

# Building a Participatory Audit Agenda: A Strategy for Institutionalizing Citizen Participatory Audit

Since 2012, the Affiliated Network for Social Accountability in East Asia and the Pacific (ANSA EAP) has been implementing a Citizen Participatory Audit (CPA) project with the Commission on Audit (COA) of the Philippines. The said project aims to pilot various working arrangements or models by which government auditors can partner with citizen groups and volunteers towards enhancing public audit processes and impact. As part of the project's final leg, emerging from decisions during the stakeholders assessment last June 2013, the joint COA-ANSA EAP project management team (PMT) has focused on laying down policies and systems to help ensure the initiative's continuity. One such system is a periodic shared agenda building process between COA and interested citizen groups to determine possible areas for collaboration.

## A Multi-Stakeholder Dialogue On Participatory Audit

Coming from its experience with social accountability (SAc) work – i.e., citizen groups engaging constructively with government to monitor the latter's decisions and performance – the ANSA EAP team has framed this shared agenda building on participatory audit as a multi-stakeholder dialogue (MSD) process. Bandyopadhyay defined an MSD process as one that basically aims to:

- 1) Build a collective understanding of an issue among stakeholders;
- 2) Provide them a common platform for sustained discussion and consensus-building; and,
- 3) Initiate joint planning among them on the resulting agreements.<sup>1</sup>

In the case of participatory audit, a key concern is that of making the public audit process more relevant, transparent, and accountable. This is in light of recent observations about audits conducted by supreme audit institutions (SAIs) which point to the limited audit scope (often focusing only on financial control and rarely on program results), delayed and very technical reports, and lack of compliance to audit recommendations.<sup>2</sup>

In terms of providing for a space or process to regularly consider such concerns, and coming out with a common plan of action to address it, ANSA EAP has initially designed and conducted with COA a series of

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<sup>1</sup> Bandyopadhyay, Kaustuv K. (no date). Multi-Stakeholder Dialogue A Facilitator's Manual. PRIA: New Delhi.

<sup>2</sup> Cited in Ramkumar, Vivek (no date). Expanding Collaboration Between Public Audit Institutions and Civil Society. International Budget Project: Washington, D.C.

regional workshops around the country. Drawing its participants from actors in the pilot joint audits, interested citizen groups or local networks, and state auditors from COA's regional and local offices, these workshops have also served as occasions to build stakeholders' awareness of the CPA project's achievements and initiatives. The PMT envisions the regional workshops to culminate in a national agenda building conference wherein representatives from the regions will present their respective agenda and go through a prioritization process with the national COA office to decide on the CPA agenda for the given period or year.

## Implementing a Dialogue Process for Participatory Audit

As one area for learning and mentoring with COA's PMT members, the ANSA EAP team saw the need to carry out a systematic process of preparing for the shared agenda building activity. The team has encountered a number of challenges in this regard, not the least of which was the fact that the team itself had little prior experience in facilitating an MSD with COA and on the public audit system. Thus, at least for the initial round, the team had to consult stakeholders not only on what the participatory audit agenda should contain, but also on how to carry out a credible and inclusive process of coming out with such a shared agenda. Mentoring with the COA's PMT therefore has been turning out to be more of a joint action learning activity, with mentors and mentee designing the MSD process together and drawing lessons along the way.



With regard to the **preparatory phase** of the dialogue process, the joint PMT has come out with a design for the sub-national workshops that comes out strongly in orienting participants on the CPA project and the pilot joint audits. However, the PMT is continuing to grapple with how this design can better facilitate innovative exchanges and problem-solving on: 1) Sustaining the CPA practice – addressing immediate challenges of state auditors and citizen groups in taking part in participatory audits, and the long-term concern of installing appropriate policies and systems in COA; 2) Developing strategies on other equally important aspects of CPA, beyond the joint COA-citizen audits (e.g., building citizen awareness on public audits, effectively communicating audit reports to stakeholders, following up on executive agencies' actions to such reports).

