Transparency and Accountability in Local Governments (TRAALOG)

A PRACTICAL GUIDE TO SOCIAL AUDIT AS A PARTICIPATORY TOOL TO STRENGTHEN DEMOCRATIC GOVERNANCE, TRANSPARENCY, AND ACCOUNTABILITY

Regional Centre for Latin America and the Caribbean, Panama

Local Governance and Decentralization Area/Democratic Governance
Transparency and Accountability in Local Governments (TRAALOG) Project
Internet: http://www.regionalcentrelac-undp.org/en/democratic-governance/66

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SEPTEMBER 2011

The views expressed in this publication are those of the author and do not necessarily represent those of the United Nations Development Programme (UNDP).

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Acronyms

ANDE	National Association of Entrepreneurs, Ecuador
APRM	African Peer Review Mechanism
BAI	Board of Audit and Inspectio, South Korea
CAD	Informed Citizens (*Ciudadanos al Día*), Peru
CBMS	Community Based Monitoring System
CCAGG	Concerned Citizens of Abra for Good Governance, the Philippines
CDL	Local Development Committee
COA	National Commission on Audit, Philippines
CRCs	Citizens Report Cards
CSO	Civil Society Organization
CTC	Coalition for Transparency-Cambodia
FOIL	Freedom of Information Law
IACC	Inter-American Convention against Corruption
IC	Integrity Circles
IFMS	Integrated Financial Management System
IWA	Integrity Watch Afghanistan
MDG	Millennium Development Goals
MESICIC	American Convention against Corruption Review Mechanism
MP	Member of Parliament
MKSS	Mazdoor Kisan Shakti Sangathan, India
NGO	Non-governmental organization
NREGS	National Rural Employment Guarantee Scheme, India
PAC	Public Affairs Centre, India

PETS	Public Expenditure Tracking Surveys
SAI	Supreme Audit Institutions
UACI	Institutional Procurement and Contracts Unit
UNCAC	United Nations Convention against Corruption
UNDP	United Nations Development Programme
VSA	Village Social Auditors, Village Social Auditors, India

Presentation

The **Transparency and Accountability in Local Governments** (TRAALOG) regional initiative started in April 2010. The TRAALOG has been supported by the Democratic Governance Thematic Trust Fund (DGTTF), the Global Thematic Programme on Anti-Corruption for Development Effectiveness (PACDE), and the United Nations Development Programme (UNDP) Spanish Trust Fund. The TRAALOG is an initiative of the UNDP Democratic Governance Practice Area of the Regional Bureau for Latin America and the Caribbean (RBLAC), and is implemented from the UNDP Regional Centre for Latin America and the Caribbean in Panama.

The TRAALOG targets small initiatives at the local level that can be scaled up through policy support and capacity development and partnerships. One of the key activities of TRAALOG is to promote the development and systematization of knowledge products and tools, focusing on specific initiatives aimed at increasing transparency and accountability, as well as to mainstream anti-corruption issues into other areas, such as access to information, ethics, climate change, health, Millennium Development Objectives and social audit. The idea is for these knowledge products to serve as means, to generate interest and discussion among UNDP Country Offices in and outside the region, regional service centers and other units of UNDP and the wider United Nations System, as well as development and democratic governance practitioners.

Similarly, it is hoped that these knowledge products could serve as reference in pursuing initiatives and in seeking opportunities for replication. These can also be used to develop and support projects and programs, as well as regional activities. These knowledge products are the result of partnerships with a number of UNDP Country Offices, donors, consultants and associate experts, academic institutions and civil society organizations. All helped to identify experiences that provide valuable practical information relative to improving democratic governance and increasing transparency and accountability.

These knowledge products are not meant to be prescriptive. Rather, their aim is to:

- Provide examples of transparency and accountability activities;
- Generate discussion and policy dialogue;
- Illustrate practices;
- Present tools, methodologies, approaches and frameworks;
- Highlight case studies;
- Direct readers to additional resources.

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Preface

In this first decade of the XXI Century we are witnessing the strong necessity to realize what the United Nations Development Programme (UNDP) in earlier publications has called a *Democracy of Citizens*. During the last years we have seen how citizens worldwide have empowered themselves and have become actively involved in a more direct way in monitoring and performing oversight activities of public authorities, and demanding better politics and policies. Both in 2004 and later in 2010 with the report entitled *Our Democracy*, UNDP highlighted that Latin American democracies face the following three challenges in order to exercise effective democratic power: 1) they must envisage new forms of political participation to counter the representation crisis; 2) they must reinforce the State's republican structure, that is to say, the independence of powers, their mutual control and their accountability; and 3) they must increase the real political power of the State within the framework of republican checks and balances, modernize their organizations and have efficient human resources. Progress on these fronts and in the design and implementation of efficient public policies is essential for the sustainability of democracy in the region.

