; however, the total number of ration shops in India is about 500,000. There are similar problems in food distribution systems in other countries which PTF has not had the funds to address. Greater involvement by PTF and other donors can usefully broaden the impact of citizens groups in controlling corruption. These groups can serve as models for replication by other groups, so that the model can be replicated on a larger scale.

While the Indian Government already has in place systems for audit and inspection of ration shops, and mandates the establishment of citizen vigilance committees for each ration shop, because of corruption at various levels, these mechanisms generally fail to work. Constructive dialogue by citizen groups can do much to push the Government to clean up its own system of monitoring and control.

The fact that 40% of subsidized grains in India now are diverted from target groups, suggests that there is enormous potential both to expand benefits so as to reduce poverty and/or to reduce the cost of the program in the Government budget. While many suggestions have been made to introduce a system of food stamps, cash grants, or transfers via smart cards, such systems will have little impact if nothing is done to control corruption¹⁸. It is virtually impossible to design a system that cannot be compromised by corruption, whenever transparency and accountability are absent. Indeed, such reforms could as much facilitate corruption as impede it.

¹⁷ John Clark, "India Report", March 2013.

¹⁸ India has already created an electronic card for food rations and other subsidies, and introduced it on a pilot basis in eight states. See: http://www.voanews.com/content/in-india-cash-replaces-food-rations-for-poor/1532193.html

Annex: PTF PROJECTS TO REDUCE CORRUPTION IN PUBLIC FOOD DISTRIBUTION I. PUBLIC FOOD DISTRIBUTION PROJECTS

Project Name	PTF Project No.	Location	PTF Funding Amount	Name of CSO	Project Objectives and Results
Mobilizing Youth and Communities to fight corruption	106	Karnata, India	19,400	Swami Vivekand and Youth Movement (SVYM)	Objectives and Results . PTF provided support in 2009-10 to Swami Vivekananda Youth Movement to: (i) empower 80 youth groups and 20 youth leaders to reduce corruption in developmental schemes of the government, especially PDS in the HD Kote Block of Mysore District using the right to Information Act (RTI), (ii) conduct capacity building and information dissemination programs about RTI for youth groups, NGOs and government departments, (iii) establish Vigilance Committees and ensure monitoring of at least 40% of the Fair Price Shops, and (iv) increase the number of RTI applications by 50% at the end of the project period. By the end of the implementation period over 2500 women, youth, officials, ration shop owners and community members were knowledgeable about entitlements and rules related to the operation of PDS.
Community Movement Against Corruption in PDS	188	Karnata,Ind ia	35,000	Swami Vivekananda Youth Movement (SVYM)	Objectives. The project had four objectives: (i) Include all eligible families that are excluded from the PDS, (ii) Increase the proportion of card holders getting the stipulated quantities at the stipulated price without corruption tax, (iii) increase capacity of communities and CSO Partners to confront corruption in a sustained manner, and (iv) ensure appropriate changes in policies and procedures for reducing corruption in PDS. Results. VYM carried out a baseline survey to understand and analyse the prevailing situation. The survey helped to identify 679 eligible families. SVYM ensured that all these families received AAY cards. In addition, 158 deserving families who earlier had BPL cards received AAY cards. Vigilance Committees (VC) were trained by the project staff with the support of the Panchayath, Taluk and district level Govt. 20 training programs about the VC's roles and responsibilities were conducted with the involvement of the Panchayath Development Officer (PDO). Handbooks on the VCs were distributed to the participants. During Phase – 2, 815 RTI applications were filed by the community at the Gram Panchayath and Taluk level. These applications have brought more transparency in the functioning of the Govt. offices and selection of the beneficiaries under the various Govt. schemes. The majority of these applications have been filed with the support of the Facilitation Centre at H D Kote. Many Govt. officials approached the office for the clarification of their doubts and often referred the community members to the office to get help to file an RTI application.

