



REALISING THE
MDGS BY 2015:
ANTI-CORRUPTION
IN PERU

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Background

This study on Peru is part of an exploration of countries' experiences with advancing towards meeting the Millennium Development Goals (MDGs). The MDGs are a set of goals aimed at making significant progress by 2015 on key development areas, including poverty, education and health.¹ Taken together with findings from Bangladesh and Ghana, the three studies provide a window into how anti-corruption activities can positively support sustained advances in achieving the MDGs. They demonstrate how civil society actors are working towards combating corruption in service delivery – a practice that severely compromises a country's ability to provide basic services and meet the MDGs.

The studies help to critically assess whether initiatives undertaken by Transparency International's National Chapters in Bangladesh, Ghana and Peru have promoted positive changes in the communities and services that they have targeted with anti-corruption focused programmes. More importantly, the studies underscore how chapter experiences support in practice the principle that comprehensive governance and anti-corruption work does have an 'MDG pay-off'.

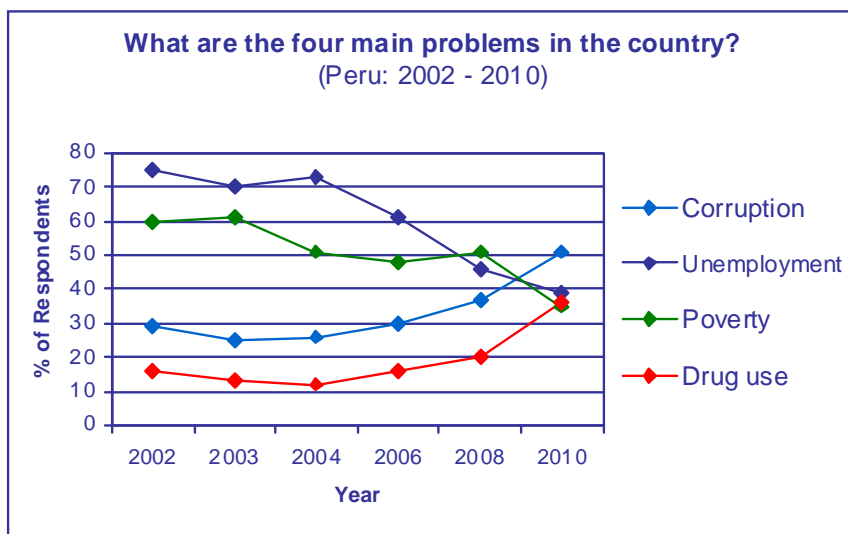
¹ This study was completed by Proética, Transparency International's National Chapter in Peru. It was commissioned by the Transparency International (TI) Secretariat in Berlin. TI Peru was tasked with carrying out the work based on its experiences and activities related to the advancement of the Millennium Development Goals (MDGs). Similar country studies were completed in Bangladesh and Ghana. These three TI Chapters were selected based on their continued involvement in projects designed to address poverty by building transparency, accountability and integrity in the local delivery of health, education and/or water services.

1. Overview: Corruption in Peru

In the years following its most recent return to democracy in 2000, Peru has unfortunately not been left untainted by high-level corruption scandals. Following the fall of former President Alberto Fujimori (1990-2000), under whose administration US\$ 600 million was allegedly stolen (although other estimates put it at ten times this amount),² the country has not been able to solidify governance and anti-corruption reforms. According to Transparency International's Corruption Perceptions Index 2010, Peru falls alongside countries such as China, Colombia and Serbia in terms of its perceived levels of public sector corruption.³ While anti-corruption policies are considered to be largely on the books, including for the creation of a new anti-corruption commission in February 2010 and the establishment of whistleblower protections in June 2010, these measures are generally not enforced.⁴

The country's new president Ollanta Humala, elected in June 2011, was brought to power on an anti-corruption platform and is left with a long to-do list. The Humala government must fulfil its promise to conduct a thorough investigation into the conduct of the previous administration, including reviewing state contracts signed with large companies and legally pursuing major corruption scandals uncovered during the past five years.⁵ One area of questionable contract concessions is related to the extractive industries, which include logging, mining and oil.⁶

The prominent profile of corruption in Peru has placed the issue high in the national consciousness. According to one study, corruption is considered the top national concern, surpassing poverty, unemployment and citizen insecurity.⁷



² Transparency International, '2004 Global Corruption Report' (Berlin, Germany: TI, 2004). See: www.transparency.org/publications/gcr/gcr_2004#download. According to investigative reports issued by the Special Prosecutor for the Montesinos-Fujimori case, the amount could be as high as US\$ 4 to 6 billion: See: <http://elcomercio.pe/politica/458481/noticia-balance-gobierno-fujimori-desaparecieron-mil-millones-dolares-arcas-estado>.