Democracy is defined not only in accordance with the fact that *power originates* in people's sovereignty, but also that democracy is *exercised* through the republican institutions of government, regulated by a Democratic Rule of Law, and moreover that its *purpose* is to guarantee, realize and enhance citizens' rights in the three basic spheres of citizenship – political, civil and social. In another UNDP forthcoming report for late in 2011, *The State of Citizenship*, this line of thinking is put forward, as well as the notion of the State in which the participation of citizens in the policy preparation, decision, and implementation processes is crucial.

The Democratic Governance team of the UNDP Regional Bureau for Latin America and the Caribbean is very proud to present this new publication on social auditing, in the same line of thinking. This Practical Guide provides useful and practical knowledge and tools to achieve the goals of a Democracy of Citizens and a State of Citizenship. It puts in the centre of the analysis the concept and practice of social audit as an indispensable element in the democratic fabric. It highlights the role that citizens and their citizen organizations play in a system of check and balances. Our gratitude and congratulations go to our colleague Gerardo Berthin for putting it on paper.

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Acknowledgements

This Practical Guide is a product of the experience of having designed, implanted, assessed and evaluated, social audit projects and processes inside and outside the United Nations System. It is also a product of a number of training and capacity building activities undertaken over the last decade. The Practical Guide compiles and structures some of these experiences, the lessons learned, the conclusions and the implications of initiatives that have been taken globally to improve governance through social audits. Many of these initiatives have been successful and contributed to enhancing democratic governance processes. This Practical Guide tries to summarize the rich contributions of innumerable colleagues over the years, project-leaders, civil society organizations active in the field and others who have evaluated and processed knowledge on social audits.

I would like to thank Freddy Justiniano, Director, a.i., of the UNDP Regional Service Centre for Latin America and the Caribbean and Alvaro Pinto, the Democratic Governance Cluster Coordinator of the Regional Bureau for Latin America and the Caribbean for their constant support and advice; Phil Matsheza, the Anti-Corruption Policy Advisor of the Democratic Governance Group (DGG) at the UNDP Bureau for Development Policy (BDP), and Anga R. Timilsina the Programme Manager of the UNDP Global Thematic Programme on Anti-Corruption for Development Effectiveness (PACDE) DGG/BDP for their advice, inputs and support. Several UNDP colleagues provided useful advice and valuable suggestions to an earlier version of the Guide, in particular I am thankful to: Arkan El-Seblani, the Programme Legal Specialist of the Programme on Governance in the Arab Region at the UNDP Regional Bureau for Arab States UNDP; Francesco Checchi the Anti Corruption Coordinator of the UNDP Bratislava Regional Centre in Slovakia; Christianna Pangalos, the Parliamentary Strengthening Specialist at the UNDP Regional Service Centre in Dakar-Senegal; and Diana Fernanda Torres, the Senior Researcher at the UNDP Virtual School in Bogota-Colombia.

Special thanks to Charlotta Sandin for her invaluable assistance in editing and finalizing the Guide, as well as for providing useful and valuable inputs and suggestions. Lots of gratitude to Monica Fernandez and Maria Angelica Vasquez for providing assistance in editing and the design of the Guide.

We hope this Practical Guide will be useful to UNDP, other UN agencies, other donor and non-governmental organizations and practitioners, and that it contributes to support and motivate future social audit initiatives.

INTRODUCTION

I. Introduction

Democracies around the world, particularly those that are in the process of consolidation, face enormous challenges not only in the economic and social realms, but also in the democratic governance sphere. Although leaders in these countries, in different levels of government (national and sub-national) are now elected through relatively fair and transparent processes, once in power they often face critical challenges to adequately represent their constituencies and respond to their needs and demands. This often increases disappointment, cynicism and apathy on the part of the citizens, and can adversely affect the quality and effectiveness of democratic governance and create opportunities for corrupt practices and waste. In large part, this democratic governance deficit results not only from a lack of institutional and technical capacity to resolve long neglected and increasingly complex social and economic problems, but also from a failure to adhere to basic democratic governing principles, including transparency and accountability.

Citizens elect their leaders expecting them to represent their constituencies effectively and to introduce, implement and monitor public policies that will respond to collective needs. Similarly, constituencies expect democratically elected leaders and public officials to be responsible for their decisions and actions and to be accountable to the citizens they serve. Democratic governance encourages citizens to reward and/or punish public officials for their performance and hold them accountable.[1]

The most typical accountability mechanism is an election, whereby citizens can continue to vote for those who adequately represent and respond to their needs and/or punish those who do not. But elections are often an extremely indirect and less effective accountability mechanism, as they do not allow citizens to evaluate government performance on a more regular basis. While the vote might punish public officials by throwing them out of office, it is less effective in transforming a governance system that tolerates and sometimes even rewards bad performance. Elections are neither an accountability mechanism sufficient to hold service providers, public and private, accountable and cannot serve as a feedback mechanism on a regular basis.