Reducing corruption in the PDS in Urban Slumps	110	Bangalore, India	17,850	Paraspara Trust –Phase I	Objectives. In 2009-10, PTF worked with Paraspara Trust to identify and promote 30 citizen's groups to monitor effective provision of service of 30 FPS outlets in Bangalore to increase awareness among consumers and public on the issue of corruption in the PDS system and to establish a model in citizen participation in PDS distribution to reduce opportunities for corruption. Results. The project was successful in increasing awareness of corruption in the PDS system through handbills, street play and news media at the Bengaluru city level. The project effected and motivated consumers to come forward and initiate citizen's groups to address corruption at fair price shop levels. Fair Price Shops were established as model PDS outlets.
Reducing corruption in the delivery schemes	112	Bangalore, India	13,850	Paraspara TrustPhase II	A continuation of Phase I, expanding the scope of the project to cover 50 Ration Shops. At the end of Phase II, PSDMC (Public Distribution System Monitoring Committees) had been established for all 50 ration shops, and 19 ration shops had been designated as "model" shops, free of corruption and functioning according to Government standards, and 1098 previously excluded eligible families had received ration cards. Bogus cards have been eliminated. 86 percent of families in the project area are now receiving stipulated commodities at the stipulated prices.
Fighting Corruption in PDS/ICDS: Response from Women Collectives of Urban Poor Settlements	186	Bangalore, India	Total: 48,000 Phase I 13,000 Phase II 35,000	Centre for Advocacy and Research	Objectives. The project was implemented in two phases. The objective under Phase 1 were: (i) to consolidate the efforts to strengthen transparency and pro-poor urban governance by Women's Forums and Community Advocates, (ii) to make the urban bodies sensitive and accountable to the entitlements of the community, (iii) to strengthen mechanisms to legitimize community participation and involvement. In phase 2 the focus were: (i) to upscale the activities under the first phase. This was to be achieved by strengthening community based monitoring and review bodies such as vigilance committee, neighborhood groups, and pressure groups to ensure inclusion of eligible families in the PDS, (ii) to ensure that the ICDS centers across the eight slums work in accordance with rules and regulations by holding all stakeholder accountable and taking up issues to curb corruption at the advocacy level looking for effective mechanisms to implement anti-corruption measures, and (iii) to capacitate women's collectives to address corruption in PDS/ ICDS in other cities with CFAR's intervention. Results. The project has been able to generate awareness and build rapport with multiple stakeholders like community shop owners, ICDS workers and department officials. Strong groups have been formed which can act as catalysts to raise awareness and help the community to access welfare schemes. Staff developed a good rapport with the community and officials. CFAR has published a Citizen Report Card on PDS, conducted baseline surveys across eight slums of Bangalore which have been well documented, a collection of case studies titled – Public Hearing: Power to People and has also published a newsletter with updates by the Daksha Samuha designed by the youth within the community. To enhance the capacity of the women's collective for mobilizing against corruption, 10

Enabling Citizen Monitoring of Public Services, Prevent Bribery to Foster Effective Service Delivery	191	Brahmapur City, Orissa, India	31,850	Youth for Social Development (YSD, phase II)	capacity building workshops on various issues from RTI, entitlements under PDS and ICDS were held and about 200 women were directly reached out to through these workshops. Objectives. The project's objectives were: 1) to promote citizen groups and civil society monitoring fo basic services (PDS, water supply, land records) with a monitoring check list; 2) to build capacity of the citizen groups and civil society on monitoring service delivery by utilizing Right To Information (RTI) access; 3) to advocate for proactive disclosure of information, provision of grievance redressal and institutional reforms to reduce bribery and ensure transparency and accountability.
Community Engagement in Fight Against Corruption and Improved Service Delivery		Brahmapur City, Orissa, India	35,568	Youth for Social Development (YSD, phase III)	Objectives. The project builds on the results of Phase 2. It objectives are to: 1) engage citizens and civil society to monitor public services (PDS, ICDS and water); 2) to ensure qualitative and quantitative service delivery (PDS and ICDS) and 3) to promote good governance (transparency, accountability and participation). Results (I and II). YSD was successful in constructive engagement among stakeholders, and building community awareness. Six Citizens Monitoring Committees were formed, and information on service delivery norms disseminated for six areas, including PDS, water, and land records.161 RTI applications filed. Citizen groups empowered to effectively monitor PDS and water services. 28% reported drop in corruption.