³ See: www.transparency.org/policy_research/surveys_indices/cpi/2010/results.

⁴ Peru Country Profile, Business Anti-corruption Portal, Website, Accessed on 4 August 2011. See: www.business-anti-corruption.com/country-profiles/latin-america-the-caribbean/peru/.

⁵ Samuel Rotta Castilla, 'Corruption Challenges Wait for Peru's New Government', blog post, 'Space for Transparency', TI, 20 June 2011. See: <http://blog.transparency.org/2011/06/20/corruption-challenges-wait-for-perus-new-government>.

⁶ 'Perú: escándalo por corrupción petrolera amenaza con extenderse', AFP, 7 October 2008. See: http://economia.terra.com.pe/noticias/noticia.aspx?idNoticia=200810071904_AFP_190400-TX-FHE93; 'Oro Sucio', *Bajo la Lupa Revista*, No. 13, May 2010.

⁷ For the results, see: Proética, 'Sixth National Survey of Corruption Perceptions in Peru 2010' (Lima, Peru: Proética, July 2010). See: www.proetica.org.pe/Descargas/sexta%20encuesta.ppt#741,1,Slide1.

This change in opinion over time is a result of a number of factors. The series of high-level corruption scandals in recent years, combined with the failure to prosecute them, has fed the perception that key government institutions have failed to address corruption issues. While the sustained economic growth of the country has helped to reduce general concerns about poverty and unemployment, it has brought limited benefits to government institutions, namely in terms of investments in financial and human resources to improve them. As a result, Peru's economic gains have not been properly managed and key political and social structures have not been strengthened.

There also is growing perception that although the country's economic expansion helped to reduce overall levels of poverty, some Peruvians have prospered while others have suffered due to high levels of inequality and corruption. This widening gap, which is evident between regions, has been driven by two factors. First, there has been an increase in royalties received by certain regions with extractive industries, due to a spike in global commodity prices. Second, investments have risen in agro-industry, manufacturing and trade but these inflows have been concentrated in the country's commercial centres.

In parallel with these economic changes, Peru has decentralised its government, leading to positive changes, as well as severe distortions. Decentralisation has increased the incompetence and arbitrariness of local authorities, confusion among the population and the risks of corruption.⁸ For example, the Office of the Auditor General (*Contraloría General de la República*) has reported that funds worth nearly 350 million Peruvian Soles (US\$ 120 million)⁹ have been tainted by local government corruption.¹⁰ This figure is equivalent to a half of the amount earmarked for government procurement and public works projects in the country.

Unfortunately, public opinion surveys conducted by Proética, a National Chapter of Transparency International (TI), show that Peruvians tend to accept the need to engage in corruption.¹¹ Confronted with an inefficient state that creates cumbersome and expensive processes, it is often more convenient to pay a bribe than to follow the standard procedures. People seem to have grown accustomed to Peru's systemic corruption, which has led to inefficient processes and an allegedly incompetent civil service.¹² People consider it 'normal' to make informal payments to carry out administrative tasks, such as scheduling appointments and obtaining licenses; or for illegal acts, like changing a student's grades or buying contraband medicine. The widespread presence of petty bribery is the clearest evidence that the state has taken on an informal character and that the rule of law has been undermined. It also underscores how corruption has become a sizable obstacle for advancing equitable progress on the Millennium Development Goals (MDGs).

⁸ 'Tercera conferencia nacional anticorrupción "Descentralización, pobreza y corrupción"', Lima, Peru, 3-5 November 2004. See: www.proetica.org.pe/Descargas/3era.conferenciaPDF.pdf; Proética, 'Lucha contra la corrupción en gobiernos descentralizados', PowerPoint presentation, 10 December 2007. See: [www.proetica.org.pe/Descargas/EXPOSICION_CorrupcionmunicipiosCax071210.ppt#256,1.Lucha contra la corrupción en gobiernos descentralizados](http://www.proetica.org.pe/Descargas/EXPOSICION_CorrupcionmunicipiosCax071210.ppt#256,1.Lucha%20contra%20la%20corrupci%C3%B3n%20en%20gobiernos%20descentralizados).