Traditionally, efforts to address issues of accountability have focused on improving and/or strengthening the "supply-side" of democratic governance. As such, the different branches and levels of government play a role in ensuring political checks and balances. Similarly, administrative procedures and internal controls, auditing requirements (both internal and external), and law enforcement (through comptrollers, courts and the police) have been used as top-down means and approaches to improve

[1] For an interesting discussion on this topic see Haerpfer, Christian W., et al (2009) *Democratization*. New York; Oxford University Press; *and Conconi. Paola, Sahuguet* Nicolas and *Zanardi* Maurizio (2008): "Democratic Peace and Electoral Accountability," *CEPR Discussion Paper* 6908.

accountability.[2] The emphasis under this approach is in State institutions and their interaction within and between them.

More recently, increased attention has been paid to improving the "demand side" of democratic governance. That is, strengthening the voice and capacity of citizens to directly demand greater accountability from public officials and service providers. The emphasis in this approach is in actors outside the State, comprising checks and balances on governmental actors within all three branches of government and at national, regional, and local levels. It involves civil society and non-governmental organizations, as well as an independent media, watchdog organizations, and influential think-tanks and/or research organizations. As such, initiatives to enhance the ability of citizens and stakeholders to engage with public officials and policymakers in a more informed, direct and constructive manner have been getting more attention and support. This reflects a growing shift to democratic governance issues related to public policy making, empowerment and citizen participation, all of which form the basis for social audit.

A social audit is an accountability mechanism where citizens organize and mobilize to evaluate or audit government's performance and policy decisions. It rests on the premise that when government officials are watched and monitored, they feel greater pressure to respond to their constituents' demands and have fewer incentives to abuse their power. Therefore, from the perspective of social audit the critical questions and premise are whether citizens have the skills, capacity and tools to effectively monitor and evaluate their governments and decision-makers.

Social audit can be defined as an approach and process to build accountability and transparency in the use and management of public resources (for a description on the difference between social audit and other types of audits, see Annex 2). It relies on engagement from citizens and/or Civil Society Organizations (CSOs) to directly and/or indirectly demand accountability and transparency in the public policy and budget cycles. Social audit is participatory, and can be an anti-corruption and efficiency enhancing mechanism. It is based on the premise that citizens want and have the right to know what the government does; how it does it; how it impacts on them; and that the government has an obligation to account and be transparent to citizens. [3]

This Practical Guide analyzes social auditing experiences around the world and extracts important lessons that intend to provide practical guidance to United Nations Development Program (UNDP) and other United Nations agencies officers, advisers, and partners, as well as development practitioners, donors and governments. It examines the required elements for the design and implementation of

[2] Domike, Arthur, et.al. (2008) Civil Society and Social Movements. Washington D.C.: Inter-American Development Bank; Ramkumar, Vivek (2007), "Expanding Collaboration Between Public Audit Institutions and Civil Society." Washington, D.C.: International Budget Project; and Malena, Carmen, Reiner Forster and Janmejayingh (2004). "Social Accountability: An Introduction to the Concept and Emerging Practices," *Social Development Papers*, No. 76, Washington, DC: The World Bank, December.

[3] For further elaboration on definitions, and alternative definitions, see Social Audit Tool Handbook. USAID (2008) http://www.microlinks.org/ev_en.php?ID=25145_201&ID2=DO_TOPIC

social audits, explains the enabling environment that make these exercises successful, and offers practical insights based on practices and experiences. As such, is intended to serve as a guide for those who wish to consider support for social audit initiatives as part of their strategy and/or agenda. The ultimate aim is to provide a tool to more fully and strategically assess social audit as an area of potential program support.

SOCIAL AUDITING: ORIGINS AND EVOLUTION

II. Social Auditing: Origins and Evolution

Social audit dates back to the 1970s, when private corporations throughout the British Commonwealth, in several European countries and the United States responded to demands from consumers and environmental movements. Corporations responded to demands by implementing several approaches to actively involve stakeholders and the communities in the decision-making process. Corporations concluded that if they reached out to key stakeholders, they could better understand impact and needs, improve products and services, produce healthier and more productive corporate culture and in turn strengthen their productivity and profits.[4]

In the 1980s, the social audit concept traveled from the private to the public sector in response to new emerging democratic governance trends. As more countries transited towards democratic governance, CSOs gained greater legitimacy and spaces to participate (particularly those dealing with human rights, gender and environmental issues), and international organizations focused on democratic governance issues like accountability and transparency.

