



Information and Feedback Session on Participatory Audit

18 October 2012
Cebu City

SUMMARY OF PROCEEDINGS

Organized by
**Affiliated Network for Social Accountability in East Asia and the Pacific
(ANSA-EAP)**

In partnership with
Commission on Audit

With support from
Australian Agency for International Development (AusAID)

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ACRONYMS

ANSA-EAP	Affiliated Network for Social Accountability in East Asia and the Pacific
UC	University of Cebu
USJ-R	University of San Jose-Recoletos
UP-Cebu	University of the Philippines-Cebu
RAFI	Ramon Aboitiz Foundation, Inc.
COA-CHO	Commission on Audit, Chairman's Office
PhilDHRRA	Philippine Partnership for the Development of Human Resources in Rural Areas

SAMA | KAABAY

BACKGROUND

The Commission on Audit (COA), in partnership with the Affiliated Network for Social Accountability in East Asia Pacific (ANSA-EAP), and with funding support from the Australian Government under its Philippines-Australia Public Financial Management Program (PFMP), is implementing the Participatory Audit project “*Enhancing Transparency, Accountability, and Citizen Participation in the Public Audit Process*”. The project aims to develop and test possible mechanisms and approaches for expanding transparency and accountability, and enhancing citizen participation in the public audit process.

ANSA-EAP recognizes the Participatory Audit project as an opportunity for citizens, and academic, professional, and civil society organizations to make significant contributions to the audit process.

Given this, the Information and Feedback Session for organizations and institutions in the Visayas region held on 12 October 2012, was conducted with the following objectives:

1. To introduce the Participatory Audit Program;
2. To generate ideas on how citizens can participate in public audit;
3. To explain possible areas of partnership between citizen groups, ANSA-EAP, and COA;
4. To address emerging concerns or questions relating to the Participatory Audit Program;
and
5. To generate interest from citizen group stakeholders to participate in the program.

This document focuses on the highlights of the session.

PROCEEDINGS

A. Introduction and benchmarking

Ms. Kristina Aquino started the session at 2:15 p.m. To break the ice, participants were requested to approach those whom they haven't met. The goal was to know the name, nickname, organization, designation, and their favorite thing in Cebu. Likewise, they had to ask their partners what their idea of "audit" was.

"Audit" is...

- ✓ Showing everything to the people
- ✓ How much resources were spent
- ✓ "mahirap" or complicated
- ✓ Pagsusuri
- ✓ Proseso na kailangan ng detalye
- ✓ Trabaho/ madaming prosesos
- ✓ Finances, expenses, budget
- ✓ Tamang paggasta ng pera ng gobyerno
- ✓ To check
- ✓ Malalim na pagtingin
- ✓ Assessment and evaluation

Based on their definitions/ideas, audit for them is a tool for transparency, assessment, and evaluation of expenditures e.g. government projects. It is a finance-related process that needs detailed information that at times, seems difficult or complicated for some.

B. The Participatory Audit Program

After the activity, Ms. Suerte-Cortez discussed the overview of the Participatory Audit Program. Milestones, goal and objectives, as well as the project components were discussed with the participants. Updates on the project were also shared with them.

- Participatory Audit Program launching: 26 November 2012
- The Participatory Audit program aims to improve the efficiency and effectiveness of the use of public resources through engagement between COA staff and the citizens e.g. CSOs, academe, and professional organizations.
- It has two components; 1) Citizen Partnership Unit (CPU) and 2) the Citizen-government partnerships.
- The CPU serves as a feedback mechanism. It builds public awareness and interest in the public audit process.
- Activities under the pilot project:
 - Commitment signing: a Memorandum of Agreement among citizen group, ANSA-EAP, and COA;
 - Joint capacity building;
 - Joint audit planning; and
 - The audit proper

The 2000 participatory audit pilot project between COA and CCAGG was also presented. They were also oriented on how participatory audit fits within the framework of social accountability.

- Social Accountability (SAc): the constructive engagement between citizens and government
- 4 Pillars of SAc:
 1. Organized, capable, and responsible citizens: they are linked in a network where knowledge is generated and shared, and SAc initiatives are fostered and streamlined
 - In PA program's case: CSOs, academic institutions, and professional organizations
 2. Responsive, ethical, and effective government: an enabling environment is built wherein the government champions willingly and continuously engage with citizen groups to get closer to the ideals of good governance
 - In PA program's case: the COA with Chairperson Grace as the government champion
 3. Sufficient, relevant, access to, and effective use of information: with access to and effective use of information, governance issues are brought to the forefront through traditional and more creative strategies and channels
 4. Cultural and context appropriateness: SAc practices become more useful and relevant when culturally appropriate. This is achieved by situating these practices in the political, economic, and historical contexts
 - This is being conducted through researches, interviews, exploratory meetings and consultations with relevant stakeholders

Participants also shared ideas on what participatory audit is for them.

"Participatory Audit" is...

- ✓ How COA can work with CSOs, etc. on the programs/ issues that directly affect them
- ✓ Audit not just a policing activity
- ✓ Collective manner –problem-solving
- ✓ Outside conventional, purely financial audit
- ✓ Citizen participation for additional perspective
- ✓ Ask/consult on design and outputs with partners
- ✓ Joint objectives
- ✓ System/ process, relevant stakeholders, evaluate for, better quality
- ✓ Help simplify audit for ordinary citizens
- ✓ Relates to participatory budgeting
- ✓ Visibility of government
- ✓ Quality of services and quality of life

These ideas/definitions show that participatory audit, for the participants are different from financial audit because for them, participatory audit is a collective manner of problem-solving that involves engagement between government and citizens. It is an audit with joint objectives (from the

government and from citizens). It involves citizen participation especially from relevant stakeholders, for additional perspective toward the improvement of the quality of services and the citizens' quality of life.