⁹ Based on the exchange rate as of 9 May 2011.

¹⁰ For more information, see: 'Controlaría 350 millones de soles están vinculados a delitos de corrupción', *El Comercio*, 3 September 2010. See: http://elcomercio.pe/noticia/633244/contraloria-350-millones-soles-estan-vinculados-delitos-corrupcion_1.

¹¹ For the results, see slide 21 of: Proética, 'Sixth National Survey of Corruption Perceptions in Peru 2010' (Lima, Peru: Proética, July 2010). See: www.proetica.org.pe/Descargas/sexta%20encuesta.ppt#741,1.Slide1.

¹² For the results, see slide 21 of: Proética, 'Sixth National Survey of Corruption Perceptions in Peru 2010' (Lima, Peru: Proética, July 2010). See: www.proetica.org.pe/Descargas/sexta%20encuesta.ppt#741,1.Slide1.

Corruption and the MDGs

Peru is one of the few countries close to achieving the Millennium Development Goals. For example, the country aimed to reduce chronic malnutrition to 16 per cent by 2011. Based on figures from 2009, malnutrition levels had already fallen to 18.3 per cent. Nevertheless, there is a huge gap between rural and urban areas. Chronic malnutrition in urban settings has fallen to 9.9 per cent, whereas in rural areas the average level is still 32.8 per cent.

The situation is similar for the majority of the goals. Extreme poverty fell from 24 per cent in 2001 to 13 per cent in 2008. In urban areas, extreme poverty has nearly disappeared (3 per cent in 2008), while the level in rural areas remains at almost a third of the population (30 per cent in 2008).

This gap between urban/rural progress demonstrates how the country's economic expansion has played a key role in advancing development in Peru's cities, where a critical mass of poor people have joined the productive sectors. On the other hand, these findings also show that social policies have not responded effectively to the needs of the poorest sectors of Peruvian society, particularly in rural and indigenous areas. The reasons for such inefficiency include project design errors, unqualified staff, resource constraints, and corruption, among other factors.¹³

While Peru is among a small group of countries that is expected to achieve the MDGs, reaching the goals will only happen at the aggregate national level. Looking more closely at the data reveals that there are severe inequalities when it comes to achievement by region, in rural areas and among different social and ethnic groups. Findings suggest that corruption is one of the factors for these differences in results. Research conducted by Transparency International in 2010 reveals a strong link between higher levels of reported corruption and reduced progress on three key MDGs: education (MDG 2), maternal mortality (MDG 5) and access to clean water (MDG 7).¹⁴

2. Corruption and Education

Progress by Peru in meeting the global MDG for education (MDG 2) has been unbalanced when advances are compared between urban and rural areas, as well as among indigenous and non-indigenous communities.¹⁵ Cumbersome bureaucratic processes, a lack of transparency, and untrained and underpaid personnel have contributed to the problem. Unfortunately, the mechanisms to sanction and control corruption and improve the sector's governance have been inefficient and applied arbitrarily.

Weaknesses in the governance of the sector have contributed to corruption's prevalence at all levels of the education system. Low-level or petty corruption is manifest in the misappropriation of school funds by head-teachers. Mid- and high-level corruption (also known as grand corruption) has involved the allocation of teaching and administrative positions in exchange for political favours. The

¹³ All data is sourced from the most recent national report on Peru's progress on achieving the MDGs. UNDP Peru, 'Informe sobre el cumplimiento de los ODMs en el Peru' (Lima, Peru: UNDP, 2008). See: www.onu.org.pe/upload/documentos/IODM-Peru2008.pdf.

¹⁴ Transparency International, 'The Anti-Corruption Catalyst: Realising the MDGs by 2015' (Berlin, Germany: TI, 2010). See: www.transparency.org/publications/publications/other/mdg_report.