As countries continued to consolidate democratic governance in the 1990s and 2000s by regularizing periodic and more transparent electoral processes, social audit gained additional attention as concerns over the *quality* of democratic governance increased.[5] In general, citizens around the world have become somewhat ambivalent about the impact of democratic institutions and public policies in their daily lives. Although citizen participation has expanded, economic prosperity associated with democratic governance has been slow to come and in many countries, perceptions of corruption have increased. Lack of institutional accountability and transparency mechanisms, and growing perceptions that corrupt practices adversely affect investment and economic growth, all undermine confidence and trust in democratic leaders and institutions. As a result, public support for democratic governance can decrease and mistrust can grow.[6]

Many citizens perceived institutions are not being reinvigorated and/or reformed, and therefore corrupt practices persist. Lately, social media (facebook, twitter) has been playing an increasingly important role to channel citizen's initiatives to uncover corrupt practices and mismanagement, as well as to hold governments accountable. Independent bloggers, wiki leakers alike and groups of citizens have forced institutions to improve transparency and accountability.[7] Against this backdrop, decision-makers are

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[4]UNDP-Argentina (2009) *Manual to Implement the Citizen Audit Program for Municipalities*; USAID (2008) *Social Audit Toll Handbook: Using the Social Audit to Assess the Social Performance of Micro-Finance Institutions*. Washington D.C.: Chemonics; IPPF (2007) *Social Audit Manual: A Guide to Support Beneficiaries to become Right Holders*. New Delhi-India: IPPF South Asia Regional Office; *Grupo Fundemos* (2008) *Social Audit Manual*. Managua: USAID/*Grupo Fundemos*; and UNDP-Guatemala (2006) *Moving Step by Step to Social Audit.*

[5]OEA/PNUD (2010). *Nuestra Democracia: Segundo Informe sobre la Democracia en América Latina*. México: PNUD/OEA.

[6]Diamond, Larry (2008) *The Spirit of Democracy: The Struggle to Build Free Societies Throughout the World*. New York: Holt Paperbacks; and Bekkers, Victor, Geske Dijkstra, Arthur Edwards, and Menno Fenger, eds. (2007). *Governance and the Democratic Deficit: Assessing the Democratic Legitimacy of Governance Practices*. England: Ashgate Publishers.

[7]See for example, the experience of Sunlight Foundation http://sunlightfoundation.com/about/ , the No-bribe experience in India http://www.nobribe.org/why-social-media-can-fight-corruptionor and a unique initiative for online activism http://www.violenceisnotourculture.org/files/Strategising%20Online%20Activism.pdf

increasingly more aware of pressures coming from ordinary citizens and are beginning to accept social audit as a way to promote citizen participation and as a transparency mechanisms. Similarly, most international donor organizations recognize now more firmly the need for governments to be accountable to their citizens and citizens' rights to demand transparency and accountability.[8] In fact, the international donor community and international NGOs such as Transparency International have come to share a basic understanding that accountability and transparency matter for democratic governance. International organizations, including UNDP, the World Bank, the European Union, and many bilateral donors among others, are providing substantial support to social auditing activities in a host of countries around the world, and they themselves are being forced to be more transparent at what they do.

Social audit has become a key component of any democratic governance and anti-corruption strategy. It can provide answers to the key question of, the quantity of public resources being managed by governments. However, beyond the quantity of resource, increasing focus is now also being given to issues of quality of use of those public resources, including the access and quality to public services, social and economic investments, public policies and decisions. The key question has become how governments are managing public resources, and what is the impact, and social audit initiatives can provide some answers. As a result of social audit exercises, policy-makers are increasingly recognizing the critical importance of effective resource use and some have even pledged to reform the delivery and management of resources. In older democracies, public accountability and transparency is much enhanced by independent work on public spending conducted by the media, CSOs and think tanks. By contrast, in newly democratic countries there is still a deficit of local capacity and independence of government entities, to review, monitor and report on public resource management and expenditures.

Governments are facing an ever-growing demand to be more accountable, transparent and effective when it comes to resource management and public policy. Citizens are becoming more assertive about their right to be informed and to influence governments' decision-making processes. Governments are looking for new ways to evaluate their performance, while CSOs are gaining more capacity to monitor and verify how public policy and resources are performing. Citizens in many countries have caught on the idea and process and are now engaged in some form of social audit activity at the local, provincial and/or national level. There is growing information about social audit that document and explain CSO strategies and best practices in different countries and provide useful lessons.[9]

Democratic Governance requires institutions of horizontal and vertical accountability, to check and limit the use of entrusted authority. Accountability (like the related concepts of "responsibility" and "answerability") refers to the fundamental duties that governing institutions and personnel owe to the

[8] See for example the Publish What you Fund Website http://www.publishwhatyoufund.org/

[9] For example, Transparency International Corruption Fighters' Tool Kit,and other cases featured in the organizations' web site: www.transparency.org. Also U4, the Anti-corruption resource center www.u4.no, as well as the United Nations at, http://www.unodc.org/unodc/en/corruption/index.html and http://www.beta.undp.org/undp/en/home/ourwork/democraticgovernance/focus_areas/focus_anti-corruption.html.

citizens they serve.[10] An overarching principle of democratic governance is, that governing institutions and governing personnel are required to exercise the authority entrusted to them exclusively for the benefit of the people. This principle requires subjugation of self-interest to the legitimate interests of the intended beneficiaries of the governing institutions. By definition, corruption —the abuse of entrusted authority for private gain of any kind— represents a breach of the fundamental duty of loyalty owed by governing agents to their principals (citizens). Accountability can be vertical, imposed externally on governments, and horizontal, imposed by governments internally through institutional mechanisms for oversight and checks and balances (See Box 1).