Another concern that has emerged regarding preparations for the agenda-building workshops is selection of participants, specifically how to make the process more inclusive and transparent. The PMT has relied so far on ANSA EAP's partners and on earlier mapping of SAC practitioners in choosing which

citizen groups to invite.<sup>3</sup> The team may need to come out with a more reliable database of potential CPA partners, and more relevant criteria for inviting civil society groups to future agenda building processes. The criteria could include some minimum requirements like their level of appreciation of SAc, public audit, and the issues confronting SAIs. To broaden the demand base for CPA, the PMT could also look into drawing in other groups like legislators (to enhance legislative oversight), media (to communicate CPA results and impact to the public), and program beneficiaries (a more sustainable base for monitoring audited programs).



In the **implementation phase**, which refers to the actual conduct of the shared agenda building workshops, a major challenge is that of broadening the discussions to cover not only possible targets for the joint COA-citizen audits, but also other areas of participatory audits mentioned above. In sub-national workshops that have been conducted so far by the PMT, the resulting CPA agenda still leaned heavily towards the former. But while such “wish lists” for joint audit areas provide easy materials for communication strategies aimed at the general public, and for aligning with citizen monitoring initiatives, they do not directly address the problem of lack of action by executive agencies on COA reports and recommendations, and the need to produce more impact on the ground in terms of improved public programs and services.



In the **post-dialogue phase**, ANSA EAP’s team of mentors has been facilitating immediate post-activity assessments with COA’s CPA unit to draw out lessons from each workshop that could be used in improving succeeding dialogues. Some participating citizen groups have contributed to capturing and disseminating the resulting CPA agenda to other citizen groups and the public.<sup>4</sup> The joint PMT, however, is still in the process of piloting effective strategies and arrangements to help sustain COA’s commitment to the CPA agenda building process and ensure its action on the resulting agenda. One key area to watch out here will be in terms of how insights from the pilot run of the shared agenda building process will

<sup>3</sup> An initial country mapping of the enabling conditions for SAc (which includes information on capacities of citizen groups doing SAc) as a prelude to ANSA EAP’s networking efforts in the Philippines, under the World Bank-funded regional networking project (2009-2011), and a mapping of citizen groups doing or who have done procurement monitoring in selected regions of the country. Needless to say, both mapping studies have not focused on public audit, and on citizen groups who have shown interest or who have had experiences in engaging with COA, and may therefore be limited as bases for selecting participants to the shared agenda building workshops for CPA.

<sup>4</sup> For example, participants from the local media during the Davao workshop came out with articles on the shared agenda building process and outputs a few days after the said activity. Apart from local newspapers, the articles were also disseminated through the social media (Facebook). Such initiatives have the potential to enhance both stakeholder ownership and public awareness on the CPA agenda, and thus COA’s commitment to the process.

feed into the on-going (parallel) CPA policy development initiative within COA (that the ANSA EAP team has also been guiding).

### Revisiting the Dialogue's Objective: Shared CPA Agenda



The various issues and challenges that the ANSA EAP team faces in carrying out an MSD process to craft a shared CPA agenda with COA highlight the underlying goal of participatory audit, and should help clarify the nature of this shared agenda. In the words of the 2007 UN DESA report on auditing for social change, a key concern for reform initiatives like CPA is that of shifting the work of public audit institutions from being primarily and solely a means for financial control in government towards that of reviewing the results of public programs.<sup>5</sup> This places two (2) key imperatives on a shared CPA agenda building process: 1) Come out with more innovative ways of ensuring better results and impact from government programs through citizen engagement in public audits; 2) Help focus COA's priorities towards high-impact public programs.