¹⁵ 'MDG Monitor: Peru', Website, Accessed on 22 June 2011. See: www.mdgmonitor.org/country_progress.cfm?c=PER&cd=604. Also, Martín Benavides and Martín Valdivia, 'Metas del Milenio y la Brecha Étnica en el Peru' (Lima, Peru: GRADE, December 2004). See: www.grade.org.pe/download/docs/informe%20ethnicity%20and%20MDGs%20v3.pdf.

findings of the Second National Education Survey 2007 signal that corruption in the sector is ranked as the second greatest problem affecting the quality of public education.¹⁶ There is growing consensus that corruption in education is what is holding back Peru's students and the country. Indeed, when Peru's Office of the Ombudsman approached Proética in 2006 to join forces to fight corruption, it was the education system that was the top priority.¹⁷

Based on a public opinion survey on corruption, 47 per cent of Peruvians responded that they believe it is possible to bribe teachers.¹⁸ Among the reasons for bribing teachers and school staff, grade fixing was cited as the most common (60 per cent of responses), followed by the desire to speed up the receipt of diplomas and certificates (36 per cent), conceal serious offenses (34 per cent) and secure a position (32 per cent).

The results of both the national education and anti-corruption surveys are supported by additional findings drawn from corruption risk maps completed by Proética. The maps, which include the education sector and cover five of Peru's 25 regions, have identified problems of transparency in administering school resources, particularly those related to school staff and personnel. Staffing in the sector is extremely valued. While the education sector receives relatively limited government funding (about 3 per cent of the gross domestic product), it employs a large number of public officials and teachers. Politicians and parties prize these positions as a resource to reward their supporters. Decisions related to hiring, assignments and relocation provide considerable power to education authorities at lower levels of government. Information is not handled transparently, and this is facilitated by weak information management systems. For instance, the exact number of teachers in the Peruvian education system is unknown.

In addition to the lack of transparency, Proética's surveys have also shown that weak and inefficient controls preclude an effective response to the widespread perception of corruption. The absence of sanctions has created a sense of impunity. The problem is not that controls are lacking, but they are unevenly applied and uncoordinated. For example, although there are several government authorities that have the power to investigate mismanagement and corruption, they do not work in coordination. They often create a bureaucratic labyrinth, confusing people wishing to file a complaint.

Such a weakly governed education system has led to the waste of needed resources. According to data from the Legal Office of the Ministry of Education (*Procuraduría del Ministerio de Educación*, 2002), 18 million Soles were lost to corruption in one year alone.¹⁹ The Educational Forum, a non-profit organisation in Peru, has estimated that this money could have been used to:

- purchase equipment for 440 classrooms;
- produce 4 million school manuals;
- provide 12 million lunches to students; or
- pay 36,000 teachers an additional one month's salary.²⁰

¹⁶ For more on the survey, see: www.foroeducativo.org/index.php/welcome/documentos. This is a national survey, covering urban and rural areas, with a margin of error of 2.3 per cent and a reliability level of 95 per cent.

¹⁷ Samuel Rotta Castilla, 'Corruption-free Education: Lessons from a State- and civil society joint initiative in Peru', U4 Brief No. 6 (Bergen, Norway: U4 and CMI, March 2008). See: www.cmi.no/publications/file/3004-corruption-free-education.pdf.

¹⁸ The results are from the National Anti-Corruption Survey, which was conducted by Proética and published in July 2010. Proética, 'Sixth National Survey of Corruption Perceptions in Peru 2010' (Lima, Peru: Proética, July 2010). See: www.proetica.org.pe/Descargas/sexta%20encuesta.ppt#741.1.Slide.1.

¹⁹ This is based on official figures from investigated complaints by the government. See: 'Cómo desterrar la corrupción en la educación peruana', Oficina de Prensa del Congreso, Press release, 3 February 2004. See: www.unmsm.edu.pe/Noticias/febrero/d3/veramp.php?val=1.

²⁰ All estimates are based on prices in 2002. At that time, this payment to teachers was the equivalent of receiving an extra month's salary, or 500 Soles.