Box 1: Social Auditing and Dual Accountability

Horizontal Accountability: Consists of the exercise of countervailing power by different branches and institutions of government, checking and balancing the exercise of entrusted authority. It could be exercised through a sweeping array of judicial, legislative and executive "control agencies:" courts, magistrates, legislative/parliamentary commissions, Supreme Audit institutions (SAIs), internal and external auditors, ombudsmen, anticorruption agencies, independent regulators, and other institutions with oversight authority. Effective horizontal accountability is the product of networks of complementary and supporting governing institutions, with countervailing power, committed to the rule of law. Horizontal accountability relies on governing institutions that are authorized, willing, and able to take meaningful action in response to violations by governing institutions/personnel. Such actions may include oversight, public disclosure, investigations and hearings, reprimand, demotion (including reduction of compensation, budgets, and jurisdiction), removal from office (through elections, impeachment, or dismissal), fines, prosecution, and imprisonment.

Vertical Accountability: Originates from actors outside the State, comprising checks and balances on State actors within all three branches of government and at national, regional, and local levels. Representative institutions of vertical accountability include the electorate (acting through free and fair elections), political parties, the media, CSOs/NGOs (including trade unions, professional and business associations, and faith-based organizations), and international donors. Institutions of vertical accountability also influence horizontal accountability: directly, by demanding effective institutional checks and balances within the state; and indirectly, by strengthening such institutions as independent media, watchdog organizations, and influential think-tanks.

Source: USAID. *Transparency, Accountability, Prevention, Enforcement, Education an Analytical Framework for Combating Corruption & Promoting Integrity in the Europe & Eurasia Region*. Washington DC: USAID Europe and Eurasia Bureau Anti-Corruption Working Group, 2005.

[10] For definitions of other types of accountability, see UNDP (2010) *Fostering Social Accountability. From Principle to Practice*. Guidance Note; and UNDP (2008) *Anti-corruption Practice Note. Mainstreaming Anti-Corruption in Development*.

SOCIAL AUDITING AS A MECHANISM OF ACCOUNTABILITY AND EXTERNAL OVERSIGHT

III. Social Auditing as a Mechanism of Accountability and External Oversight

Social audit is a form of citizen participation that focuses on government performance and accountability. It is qualitatively different from other forms of audit and citizen participation (see Annex 2), whose main purpose is to express citizen's voice and promote a more inclusive government, such as public demonstrations, advocacy and lobbying and/or public hearing initiatives, to name just a few. The central objective of a social audit is to monitor, track, analyze, and evaluate government performance, thus making public officials accountable for their actions and decisions. As an evaluation of government performance, a social audit exercise can be considered a mechanism of social oversight: that is, the control that citizens can exert on their government officials to ensure that they act transparently, responsibly and effectively (See Box 2).

Box 2: Different Forms of Oversight in Democratic Governments

Checks and balances are an inherent principle of democratic governance. This principle entails various mechanisms, which attempt to control/balance government official arbitrariness and abuse of power. Some of these forms of oversight that democratic governments generate to check and balance government power include:

Internal Controls: an internal management process by which government agencies evaluate and monitor their own activities, detect vulnerabilities, protect its resources against waste, fraud, and inefficiency, as well as ensures accuracy and reliability of its data, secures compliance with the policies of the agency or organization, and provides mechanisms to correct behavior.

External Oversight: external and independent agencies in charge of overseeing government actions, which include checking and balancing executive power such as Supreme Auditing Institutions, Comptroller General, Congress/Assembly/Parliament, Congressional Committees, the Courts.

International Oversight: international agreements, agencies and conventions review mechanisms to oversee and monitor performance and agreed pledges, such as United Nation convention against Corruption (UNCAC) review Mechanism, African Peer Review Mechanism (APRM) and the Inter-American Convention against Corruption Review Mechanism (MESICIC).

Political Oversight: control exerted by political parties and citizens through elections.

Social Oversight: control exerted by ordinary citizens who organize to track and monitor government decisions and performance.

Source: Research Triangle Institute. *Manual de Auditoria Social Una Herramienta Ciudadana.* Edited by: Magna Terra Editores. (1ra Edición, Marzo, 2004) Programa de Gobiernos Locales.

