

# NICARAGUA

## FINAL REPORT GRANT AGREEMENT PTF-ETICA Y TRANSPARENCIA, 2003 March, 2004

### I. Background and Summary of Agreement

On June 23, 2003, Grupo Civico Etica y Transparencia, (ET), presented to PTF a proposal for a media campaign to promote legislation regulating and reducing the level of various compensations received by public official in Nicaragua that result in such officials of the second poorest country in the hemisphere receiving the highest compensation in Latin America.

This state of affairs was considered a form of legalized corruption and had been a target of ET's work for sometime. The media campaign was aimed at capitalizing a window of political opportunity provided, among other factors, by the "war against corruption" launched by the current president and the fact that such war has confronted him against other political forces and has left his compensations and benefits indefensible. (such personal benefits included a pension as a former vice-president while holding a salaried position as president!). The project objective, and ET's obligations were stated under II. Description of Activity, page two of the proposal, which read as follows:

1. ET will produce a 30 second TV spot or message (we have produced and aired no less than 5 TV spots in our 6 year history and they have been effective in attaining their objectives. If imitation is the truest form of flattery, our ads as civilian watchdog during elections have been copied by the parties).
2. Such message, directed to congressmen with citizens as "messengers and witnesses" will be broadcasted in the national media for a period of one month. There are 4 domestic TV channels and 4 radios of national coverage. Ratings, reach and other technical criteria will be utilized to select the appropriate media and programs. Additionally, ET, as a standing costumer and due to the nature of social interest of the spots, gets upwards of 50% discount from TV stations.
3. The expected impact is new legislation addressing compensation for public officials, in accordance to Nicaragua's economic situation and regional standards, thus reducing one of the most pervasive and destructive forms of corruption: quasi legal corruption based on excessive discretion.

The proposal presented by ET gave way to numerous correspondence between ET and PTF to answer and clarify issues, and, on July 26, an agreement was signed. We, hereby incorporate by reference all such mailings and narrative and financial progress reports presented since then. Some delays occurred during the transfers of funds and the project

ran longer than expected originally (two months). However, such events had no detrimental effect. On the contrary, all the activities were executed and exceed (two TV spots instead of one and airtime for 3 months instead of one) and the goal was attained. The project can only be characterized as an absolute success, as we address in the section below.

## **II. Results**

On December 18, 2003, by means of the budget law, the National Assembly cut salaries of all public officials that earn more than \$50,000 annually, by 10% and eliminated all pensions and other benefits for former presidents who are still public officials.

The media campaign ran for more than 3 months, ending in November, 2003.

Submitted by ETICA Y TRANSPARENCIA  
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