The calculation of costs and lost opportunities illustrates how corruption directly and indirectly affects attempts to improve access to and the quality of the education system as part of meeting the MDGs. Corruption affects a school's financing, the performance of teachers, and the administration and management of the sector, among other areas. While each of these issues is influenced by various factors, corruption clearly plays an important role in conditioning the performance of Peru's education system.²¹ In turn, the extent, type and severity of corruption will continue to undermine how the country advances on its related MDG commitments on education.²²

3. An Anti-Corruption Response to the MDGs

Proética has focused on combating corruption in education and progression on the MDGs by working with local level governments. It has backed four projects²³ prepared by regional teams that are part of the National Anti-Corruption Network,²⁴ which Proética has supported since 2009.

The National Anti-Corruption Network is Proética's civil society outreach initiative.²⁵ The network seeks to assemble an elite group of individuals and institutions drawn from civil society in each region. The people selected to participate are taught and trained about transparency in public administration, institutional oversight, accountability and citizen engagement.

The first phase of the initiative has consisted of intensive training at Proética's Anti-Corruption School. The goal is to use the training to build and transfer the skills needed to undertake anti-corruption initiatives to non-governmental organisations (NGOs), community leaders and university students. The second phase has focused on using the network as a broad civil society platform to monitor the use of government resources at the local level.

Four of the 24 regional teams trained at the anti-corruption school have chosen to focus on reducing the risks of corruption in the education sector, in turn contributing to the country's advance on the MDGs. The team from Ucayali (a jungle region that borders Brazil) and the team from Pasco (a central mountainous region) have pursued improving oversight of the resources provided to schools for their maintenance. The team from Arequipa (a southern coastal mountainous region) and the team from Ayacucho (a central mountainous region) have chosen to focus on strengthening the integrity of the teacher recruitment process.

School maintenance

The regional teams from Ucayali and Pasco became concerned about corruption risks of school maintenance funding following earlier problems with funds that had been transferred from the central government. In 2008 and 2009, the Ministry of Education sent all school grants worth between US\$ 1,500 and US\$ 7,000 to cover the costs of maintaining their facilities. Soon after,

²¹ In the most recent PISA assessment, Peru received 370 points in reading literacy, 365 in mathematical literacy, and 369 in scientific literacy, placing the country at the bottom of the list. See: www.oecd.org/edu/pisa/2009.

²² For more information on Peru's progress on the MDGs, see: www.mdgmonitor.org/country_progress.cfm?c=PER&cd=604.

²³ The regional teams have been financed as part of the National Anti-Corruption Network. Each initiative has received up to US\$ 4,000. All team projects were conceived as volunteer initiatives, and no salaries were paid. All the funds have been used to finance activities. For more information on the network, see: www.redanticorruccion.pe.

²⁴ There are a total of 24 teams. Each team within the network includes a journalist, a representative of a local NGO and two university-level students who have previously participated in civil society networks.

²⁵ The project is funded through the Threshold Program of the Millennium Challenge Corporation (MCC). The Millennium Challenge Corporation is an independent US aid agency that was created by the US Congress in 2004. The MCC forms 'compacts' or aid agreements with some of the poorest countries based on their commitment to good governance, economic freedom and investments in their citizens. The Threshold Program is an initiative to get a country up to these standards in order to sign a compact. For more on the MCC, see: www.mcc.gov.

reports were received of head teachers submitting fake invoices or spending funds arbitrarily without making any of the necessary improvements to school facilities.²⁶ In all cases, there was a low level of involvement in spending decisions by communities as well as by parents' organisations. The channels established for community participation (i.e. the school's maintenance and oversight committees) were also not seen as functioning properly.

This situation prompted the two regional teams to conduct training activities to strengthen community participation and oversight. The aim was to promote greater transparency in the use of school maintenance funds. During these outreach activities, the team from Ucayali surprisingly learned that some headmasters were unaware that the central government had earmarked the funding solely for school maintenance. In other instances, the team discovered that some mayors did not know that they were required to preside over the oversight committee that administered these government funds.

Initially there was a hostile reaction to the team's work from some administrative departments within the education system. This negative reception was fed by the team's requests for information on the programme's administration. However, once these departments understood that the requests for information were meant to improve the delivery of funding, they agreed to participate in the project. The regional team also had to deal with the mistrust of the local parents' associations that did not want to be monitored. After these concerns were assuaged, through persistent outreach work and increased local media coverage, parents finally became engaged. Once a certain level of trust was achieved, the demand for training actually grew, including from schools in more rural areas (a large part of Ucayali is covered mostly by jungle).

