



Information and Feedback Session on Participatory Audit

6 December 2012
Davao 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

AFRIM	Alternate Forum for Research in Mindanao
ANSA-EAP	Affiliated Network for Social Accountability in East Asia and the Pacific
COA-CHO	Commission on Audit, Chairman's Office
DOEA	Davao Oriental Electric Association
JSF	Josefa Segovia Foundation Inc.
PhilDHRRA	Philippine Partnership for the Development of Human Resources in Rural Areas
PLC	Pyagguyawan Learning Center
TFI	Transport Federation Incorporated

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 Mindanao region held on 6 November 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 2:00 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 Davao. Likewise, they had to ask their partners what their idea of "audit" was.

"Audit" is...

- ✓ tool for examination and assessment
- ✓ *imbentaryo*
- ✓ examination of documents, properties and resources
- ✓ process of evaluating financial operation
- ✓ *para ilabas ang totoo*
- ✓ check and balance
- ✓ proper use of government funds
- ✓ *para transparent ang local at nasyonal na gobyerno*
- ✓ *pag-account ng perang ginastos*
- ✓ economical, efficient and effective
- ✓ citizen involvement in government projects

Based on their definitions/ideas, audit for them is: i) a tool for **transparency** and **accountability**, and ii) a process of examining the efficient, effective and economical use of public resources.

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. Ms. Suerte also highlighted the importance of inputs and feedback from the

- 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

participants how the PA project implementation can be improved. Updates on the project were also shared with them.

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...

- ✓ about answering the specific audit question for a specific project
- ✓ a process that will include citizens not just COA
- ✓ *tulongan ang gobyerno na maging transparent*
- ✓ a partnership and cooperation between citizens and government for assessing funds
- ✓ a process of providing feedback from citizens towards transparency
- ✓ a multi-stakeholder active involvement for transparency
- ✓ a collective or joint effort of citizens and government
- ✓ an assessment of plans , programs and projects

These ideas/definitions show that participatory audit is a joint effort between citizens and government engaging constructively to improve the delivery of programs and services by the government. Their idea of PA also highlights the complementation of roles between citizens and

government. By providing direct feedback and working closely with COA, CSOs can help identify implementation issues and how government plans translate into actual services and benefits.

Dr. Angelita Gregorio-Medel, Project Director of ANSA-EAP, underscored that constructive engagement between CSOs and government in PA requires mutual respect for each other's competencies, roles and contribution to achieve positive outcomes. Dr. Medel also added that the value of citizen participation is realized when citizens get a share of decision-making in governance.

B. 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...

- improve the steps how the data and information in COA website can be accessed
- Identify the specific roles of CSOs
- training for non-auditors
- educate public officials on integrity and proper use of resources
- information and dissemination on other government processes and systems (e.g. procurement)
- link up with other groups (e.g. sector/advocacy groups)

In general, the group shared that capacity-building activities will help both CSOs and government in achieving audit outcomes. The participants recognized the need to have a basic understanding of audit process to be able to fully situate their viable contribution and competencies in the PA process. Likewise, informing and educating government officials about the lawful and ethical use of public resources (e.g. RA 9184) would help complement the CSO efforts in ensuring that resources are economically, efficiently and effectively utilized.

ISSUES & CONCERNS

- specific types of CSOs to engage in PA
- preserving agreements in MOA/partnership agreements
- specific PA pilot areas
- will it be during project implementation or at completion

Key issues that were identified during the course of the discussion pertained to project implementation specifics, such as: areas that will be covered for the PA pilot, stage of project to be audited i.e. during implementation or completion, and compliance of parties with MOA or terms of partnership. ANSA-EAP also emphasized that PA recognises the value of participation from different types of CSOs but a list of selection criteria will also be used to ensure the legitimacy and integrity of CSOs.

C. 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. In general, the group agreed and recognized the merit of the draft CSO selection criteria. The participants also provided some recommendation how the project implementation can be improved.

RECOMMENDATIONS:

- set clear and realistic timeframes and parameters
- group insurance for volunteers
- feedback on volunteer conduct
- tap Social Action Centers in the targeted PA pilot areas

D. 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 Iloilo City on the second week of November. This will enable the ANSA-EAP team to hear the voices of the citizen groups in the Western Visayas Region.

The documentation of the session, as well as the presentation file, will be shared with 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 with 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.

E. Closing

The information and feedback session adjourned at 5:30 p.m.

ANNEXES

Annex A: Agenda

Information and Feedback Session on Participatory Audit
Breakfast Room, Microtel Suites and Hotel, Davao City
06 November 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. Dennis Magallanes, DANA Foundation
2. Abel Unla, TFI
3. Rosemarie Margarito, Pyaggaguwan Learning Center
4. Joel Solidaga, Davao Oriental Electric Association
5. Arline Ganoy, PhilDHRRA
6. Renante Dagupto, DepED JPES
7. Jessica Labadan, Josefa Segovia Foundation
8. Terestita de Leon, Alternate Forum for Research in Mindanao
9. Kristina Marie Aquino, ANSA-EAP
10. Raymond de Vera, ANSA-EAP
11. Dr. Angelita Gregorio-Medel, ANSA-EAP
12. Vivien Suerte-Cortez, ANSA-EAP
13. Susan P. Donalvo, Commission on Audit, Region XI
14. Maria Ramona Jimenez, Office of the Chairperson- COA
15. Penny Quesada, Office of the Chairperson-COA

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