As democratic governance is changing and/or consolidating around the world, social organizations that played a critical role in bringing down authoritarian rule and installing democratic elections, begin to take on a new role. They now question how governments make decisions, how they manage public resources, how they deliver public services, and the extent they are able to respond to the demands of its citizens. The success of social audit activities in this new democratic governance context also depends on the public sector apparatus' capacity and effectiveness to respond not only to citizens' demands, but also to the challenges of accountability and transparency.

Over the past decades, citizens have become more assertive about their right to participate, be informed and to influence governments' decision-making processes. Governments, especially those that came to power with a strong commitment to introduce policy reform to address social problems, are looking for new ways to evaluate their performance, and in turn strengthen their legitimacy and political capital. In many regions of the world, citizens have acquired new capacities to evaluate and monitor their governments and are now engaged in some form of social audit activity at the local, provincial and/or national level. In regions where there is no political will to work with civil society, and in order to improve transparency and accountability, social auditing can be useful, for example through using social media. In political systems that are still close and opaque, bloggers, independent citizens and clusters of citizens have shined light on processes by monitoring the services provided and denouncing corruption and mismanagement.

The ultimate objective of a social auditing initiative is to promote a more transparent and effective public administration. As a social oversight mechanism, its purpose is not to frustrate government activities, create unnecessary obstacles, accuse or point fingers at government officials and/or become a threatening policing force. Rather, the main objective is to strengthen government's public policy capacity and responsiveness by providing government officials with constructive feedback and information about performance and impact. To the extent that government officials collaborate and allow citizens to exert their social oversight function, social audits can greatly enhance the legitimacy and credibility of democratic institutions and generate greater confidence between citizens and public officials (see Box 3).

Social auditing plays various roles. Social audit processes can help focus on bad government performance and/or behavior and also by denouncing corrupt public officials or disseminating information about a public officials' asset declaration before an election. A social audit can also significantly contribute to inform the government about the potential impact and consequences of public policies. Social audit also can be a means for conflict prevention and resolution. Moreover, a social audit can also play a critical role in keeping the community informed about government policies and actions and in articulating citizens' demands and needs that might not be otherwise transmitted through more regular channels, such as elections. In short, social audit activities can help measure public policy consistency between promises and actual results. Verifying consistency between plans/programs/policies and actual results can lead to improvements in many governance areas, and can translate into economic and social benefits. It can also play a critical role as an anticorruption tool in

preventing corrupt practices and/or in providing evidence to expose wrongdoings. Ultimately, social audit paves the way to strengthen trust and confidence in the democratic governance process.

Box 3: Effects of Social Audits in Democratic Governance

- **Enhances governance:** Accountability and transparency of public officials is the cornerstone of democratic governance. Both of these are critical elements, particularly in the context of growing disillusionment with democratic governance performance, and perceptions about corrupt practices, abuse of power and discretion. A social audit can enhance accountability by allowing ordinary citizens to access information, voice their needs, evaluate performance, and demand greater accountability and transparency.

- **Increases Public Policy effectiveness:** This is achieved through improved public service delivery and more informed policy design and evaluation. Social audit can help assess the quality of key essential services to its citizens, resources management and how citizens' demands are being articulated in the public policy and budget cycle processes. By enhancing the availability of information, strengthening citizen voice, promoting dialogue and consultation between stakeholders and creating incentives for improved public policy performance, social audits can go a long way toward improving the effectiveness of service delivery and making public decision-making more transparent and participatory. It leads to efficient resource utilization.

- **Increases citizen participation**: Social audit is a source of policy dialogue and conflict resolution. It can enhance the ability of citizens to move beyond mere protest and/or apathy, toward a process that helps to engage with bureaucrats and decision-makers in a more informed, organized, constructive and systematic manner, thus increasing the chances of effecting positive change. By providing critical information on policies and rights and soliciting systematic feedback from constituencies, social audit can provide a means to increase and aggregate the voice of excluded and vulnerable groups. In turn, this can enhance voice and increase the chance of greater policy responsiveness on the part of government. Thus, social audits also become a confidence building measure.

Source: Based on, Malena, Carmen, Reiner Forster and Janmejay Singh. 2004, "Social Accountability: An Introduction to the Concept and Emerging Practices," *Social Development Papers*, No. 76, Washington, DC: The World Bank, December.

Similarly, social audit can be a means to account for, report on, and verifying public and budget policy. It is an ongoing process of policy dialogue and continuous improvement, which can provide a way of measuring public sector performance against its planned objectives and the expectations of stakeholders. It enables public sector entities and civil servants to build a clearer picture of how their stakeholders view them and build more mutually beneficial relationships with them. Through social

audit activities, public entities and officials can also anticipate any concerns that stakeholders may have and manage risks.