The Pasco team developed a strategy of alliances similar to that of Ucayali, and also encountered similar resistance on the part of authorities and stakeholders. In the case of Pasco, coverage by the local media was less than what was experienced in Ucayali, but nevertheless it remained an important factor in securing the buy-in of the different school and community actors.

Based on these two team experiences, one sees the important difference that can be made by providing better information to stakeholders: education agencies, school authorities, parents and civil society organisations. Each group is now prepared to monitor the next round of funding transfers. Moreover, community members are now better positioned to watch over budgetary spending in the local education system, making sure that funding goes to improving the quality of education for everyone as part of achieving the MDGs.

Recruitment of teachers

In Peru's education system, the control of personnel decisions (e.g. hiring, firing and transfers) is an area which is prone to corruption. Within this remit of responsibilities, the recruitment of teachers is particularly complicated, given the impact that it has for the entire educational process and the country's progress on related development goals. For these reasons, two of the regional teams decided to focus on reducing corruption risks that arise during the recruitment of teachers.

In the case of Ayacucho, the decision to monitor the recruitment of teachers is extremely interesting. The regional team had many years of experience working in the field of human rights, but had never worked on corruption, education or the complex topic of teacher recruitment.²⁷

²⁶ Defensoría del Pueblo, 'Aportes de la Defensoría del Pueblo para una Educación sin Corrupción' (Lima, Peru: Defensoría del Pueblo, December 2009). See: www.defensoria.gob.pe/modules/Downloads/informes/defensoriales/informe_147.pdf

²⁷ The Human Rights Commission (Comisión de Derechos Humanos, COMISEDH) is the organisational seat used for the Network's team in Ayacucho (www.comisedh.org.pe).

Making this shift in issues was no small feat. The team had to build its understanding of corruption and education during the training provided at the Anti-Corruption School. It also had to overcome serious resistance from some of its own members to engage in the work.

Nevertheless, the organisation's experience in the region has helped the team to build alliances with government bodies (such as the Ombudsman's Office), the education sector and media outlets. Still, the team confronted strong resistance from the teachers' union, which is politically known to be more leftist and radical in Ayacucho. The reaction from the union was one of distrust and hostility, including even rejecting the team's proposal to bring the union and local education authorities together to discuss several issues.

As in the cases of the other regions, support from the local media was a crucial factor for building trust with other stakeholders.²⁸ The media opened a window of opportunity by allowing the team to demonstrate that the initiative was non-confrontational and that it sought dialogue, consensus building and the public's support. The team seized this opportunity. By the conclusion of the initiative, all stakeholders in the sector received training on anti-corruption topics and were also able to discuss and agree on the need to implement major reforms to the recruitment process.²⁹

In the case of the team from Arequipa, its members were mostly made up of young people who were closely involved in the education sector. Team members soon raised the issue of teacher recruitment themselves, which they recognised as a key problem, and decided to engage directly in activities targeted at oversight and awareness-raising.

The team's strategy consisted of five areas of action. First, they observed first-hand the stages of the recruitment process (registration, submission, and evaluation of applications and appointments) that are carried out by the UGELs (*Unidades de Gestión Educativa Local*) – the coordinating body that oversees educational decisions at the local level in Peru. Second, they submitted requests for access to information on the process. The third area of their work involved collaboration with a student-run legal clinic at the Universidad Católica de Santa María. This partnership provided the ability to respond to teachers' queries about legal and/or administrative actions related to the recruitment process. Fourth, the team decided to review newspaper clippings to map public cases of corruption in the area of education. The final area of the team's work was on advocacy, which they conducted through a radio programme, drawing on the complaints the team had received through the legal clinic.

These activities revealed some startling irregularities that have affected the quality of education in local recruitment processes. Available openings for positions were not made public. Positions that were allocated were often based on personal interests. The hours worked by staff on the recruitment process also were misrepresented. Unauthorised changes to the call for applications were documented, as well lax enforcement of hiring regulations (such as the requirements and exclusions of potential candidates). Official documents used in the hiring process were tampered with or were found to be fraudulent. Candidates also were improperly scored and ranked, including the inappropriate use of points that are only to be used for candidates with disabilities. The team has grouped these findings in a report that has been released as part of its follow-up advocacy work.³⁰

²⁸ The four members of the group have broad expertise in communications, and one of them is a prominent journalist from the region with his own news programme.

