Information and Feedback Session
on Participatory Audit

12 October 2012
Baguio 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

UB   University of Baguio

CCAGG   Concerned Citizens of Abra for Good Government

DWCB-YCCAGG   Divine Word College of Benguet-Young CCAGG

RECITE   Responsible Citizens, Empowered Communities and Solidarity
                towards Social Change

COA-CAR   Commission on Audit –Cordillera Administrative Region

COA-CHO   Commission on Audit –Chairman's Office

CVM   Community Volunteer Missioners, Inc.

APOGG   Apayao People's Organizations for Good Government

MOA   Memorandum of Agreement

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 Northern Luzon organizations and institutions,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 theprogram.

This document focuses on the highlights of the session.

PROCEEDINGS

A.   Introduction and benchmarking

Ms. Kristina Aquino started the sessionat 9:10 a.m. through a "Getting to Know You" activity. Everyone in the session was asked to say their name, theirorganization, and their idea of audit. Based on their definitions/ideas, audit for them is a tool used todetermine accurately where the government resources are allocated and assess if the objectives are met. Audit is also a tool to evaluate and validate where the government resources went.

"Audit" is…

- ✓ Nagpapatotoo
- ✓ Pakialaman
- ✓ Checking if objectives are met
- ✓ Evaluation
- ✓ Paglilikom
- ✓ Monitoring
- ✓ Pagtutulungan ng gobyerno at mamamayan
- ✓ Citizen participation
- ✓ Determine the proper use of government resources
- ✓ Malinaw
- ✓ Accuracy
- ✓ Budget allocation and where it went

B.   The Participatory Audit Program

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

- 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 participatory audit project implemented in 2000 by bCOA 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...

- ✓ Joint multi-stakeholder effort
- ✓ Partnerships with CSOs and ordinary citizens
- ✓ Pampalakas ng boses ng mamamayan
- ✓ Help local feedback gain attention at national offices
- ✓ Documentary, plus observations from community/ beneficiaries
- ✓ PA strengthens evidence (audit, legal) against malpractices by onsite assessment of the factualness of reports related to government projects
- ✓ Government funds are more secured from corruption and malpractices when more citizens are aware on how to make sure the funds are utilized for the betterment of our country and the public
- ✓ Processing and sifting citizen complaints
- ✓ Saanibibigayangebidensya/feedback ng citizens/CSOs

These ideas/definitions show that participatory audit, for the participants is a means of empowering local communities, and making their voice heard not only in the local government but also in the national offices. Participatory audit is also an activity wherein citizen and government

partnership is made possible— to receive feedback, complaints, and observations from the immediate communities –the direct beneficiaries of government projects.

C. *Exploring the Roles of Citizens*

Having discussed the overview, background, and the social accountability aspect 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 toimprove the current plans for the Participatory Audit program, as well as their immediate issues and concerns.

IDEAS

- Review the lessons of the other pilots (Mountain Province, Eastern Samar,Bontoc, and Camarines Norte)
- On our own, CSOs can follow the entire PFM cycle
- Have clear roles and terms for partnerships (must be indicated in the MOA)
- Partner with local officials –this will help the us to engage more citizens in the immediate community because partnerships with local officials can mean support and security from local officials
- Partner with CSOs in the area where the audit site is –this can reduce transportation expenses in going to and from the audit site
- Talk about the demands of constructive engagement (MOA)
- Conduct team building for better relationship within and among partners
- Explore tying up inthe implementation of the Full Disclosure Policy and Seal of Good Housekeeping
- Explore possibility of involving DILG projects in one of the pilots
- Involve other agencies in policy recommendations
- Continuing mentoring and coaching by COA for citizen groups
- Involve people's organizations, community, and ordinary citizens
- Plan for mainstreaming reform in other agencies
- CSO advocacy to help make citizens aware and involved in governance
- Institutionalize participatory audit

After the discussion, ideas, issues, and concerns were presented. In summary, it was recommended that we may follow up on the results and lessons learned from past audit pilots such as those in Bontoc, Mountain Province, Camarines Norte, and Eastern Samar. Several ideas on how to improve the PA program were also generated. Issues and concerns on the details of the MOA, political situation in the audit site and the security of CSOs, operational funding, confidentiality of information and findings, and sustainability of the program arose.

ISSUES & CONCERNS

- The socio-political context (e.g. political dynasties) in the audit site –this can hinder the conduct of participatory audit and can threaten the security of citizens who will conduct the participatory audit
- How will COA share documents/ information to the partners? –issue of confidentiality
- Sustaining the reform –how do we make this program sustainable?
- The CSO selection –what are the process and criteria in selecting CSOs?
- Protocols on "premature disclosure" of findings from the participatory auditing
- Equal partnership
- Where to direct learning
- Will there be funds for operational expenses e.g. transportation allowance?
- How do we address different objectives e.g. CSO tend to have corrective measures
- Workload for CSOs –avoid giving CSOs workloads beyond their capacity
- How to validate CSO feedback? –issue on the credibility of CSO feedback
- Link LGU plans with audit
- Insurance for CSOs –the security of CSOs especially when anomalies have been identified in the audit site
- Will CSOs have access to the results of the audit?
- There must be CSO sharing on experiences to come up with best practices that can be applied or used to modify the next pilots

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 "no adverse feedback" organizational criteria, how will COA/ANSA-EAP validate if the feedback given to an organization is credible and factual? There are some cases wherein negative feedback is given to those organizations who: e.g. discovered anomaly in a government agency or politician since these organizations are implementing their organizational principles.
- Operationalize the criteria
- We can also add that the CSOs should be willing to share their expertise to other CSOs (for possible replication of PA in other areas)

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 and information and feedback session in Cebu City next week (18 October 2012) and in Davao City. This will enable the ANSA-EAP team to hear the voices ofthe citizen groups in the regions of Central Visayas and Mindanao.

The documentation of the session, as well as the presentation file, will be shared to the participants. The criteria for CSO selection and a draft of the MOA with CSOs and individuals will also be shared for further comments and recommendations. ANSA-EAP will do follow ups regarding the results of past pilot sites enumerated during this session. 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 adjournedat 12:40 p.m.

ANNEXES

Annex A: Agenda

Information and Feedback Session on Participatory Audit
El Cielito Inn, Baguio City
12 October 2012, 8:30 a.m. to 1:00 p.m.

AGENDA

8:30	Registration
9:00	Welcome
9:10	Overview of the Participatory Audit Program
9:45	Exploring the role of citizen groups in public audit
10:30	Open Discussion
1:00	Lunch Break/Closing

Annex B: List of Participants

1) Leah Talusig (UB)
2) Elizabeth Valera (DWCB-YCCAGG)
3) Olivia Tuzon (DWCB-YCCAGG)
4) Bing Van Tooren (RECITE)
5) Ester Alkonga (RECITE)
6) Norberto Manioang Sr. (APOGG)
7) William Todcor (CVM)
8) MatiasDecoran Jr. (COA-CAR)
9) Mary Bacwaden (COA-CAR)
10) PuraSumangil (CCAGG)
11) Annie Bactar (CCAGG)
12) Nestor Caoili (CVM)
13) Andrew Weygan (CVM)
14) Kristine Joy Paras Milo (Igorota Foundation, Inc.)
15) Norberto Manioang Jr. (APOGG)
16) RandeeCabaces (ANSA-EAP)
17) Christine Marie Cruz (ANSA-EAP)
18) Ma. Ramona Jimenez (COA-CHO)

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

Annex D: Photos from the Session