I. ABSTRACT

Co-sponsored by the WBI Public Participation in Budget and Audit (PPBA) Program, with GPSA and SDV DGGG teams, this session on “Advancing Public Participation in the Audit Process: Trends, Good Practices, and Tools” featured a conversation with Maria Gracia M. Pulido Tan, Chairperson, Commission on Audit who explained the evolution, benefits and challenges of the Citizen Participatory Audits (CPA) in Philippines. Keith McLean moderated the discussion.

II. INTRODUCING CITIZENS’ PARTICIPATORY AUDIT IN PHILIPPINES

In April 2012, ANSA-EAP and the Commission on Audit of the Philippines (COA) established a partnership to implement a Citizen Participatory Audit Program. As the Philippines; Supreme Audit Institution, COA is an independent constitutional office with the mandate to audit all government accounts.

In participatory audit, citizens (through civil society, academic groups, and community members, ) and the COA work together to audit the processes of delivering public services and government programs whereby citizens are included in the audit teams under the direct supervision of COA. The collaboration between civil society and COA materializes through diverse actions during the audit processes, such in crafting operational guidelines; identifying the objectives, scope and methodology during the audit planning; assessing data results and drafting audit reports. It is worth highlighting that the CPA remains under the direct supervision of COA at all times.

Joint capacity building of citizens and the audit teams is a key component of the CPA, which contributes to citizens’ understanding of what the CPA is all about so they participate effectively. In addition to technical knowledge, joint capacity building also allows stakeholders to know each other and build trust. Equally important, it also provides an avenue where rules of engagement and expectations among various parties are defined.

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The GPSA Brown Bag Lunch (BBL) series is a program of lunch-time events aimed at sharing the experiences, knowledge and learning of GPSA Grantees, Partners and World Bank Initiatives. All BBLs are held at World Bank offices, live streamed and documented.
Under the CPA program, COA has conducted four pilot CPA projects: the Flood Control Project in Camanava, the Conditional Cash Transfers and Barangay Health Centers, Solid the Waste Management Implementation in Quezon City, and Infrastructure program under the PPP for school.

III. EVOLUTION OF CPA

“CPA is just another dimension of people power” (Tan)  
“People are my boss – they are the real stakeholders” (Tan)

The idea of involving citizens in COA work emanates from a simple principle: COA is an independent body which is answerable to any government institution, and it is the citizens from whom all government authority emanates. Therefore, COA should be directly accountable to the people to whom all of government is ultimately accountable. Moreover, citizens must have a voice in the work of COA as it is their money COA accounts for. This is further inspired by the country’s Constitution; which while it does not specifically mandate citizen participation in audit process, it encourages the participation of “non-governmental, community-based or sectoral organizations that promote the welfare of the nation” (Article II, Section 23, Philippines Constitution) in government processes.

Therefore, citizens’ participation in COA’s work started with the establishment of a “Citizens’ Desk” in which citizens were able to call a number and anonymously share issues that they thought should be investigated by COA. The positive and overwhelming response of the citizens and the wealth of information received spurred the process of institutionalizing citizen engagement in audit processes.

Even nowadays, and in order to ensure that CSOs don’t act as gate-keepers of citizen participation, COA manages a portal for citizen feedback.

During the discussion, participants also indicated another factor that can influence behavior of public officials and in turn performance of government institutions i.e. social norms. Social obligations, professional standards, and social norms sometimes can also sometimes impact behavior of public officials in addition to incentives created by institutional structure.

IV. IMPACT

This CPA program is founded on the premise that public accountability can prosper only through citizen engagement where citizen participation in the audit process contributes to improving the efficiency and effectiveness of the use of public resources through enhanced transparency and accountability in government performance.

Citizens bring a perspective to the audits that government officials cannot as they bring unique local knowledge with them that adds value to the audit’s content; it adds a flavor to the report that makes it more original to a wide audience.
Another important benefit of citizen participation in the audit process is citizens’ capacity building where citizens learn more about the government processes in general, and audit processes in particular. It is hoped that this capacity would help citizens undertake audits at the local level to exact accountability from their local governments. Moreover, it empowers people: when citizens think that they have the tools to question government, they feel empowered and are able to hold government accountable.

In addition, citizen participation in audit process provides a platform to both citizens and governments to understand each other and build trust. Citizens get better understanding of how government works and the constraints that government officials face in their day-to-day work. As a result, they are better able and more willing to cooperate with the government to collaboratively solve issues.

While there are no surveys, anecdotal evidence suggests that COA has done a great job of integrating citizens in its audit processes. Media stories suggest that there is widespread appreciation of the program. Another indicator of the program’s success is the enthusiasm of many local executives to replicate the CPA processes for their projects and localities. Last but not the least, appreciation of the initiative in the international arena provides a strong sign of support.

V. CHALLENGES: WHAT CAN WE LEARN FROM COA PHILIPPINES EXPERIENCE?

“It really doesn’t take a lot – it is the willingness, openness and of course the commitment to see it through – plus a level of sincerity. CSOs know when you are just giving them a run-around …or if it is a PR stunt … but when you are sincere they would know and would respond.”

A similar initiative was implemented in the Philippines in 2001 aimed at engaging citizens in the audit process. However, it was not able to succeed due to a number of challenges. In comparing the 2001 and 2012 initiatives, the Chairperson underscored the importance of the fact that COA owns and directs the process. So while CSOs and citizens provide inputs to the process, COA still has the last say. Since audit is a complex technical process and COA needs to ensure that every audit follows appropriate standards, in case of differences of opinions, COA prevails. In Chairperson’s opinion this was one of the most important reasons for the success of the present program and failure of the 2001 initiative.

While this factor may have contributed to the success, participants argued, it could discourage CSOs’ participation. Getting CSOs to “play by your [COA’s] rules” could become a challenge. Moreover, CSOs may have a different idea of what an audit should look like which may create tensions. This issue is mitigated by ensuring that rules of engagement are established at the very beginning, and every meeting is documented. Significant time is devoted for communication and coordination in order to ensure that all stakeholders are on the same page, while contributing to openness and clarity on objectives and scope of activities. Most important, however, is that trust is built among all partners through continuous engagement well before the joint work starts. Taking these steps has ensured that most issues are resolved to mutual satisfaction of the CSOs and COA. These steps also ensure that CSOs are not able to bring in their own political agendas and remain true to the spirit of the audit. However, sometimes tensions still arise since “audit is always a matter of perspective.” In this scenario, all stakeholders are aware that COA “calls the shots.”
Going forward, sustainability of the initiative could be a challenge. One aspect of sustainability is financial – how do you ensure that CSOs will participate in the absence of funds. Currently, these transportation, meals and incidental costs to CSOs are currently covered through a project by ANSA-EAP. However, in the future, COA would cover these costs which have already been included in the next COA budget.

Another important aspect of sustainability is maintaining the relationship with CSOs. In the beginning of this initiative, COA leveraged ANSA-EAP’s network to identify credible and reliable CSO partners. However, now, COA has built its own network of CSOs. In addition, COA is currently developing a model for a shared agenda setting between government and CSOs, which is expected to further solidify these collaborative relationships. Concerning political challenges, the administration has been very supportive of its agenda. There has been no substantial political challenge and COA continues to operate as an independent institution.