



Highlights

- ✓ Former AG Acharya shares Nepal's experience on Citizen Participatory Audit
- ✓ Upgraded disability ID helps Sunita to receive allowance
- ✓ Capacity Building Training to Civil Society members on Social Accountability Tools concludes



Former AG Acharya shares Nepal's experience on Citizen Participatory Audit

The International Budget Partnership (IBP) recently convened a group of leading experts and practitioners from the field of government auditing to discuss how to make audits more impactful during a workshop 'Making Audits more effective' which was held from October 24-25, 2016 in Washington. The event brought together luminaries of the auditing world, including the heads and institutions (SAIs) in India, Kenya, Korea, Nepal, and the Philippines, together with representatives from civil society, academia, bilateral donors, and international development banks.



Mr. Bhanu Prasad Acharya, former Auditor General of Nepal, highlighted the importance of citizen's participation in audit in Nepal in order to promote accountability.

During his tenure, the government of Nepal endorsed a new CPA guideline where the citizens' participation in the audit process was clearly placed as a separate clause. CPA program is also included in the Office of Auditor General's (OAG) five year plan from 2016 to 2020. Multi-Donor Trust Fund (MDTF) funded Program for Accountability in Nepal (PRAN) worked closely with OAG to enhance public participation in the conduct of performance audit. At the two-day workshop, Mr. Acharya shared his experiences on Nepal's Citizen Participatory Audit (CPA) program and how "citizen auditors" participate and support the auditing process in key sectors such as education and disaster

risk management programs. Acharya said that since accountability is the prerequisite of a democratic society and citizens' participation in audit, which can help to promote transparency, trust-worthiness and accountability. Mr. Acharya shared his experiences on CPA with civil society organizations, lessons learned and discussed strategies.

“The practice of third party engagement through civil society organizations in order to perceive our work is very important to maintain transparency and trust-worthiness,” said Acharya. “We have started CPA in performance audit but we are hopeful that this will be implemented in a comprehensive way since the government has passed the legislation.”

The workshop identified few areas and prepared a framework to promote accountability as global initiative that focuses on audit systems in a limited number of countries over the next five years to strengthen audit systems and empower these systems to safeguard public funds.

Vivek Ramkumar, Senior Director of Policy of IBP, said that they will also be looking at ways they can work with their civil society partners to make better use of audit findings and forge stronger relationships with auditors.

Around 25 participants attended this meeting, including current and former senior Supreme Audit Institutions (SAI) officials and legislators, public finance specialists who are knowledgeable on audits, and civil society representatives from the global south who have engaged with audit agendas in their countries. The participants brainstormed on how to utilize government funds effectively and efficiently to achieve their development targets from limited resources. One of the objectives of the Multi-Donor Trust Fund (MDTF) is to strengthen Public Finance Management (PFM) system and processes by enhancing PFM accountability through strengthening the Office of the Auditor General Nepal.

Upgraded disability ID helps Sunita to receive allowance



Forty-two year old Fulmaya Tamang of Budhi Morang, Dhankuta, was in a dilemma whether to stay at home and take care of her visually-impaired daughter who is also mentally disabled or to look for work in order to help her family financially.

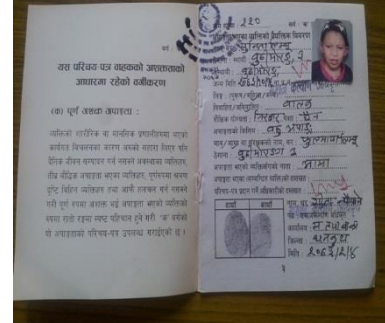
Tamang has six daughters and she lost her only son immediately after few days of his birth due to defects at birth. "Fate has cheated us, we have never-ending problems but still we are trying to make the most of what we have," said Tamang.

Fulmaya's daughter Sunita had a yellow card which indicates moderate disability which means she is not eligible for social security entitlements (SSE). But Sunita's health condition further deteriorated and she lost her sight so she needed regular assistance. Tamang, however, did not know that her daughter was entitled for 'disability allowance'.

One day, her neighbor Maita Maya, who participated in the focus group discussion on Public Expenditure Tracking Survey (PETS) and Quantitative Services Delivery Survey (QSDS) on SSE, found that Sunita was eligible for Red Card or 'A' class disability Identity card (ID). Maita Maya and Fulmaya had to take couple of trips to Village Development Committee (VDC) office in order to upgrade Sunita's ID card to 'A' Class.