In social audit stakeholders are active participants, not just sources of information. Stakeholders at all levels, national, provincial, municipal, are the main actors in the monitoring and evaluation process. They are responsible for identifying the policy/program that will be subject to the audit exercise, collecting and analyzing the necessary information and for generating the respective recommendations. The social audit process is action-oriented, and strong emphasis is placed on building the capacity and commitment of all key stakeholders to consider, analyze, and take responsibility for implementing any measures they recommend. Social audit differs from traditional monitoring and evaluating practices in that external experts are not the ones doing the work. In conventional approaches, the outside evaluator seeks to maintain distance and independence from the project. In contrast, social audit activities seek a more open-ended and iterative approach, whereby the stakeholders themselves (sometimes with an outside facilitator to help guide the process and bring other perspectives), manage and implement the audit process and make respective recommendations. Thus social audit can be used in a variety of ways as a tool to provide critical policy inputs and to assess the impact of public policies and government activities on the well-being of the citizens. The scope of social audit activities can be broad and cover a number of areas and sectors. For example, social audit can be used to:

- Assess the physical and financial gaps between needs and resources available for public policies.
- Create awareness among beneficiaries and providers of social and productive services.
- Increase efficacy and effectiveness of public policy/programs.
- Analyze various policy decisions, keeping in view stakeholder needs and priorities, particularly of those historically excluded (rural poor, minorities).
- Estimate the opportunity cost for stakeholders of not getting timely access to public services.
- Strengthen integrated management systems and strategies.
- Facilitate organizational learning on how to improve public policy performance.
- Identify areas for institutional and bureaucratic reforms of institutions.
- Promote dialogue and deliberation to promote effective public-private partnerships.
- Ensure that implementation of a policy/program is transparent, comes to completion and known to everyone.
- Increase public participation at all stages of the public policy and budget cycle.
- Increasing accountability and transparency.
- Identify, control and report irregularities and prevent abuse of funds and power.
- Measure the impact of policies/programs.
- Enable citizens to exercise their rights.

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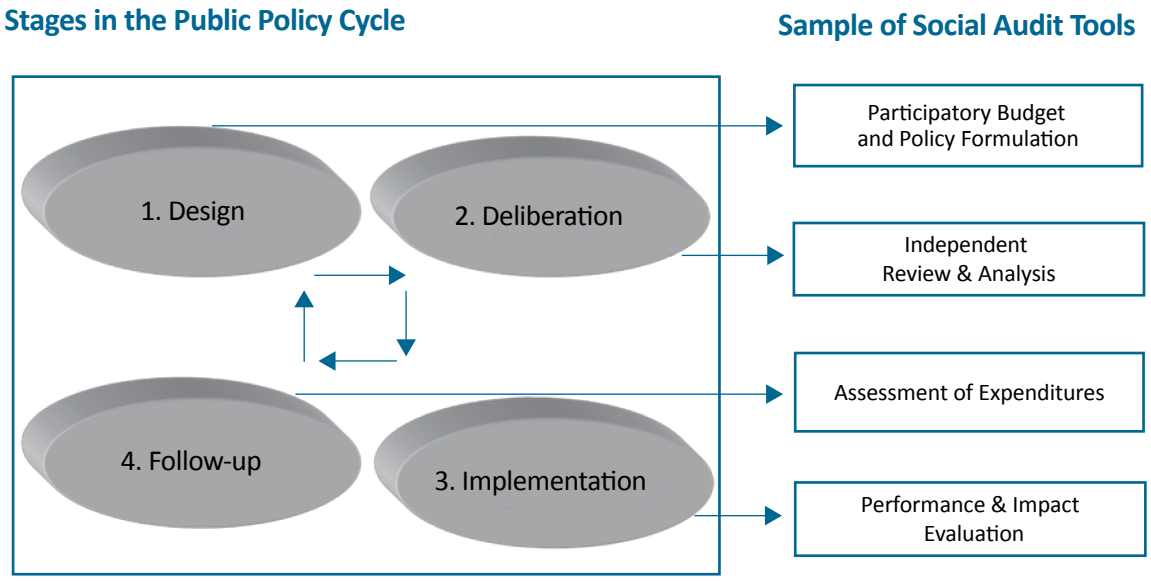
As described above, social audit encompasses a broad array of activities and areas that potentially take to hold government officials and bureaucrats accountable. These actions m out by a wide range of actors (e.g., individual citizens, communities, legislators/parliament media the private sector), occur at different levels (e.g., local to national), address a variety of different issues (e.g., public policy, political conduct, public expenditures, service delivery, bureaucratic simplification) and use diverse strategies (see Section V).

As can be seen in Figure 1, social audit can be performed in all the stages of the public policy and budget cycle (see also Annex 1). That is, at the design, deliberation, implementation and follow-up stages. Social Audit is relevant to all of them, and a variety of tools can be used at each stage.[11] For example: participatory budgeting, public expenditure tracking; citizen monitoring and evaluation of public service delivery; elections and legislative monitoring; strategic planning; and participating in public commissions and hearings, citizen's advisory boards and oversight committees.