C. Exploring the Roles of Citizens

Having discussed the overview, background, and the social accountability framework of the project, the initial framework of how citizens and citizen groups can participate in the participatory audit was presented to the participants.

The list included exploratory meetings such as the information and feedback session. It also included citizens giving feedback through the Citizen Partnership Unit, and engaging in formal partnerships through the pilot projects.

The participants shared their ideas on how to improve the current plans for the Participatory Audit program, as well as their immediate issues and concerns.

IDEAS...

- Academe: community extension programs –these can be aligned to support the conduct of participatory audit
- Train CSOs who will be involved in PA
- Involve relevant stakeholders such as the immediate beneficiaries living in the audit site
- Involve students/ youth
- Build local citizens/ CSO awareness on transparency and accountability
- Thesis topic
- Case-to-case-basis – Open the participation to citizen groups (e.g., academic groups in the region) who can only participate in one phase of audit. This is related to the idea on culling out specific phases of PA
- Cull out specific phases of participatory audit (e.g. academe can review cost of project against design estimates)
- Set up a CSO desk for specific requests
- Monitor funds for monitoring under PA

In summary, based on the sharing of ideas, the academe can play an important part in the conduct of participatory audit. It can align their community extension programs to activities involved in the conduct of participatory audit. Like CSOs, they can also mobilize students to volunteer, and/or make participatory audit the subject of their research— e.g., in their thesis. It was also recommended that CSOs be trained in conducting participatory audit and on building awareness on transparency and accountability among local citizens and CSOs. A CSO desk within COA was also recommended to address specific requests from CSOs.

ISSUES & CONCERNS

- Technical capacity of citizens regarding audit
- How to gather the data
- Legal impediments of citizens accessing information
- Security of citizens
- How to support/ sustain participation after program ends
- Time requirement
- Has this reached local (barangay) level stakeholders
- The difficulty of getting the information/data from agencies
- Scope of expectation in committing
- Need institutional approval prior to commitment

Issues and concerns that arose were about the technical capacity of citizens in conducting participatory audit, legal impediments in accessing documents, citizens' access to information, scope of commitment, time requirement, and security. Like the concerns raised during the information session in Baguio, the issue of sustainability (of the reform and of the support to citizen groups) was also brought up.

D. Open Discussion: Criteria for Selecting Citizen Groups

Upon presenting the criteria for selecting citizen groups (see Annex B), ANSA-EAP solicited feedback from the participants.

FEEDBACK

- On the criteria, "has complied with tax laws...", there must be a guideline to which this criteria will be applicable e.g., some people's organizations and their members such as the fishermen and farmers, have no capacity to pay for taxes, therefore, they cannot comply with that criteria.
- This criteria is applicable to formal NGOs and CSOs such as those who are SEC registered. For people's organizations, perhaps, they can be waived.

E. Next Steps

The ideas, issues, and concerns generated from the open discussion will be documented for future reference and will be used as guides in finalizing the participatory audit program approach.

To generate more recommendations and concerns, there will be an information and feedback session in Davao City on the second week of November. This will enable the ANSA-EAP team to hear the voices of the citizen groups in the regions of Mindanao.

The documentation of the session, as well as the presentation file, will be shared to the participants. The criteria for CSO selection will also be shared for further comments and recommendations. Once available, the draft MOA that will be coming from COA will also be shared to the participants, also for comments, concerns, and suggestions. Lastly, a processed document of exploratory meetings will be shared to the participants after all the exploratory meetings have been conducted.

F. Closing

The information and feedback session adjourned at 5:10 p.m.

ANNEXES

Annex A: Agenda

Information and Feedback Session on Participatory Audit
Zircon Hall, Sarrosa International Hotel, Cebu City
18 October 2012, 1:30 p.m. to 5:00 p.m.

AGENDA

1:30 p.m.	Registration
2:00 p.m.	Welcome
2: 20 p.m.	Overview of the Participatory Audit Program
3:00 p.m.	Snacks
3:10 p.m.	Exploring the role of citizen groups in public audit
4:30 p.m.	Open Discussion

Annex B: List of Participants

- 1) Benedict Banquil (UC)
- 2) VirgilioAbellana (USJ-R)
- 3) Catherine M. Rodel (UP Cebu)
- 4) Sarah Enanoria (Pagtambayong Cebu Foundation)
- 5) Elisa _ (SAMA| Kaabay)
- 6) Iris Mae G. Echavez (RAFI)
- 7) Maria Ramona L. Jimenez (COA-CHO)
- 8) Christine Marie C. Cruz (ANSA-EAP)
- 9) Luchie A. Blanco (PhilDHRRA)

Annex C: Proposed Criteria for Selecting Citizen Groups

Organizational Criteria

- 1) Has no conflict of interest vis-à-vis the project subject of the audit
- 2) Has complied with tax laws, rules, and regulations
- 3) Should be willing and ready to enter in a constructive engagement with the Government
- 4) Can mobilize their staff, members, volunteers, and other partners for this project
- 5) Able to show strong presence in their area of operation
- 6) With established track record and credibility
 - a. Has existing or previous partnerships with government agencies;
 - b. Has managed and completed programs and projects;
 - c. No adverse feedback or information about the organization and their leaders, officials, and members; and
 - d. No criminal or civil cases

Criteria for Individuals

- 1) A bonafide member of good standing of the selected CSO
- 2) Has no conflict of interest vis-à-vis the project subject of the audit
- 3) Of good moral character
- 4) Has complied with tax laws, rules, and regulations
- 5) Officially designated to participate in the audit engagement, in writing, by the official representative of the selected CSO

AnnexD: Photos from the Session