According to Social Security Program Operating Procedure 2016, 'C' class ID holders are not eligible for social security entitlements (SSE), however 'B' class ID with blue card (for severe disabilities) and 'A' class ID with red card (for complete

disabilities) are eligible for disability allowance of Rs 600 and Rs 2000 per month.¹



When they approached VDC secretariat for upgrading their card from 'C' to 'A', fully equipped with the information that they are entitled for the SSEs, VDC secretary upgraded Sunita's ID. They were earlier sent back saying that once already issued card cannot be upgraded. Sunita has finally received her red card 'A' ID card which will provide her Rs 1000 monthly disability allowance.

Sunita's father Burma Dhoj Limbu said that though it is a small amount, he would deposit the amount in the bank in her name so that she could be financially secure. This illustrates a larger problem. Sunita is just one of the 26 percent of the eligible recipients who have not received SSEs in the sampled districts, according to a PETS and QSDS on SSEs conducted by the Multi-Donor Trust Fund (MDTF)-funded Program for Accountability in Nepal (PRAN). The PETS and QSDS on SSEs was conducted with the objective to provide government authorities at various levels with quantitative and qualitative information on SSE fund flow to enable them to take informed corrective measures that help improve SSE services in Nepal. It also aims at increasing awareness of the SSEs among its direct beneficiaries and to enable them to demand better services. The survey was conducted in Dhankuta, Bara, Banke, Bardia and Bajhang. The sample used for the survey covered all 100 VDCs and 4,950 SSE recipients.

The preliminary report also shows that the application process is being reviewed in 42 percent of these cases and 36 percent child beneficiaries are deprived of SSEs due to lack of birth certificate registration. The specific purpose of PETS on SSE was to examine SSE fund flow to: (a) estimate extent of leakage and leakage points, (b) identify reasons for delays in fund flow and the bottlenecks, (c) estimate extent of non-inclusion of persons eligible for SSE and reasons, (d) assess the extent of SSE recipients receiving their entitlements in right time and right amount and (e) make recommendations for improvements in SSE distribution system.

"Even though it is not possible to go to each household, we are willing to go to some houses if we get information of somebody with severe disability. Nobody will be denied of their rights but we should at least be informed or they have to come to VDC office with the necessary documents," said Chandra Prasad Subedi, VDC secretary. "Various organizations working at local level can be a big help in providing us information."

Capacity Building Training to Civil Society members on Social Accountability Concludes

The Program for Accountability in Nepal (PRAN), funded by Multi-Donor Trust Fund (MDTF), organized a four-day training for the members of civil society organizations to produce skilled human resources to implement social accountability tools at the local level.

Altogether 87 participants (51 male and 36 female) from 41 districts across the country participated in the training held from Oct 18-21 in Nepalgunj. Two other trainings took place in Biratnagar from 11-14 September, 2016) and in Chitwan from 25-28 September, 2016.



¹The Supreme Court issued an order for the government to provide Rs 500-Rs3000 per month to partially disabled people who currently receive Rs 600 per month and Rs 3000-Rs 5000 to fully disabled people who currently receive Rs 2000 per month (effective from July17th 2016. Earlier it was Rs 300 and Rs 1000 respectively).

The capacity building training was held to produce skilled human resource at local level to facilitate the activities that are to be implemented by local bodies to improve accountability and governance. The participants actively engaged in theoretical and practical sessions on the implementation methodology of social accountability (SAc) tools such as Citizen Participation in Audit (CPA), Grievance Redressal Mechanism (GRM) and Community Score Card (CSC) for the improvement in Public Financial Management (PFM) at the local level.

The Office of Auditor General (OAG) of Nepal has recently introduced CPA which is considered an effective tool of accountability promotion in PFM sector. The CPA encourages the participation of Civil Society Organizations (CSOs) in the audit process of the project/program which is implemented at the local level. It helps to ensure the quality and transparency of the activity as well as promotes accountability and help develop citizens' ownership of the program.

Another SAc tool, GRM is an important tool for the improvement of accountability and transparency through its features such as grievance box, citizen charter, public hearings and public audit etc, which provides an opportunity to the citizens and service providers to be aware on the quality of services and take corrective measures respectively.

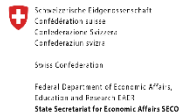
Similarly, CSC is a participatory, community-based social accountability tool that allows monitoring performance in service provision (accessibility and quality) through the constructive interface between service users and a service provider. It can be applied to any service, such as health, education, public transport, water, waste management, etc. So far, the SAc practitioners have been effectively utilizing the tool in the health and education sector with encouraging results.

Gita Adhikari of Human Rights Social Awareness and Development Center (HUSADEC) Nepal, Dhankuta, who participated in the training held in Biratnagar, said that the training helped her understand the government policies and programs on various issues such as social security entitlements, single women entitlements, marginalized people etc in detail. "I feel good that after the training I could bring the people from the most backward community to discuss about their plans in VDC council. They have become more aware now and have come forward to demand their rights and present their future plans." Adhikari feels that a well-informed citizen can help make a society accountable.



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