II. JOINT FOOD DISTRIBUTION/ PUBLIC EMPLOYMENT PROJECTS

Reduce	183	Gajapati,	31,500	SURAKSHA	Objectives (from phase 2 PCR): To ensure at least 65% of the eligible excluded families
Corruption in MGNREGS & PDS in 12 Panchayats	103	Odisha,India	31,300	(Phase II)	(approx 2306 families) of 121 villages of 12 GPs of Gumma Block get job cards by March 2012; to ensure at least 85 days of work per year (out of the stipulated 100 days) to all job cardholders and full stipulated wages and other entitlements to all those people who work; to empower and capacitate people about their entitlements vis-à-vis MGMGNREGS; to promote good governance relating MGMGNREGS; and to reduce corruption in PDS. (Note: Phase I did not deal with PDS) Results (PDS only): The numbers of PDS Card Holders has increased 16% over the baseline values; 100% of PDS beneficiaries have been getting PDS commodities (Rice & K. Oil) in correct quantities and good qualities regularly; PDS distributing agents have stopped charging Rs.1.5/- extra per KG of Sugar; 100% of PDS entitlement-holders confirmed that they are not paying anything extra for the commodities like Rice and Sugar.
Reduction of Corruption in MGNREGS & PDS	116, 182	Nuagad Block Odisha, India	Total: 38236 Phase I: 18977 Phase II:19259	PREM	Objective: To reduce corrupt activities by local government employees and functionaries in key public service provision through direct monitoring and exposure of corrupt activity. Relative to PDS, the objective was to ensure that all households receive full and regular provisions, and that all bogus ration cards are confiscated by the local government. Results: 1604 new households included under PDS; more than 1,000 households receive stipulated quantities of ration items due to community monitoring efforts; 8 new Vigilance Committees formed and 50 new Citizen Monitoring groups have been trained. In addition, 6 cases of corruption in PDS have been revealed.
Citizens Against Corruption	117, 189	Raichur, Karnataka, India	60867 Total 26000 Phase I 34867 Phase II	NJMO (Prerna)	Objective: Reduce corruption in basic services and schemes for the poor, especially in food security programs, primary health cneters, at the gram panchayat level, and improve governance. Specifically, for PDS, to increase awareness in the community about rights and corruption through a Citizens Corruption Report Card, to increase the use of TRI as an effective tool to combat corruption; to work with the Government in implementing an effective Grievance Redressal System. Under Phase II, the objectives were: 1) to ensure that 30% of 3000 cardholders in 100 villages get rations in stipulated quantity and price; 2) cardholders were trained to ensure that PDS shops were working according to rules, and 3) to promote changes in policies and procedures for enhanced effectiveness of anti-corruption measures in PDS. Results. NJMO has been successful in establishing itself as a strong community based organization standing for the rights of the marginalized. As a result the community is well organized, and aware of their rights and entitlements. NJMO has been able to influence local

					government officials, and has good rapport. Social audits have been undertaken in 50 panchayats, the citizens report card has been published, and the Grievance Redressal System has been established for NREGS and PDS. For PDS, the number of shops not opening for more than two days has come down from 90% to 40%; the number of shops not giving all items continuously has come down from 50% to 15%. Phase II targets # 1 and 2 were met 100%. The third objective was not met due to institutional constraints against changing government policies.
Reducing corruption in NREGA and PDS in Loisingha block	113, 184	Bolangir, Orissa, India	35,675,total Phase I 11,675: Phase II: 24,000	ADHAR	Objectives. To reduce corruption in the MGNREGS and PDS through a citizen campaign. The key objectives for PDS were: to organize and generate awareness of entitlement rights under PDS; reduce irregularities in the distribution of PDS commodities; and improve responsiveness of local government officials to problems. Results (PDS only). A number of activities were carried out to make the community aware of their rights and. These include training, formation of various local committees.and engagement with other CSOs and CBOs. Distribution of commodities is mostly on time; PDS shops now inform public when there are delays; distributions of the correct quantity has been achieved, and quality of food has improved, but the problem of adulteration has not been completely eradicated.