²⁹ Promoting reforms is part of a second stage of the initiative, which is currently being finalised.

³⁰ The findings have been published in a book, Luz Marina Huanca Sivana and Jesús Coa Begazo, 'Jaque a la corrupción en educación. Una mirada a los riesgos de corrupción e irregularidades en la contratación docente en Arequipa' (Arequipa, Peru: Red Anticorrupción Arequipa, 2011). See: <http://redanticorrupcionaqp.wordpress.com/>.

4. Looking Back and Moving Forward

Based on the experiences of the four regional teams, the following lessons can be drawn from Proética's work to combat corruption in education.

- The teams within the network have pursued a non-confrontational strategy to combat corruption, based on consensus-building and stakeholder inputs. Although the strategy proved effective, it was still received with some degree of apprehension. Even the term 'Anti-Corruption Network' prompted officials and other stakeholders to believe that any initiative could end up with a corruption complaint being filed against them.
- The network's teams have helped to reduce opportunities for corruption, as more information has been made available and there is greater awareness among parents, headmasters and teachers. However, it is still too early at this point to claim that the project has led to a decline in corruption in education in these regions, or that any reduction in official cases has resulted from their initiatives.
- Partnerships have been fundamental for the project's success. In all instances, alliances have been built with government institutions, such as the Ombudsman's Office. In many cases, however, these relationships have not been with the Ministry of Education or its affiliated agencies or departments.
- Media coverage has served to publicise the teams' initiatives. It has also allowed the issue to gain new attention and legitimacy, assisting the teams to reach out to and engage with educational authorities (locally, regionally and nationally).

The project has laid important groundwork to combat corruption in some of the key regions of the country where gains on education and development have largely stalled. For example, according to the Ministry of Education, the percentage of secondary school students who did not achieve the minimum required scores for math was 39 in Arequipa, 54 in Pasco and 78 in Ucayali (i.e. four out of every five students in this region).³¹ Corruption and mismanagement have been identified as among the main causes for this chequered performance by Peru's students.

In this sense, the four teams' focus on building anti-corruption mechanisms has supported Peru's efforts to more evenly and equitably advance its educational gains as part of achieving the MDGs. The regional teams have tried to increase the level of community participation and oversight in matters related to the quality of education and school performance. Although this work is nascent, the teams have put together a core group of stakeholders to oversee the proper spending of school funding and the merit-based hiring of teachers.

The teams also have encouraged broader oversight and good practice in different ways. For example in Ayacucho, the team has secured commitments from organisations and institutions, many of which are opponents, marking an unprecedented and powerful achievement in bringing disparate groups together. In the schools in the Pasco and Ucayali regions, the oversight and parent committees that are to serve as the watchdogs over school funding and other related decisions are now better informed, more aware and functioning more effectively. These bodies will be an important feature for helping to control the next round of funding that is disbursed for school upkeep. While it is still too early to determine in Arequipa whether the irregularities detected will continue in the next selection round of teachers, it is hoped that the community structures that have

³¹ For more information on the test scores, see: www2.minedu.gob.pe/umc/ece2010/Resultados_ECE2010Segundogrado.pdf. In Ayacucho a number of schools were evaluated, but the sample size was not adequate (nor statistically significant) and the results were not included in the report.

been built to monitor the process will function more effectively now that potential areas of abuse have been flagged.

Currently, the National Anti-Corruption Network has entered a new phase, recruiting new members and training them at Proética's Anti-Corruption School. For instance, a new team from the northern coastal area of Piura has joined the network. As a result of strong support from the local regional government, this team will look at promoting anti-corruption reforms in the education sector.

Apart from implementing this next round of work, the activities started by the original four teams continue. The lessons learned from the first phase are being applied as the teams expand their areas of focus. For example, the team in Ucayali has taken its work to rural schools where most of the students come from indigenous communities. The team in Ayacucho will start working with school stakeholders to monitor the budgets assigned to each school. In Pasco, they will begin oversight of the distribution of school breakfasts. In the case of Arequipa, new members of the team have opted to include universities as part of their watchdog work in the sector. They will monitor the budget funded through student fees paid to the national university in Arequipa. All of these different efforts will continue until the end of 2011, after which time another round of evaluation will take place.

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