The first imperative clearly places emphasis on identifying more collaborative actions beyond the conduct of joint COA-citizen audits. A key area here is enhancing stakeholders' ownership of the public audit process and, through this, executive agencies' compliance with COA reports (whether produced through CPA, or its regular and special audits). In fact, citizens taking part in public audits should be seen as contributing to these goals, rather than ends in themselves (i.e., citizen participation as the final goal). The CPA agenda-building dialogues may therefore need to look also at how the COA and interested citizen groups can work together to monitor actions taken on public audit reports and recommendations, and in sustaining public focus on the audit process, implementing agencies, and status of the audited programs.

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<sup>5</sup> UN DESA 2007. Auditing for Social Change: A Strategy for Citizen Engagement in Public Sector Accountability. A publication based on an Expert Group Meeting and Capacity Development Workshop, Auditing for Social Change 6<sup>th</sup> Global Forum on Re-inventing Government: Towards Participatory and Transparent Governance, 26-27 May 2005, Seoul, South Korea. Department of Economic and Social Affairs (DESA): New York.

The second imperative for a CPA agenda building process stems from experts' observation that improved use of government's resources resulting from the actions of SAIs and citizen groups may not really be translating into better lives for poor people and marginalized communities as the audited programs could be by nature of low impact or return. Very few public audits done by SAIs, for instance, are oriented to appraising government's major poverty-reduction programs – i.e., from tracking financial flows and checking utilization of allocated resources, to reviewing implementation-related decisions and determining program results.<sup>6</sup> The public audits that do focus on such programs are project-based, lack reference to internationally set targets (like the Millenium Development Goals), and are still heavily oriented to financial concerns.<sup>7</sup>

This situation brings to the fore the importance of a shared agenda-building process as a means of focusing CPA more towards pro-poor governance and programs. This particular orientation should provide CPA a niche within COA's broad mandate for public audits. It could also impact on existing SAc practice in the country by directing citizen monitoring efforts to programs that have more impact on poor people's lives, and by encouraging consolidation of small, scattered citizen monitoring initiatives (given the need to monitor major country-wide poverty-reduction programs). With the aim of optimizing the impact of COA-citizen audits, the PMT may need to review not only the workshop design, but also the other elements in dialogue preparation such as pre-dialogue consultations, role of pre-dialogue capacity building, and selection of dialogue participants (i.e., involving more citizen groups or sectors with clear pro-poor agenda).

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<sup>6</sup> This may be true also for the few CPA pilots that have been conducted to date. For instance, most of the public programs audited by COA and the Concerned Citizens of Abra for Good Governance (CCAGG) during the first run of the participatory audit initiative (funded by UNDP) involved road construction projects. Among the four (4) joint audits conducted under the present CPA project of COA and ANSA EAP (funded by the Australian Aid) is that on the government's conditional cash transfer program for poor families. As a citizen audit methodology, ANSA EAP used community score cards (CSCs) which went beyond the usual value-for-money (VFM) or material audit approaches, and tried to measure the performance of local health service providers as well as overall quality of available health services for the poor. But the pilot was limited to four (4) *barangays* in Marikina City (pop: 424,610 in 2007).

<sup>7</sup> UN DESA, 2007.

## Towards Enhancing the CPA Agenda Building Process



By embarking on the MSD process to craft a CPA agenda with COA and partner citizen groups, the ANSA EAP team hopes to contribute to the institutionalization of a participatory approach to public audit in the Philippines. The said strategy represents four (4) interrelated outcomes:

- 1) The shared CPA agenda informing the on-going CPA policy development process;
- 2) A CPA agenda that is more focused on optimizing the impact of government programs to poor and marginalized sectors, through the broad participatory audit platform (rather than simply being able to do more joint audits), strengthening COA's results-based audit;
- 3) The agenda building process itself providing a venue for capacitating COA's CPA unit in engaging with citizen groups; and
- 4) Further widening stakeholder demand for CPA approaches and systems. The discussion above points to the fact that more still needs to be done so that the on-going dialogue between COA and partner citizen groups on sustaining CPA approaches could lead to such results.

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