Figure 1: When can Social Audit be Performed?



[11] The public policy cycle can be described as having four related phases: 1) Design Phase, where problems are defined and issues are raised in order to set a policy agenda. 2) Deliberation Phase is the formulation stage where analysis and politics determines how the agenda item is translated into a decision: a law, rule or regulation, administrative order or resolution. 3) Implementation Phase is the stage at which the authorized policy is administered and enforced by an agency of government; 4. Follow-up is the stage where the impact of the policy is assessed and the accordance to the used resources is controlled. Are the goals met? The feedback provided by evaluation is injected back into the agenda designing phase.

KEY CONDITIONS FOR EFFECTIVE SOCIAL AUDIT INITIATIVES

IV. Key Conditions for Effective Social Audit Initiatives

There is wide consensus that social audit initiatives are not only a matter of a planning process, but also of windows of opportunity and capacity that are directly related to the political, policy, institutional, and organizational settings in a given country. As such, social audit cannot be considered an end, but rather a means for citizen engagement and greater accountability and transparency. While there is not a standard blueprint to conduct social audits, donors, governments and CSOs have come to share a basic understanding on key conditions that are necessary for social audits to be effective. These conditions include:

Political Will: Social auditing is most effective when government authorities are willing to collaborate and allow civil society to provide feedback and information about their activities. It enables public sector entities and civil servants to build a clearer picture of how their stakeholders view them and build more mutually beneficial relationships with them. Through social audit activities, public entities and officials can also anticipate any concerns that stakeholders may have and manage risks. However, governments are not always willing to cooperate, nor allow citizens to monitor their activities and/or respond to citizens' evaluations of government actions. In that case, social audit requires developing creative and effective ways to communicate their findings and grasping the attention of public officials (Box 4).

Box 4: Social Audit Experience for the Local Road Construction Project in Sonsonate, El Salvador

During a local construction project for a six-kilometer local road in El Salvador, the stakeholders used a social audit to evaluate this project, with the intention of ensuring the road would be built with improved standards of quality, would meet the needs of the target population, and would be durable, thus benefiting future generations, as a result of greater social oversight and transparency.

The main **stakeholders** involved included the Mayor, the chief of the Institutional Procurement and Contracts Unit (UACI), the Local Development Committee, a Social Audit Committee, the direct and indirect beneficiaries comprising some 1,500 low-income families. The **broad participation** of the all stakeholders was a key element in achieving the stated goals.

During the social audit, the Mayor's Office provided logistical and administrative support, as well as the underlying legal framework for all audit activities. This was critical during the project's early stages since the other participants perceived a degree of **political will** to undertake this unprecedented social audit activity. While the Local Development Committee (CDL) played a prominent role in identifying the most affected population, prioritizing needs, and identifying local leaders in the area.

Meanwhile, community leaders who organized the Social Audit Committee were the eyes and ears of the entire process. They monitored the physical construction process and paid attention to everything from the receipt and quality of materials to their proper use. They approached this task with unswerving dedication, given that they were the direct beneficiaries of the project. **Technical assistance** was crucial particularly to raise awareness, support and encourage collaborative activities, and provide training to the Social Audit Committee in the application of the Procurement Law.

Source: World Bank, *Voice, Eyes and Ears: Social Accountability in Latin America*. Washington D.C., Civil Society Team/World Bank, 2003.

Enabling Legislation: Democracies rest on the premise that citizens have a right to know what the government does, how it does it, and how they go about it, and finally how this impact them. The government, on the other hand, has an obligation to respond and become accountable to citizens. A basic legal framework must exist for effective social audit to take place. This often involves the right to demand, and the right for civil society participation in public affairs, and a right to access to public information. Social audits also require access to reliable information about government's actions and decisions. Without information, citizens can neither assess the situation they are trying to change nor participate effectively in shaping it. Nevertheless, in countries with poor legal instruments, social audits are still relevant and perhaps even more important. Informal mechanisms activating accountability can also make an important impact.

Evidence shows that the legal framework for social audit can be international, regional, national and/or even sub-national (municipal). Since many countries are signatories of international and regional anti-corruption conventions, such as the United Nations Convention against Corruption or regional Conventions against Corruption, recognize the importance of external oversight, offer one legal basis for social audit activities. In some countries, constitutions explicitly reference issues related to accountability and transparency in the management of public resources and thus provide a possibility of external oversight, including social audit. For example, in Colombia, the 1991 Constitution explicitly recognizes the right of citizens to oversee government officials and to exercise social control wherever public resources are used. In South Korea, the Board of Audit and Inspection (BAI) introduced in 2000 the Citizens' Audit Request System, through which citizens can request audits related to service providers in cases where the violation of laws or corruption could seriously undermine public interest.[12] In Honduras the 1990 Decentralization Law and the 2000 Municipal Law established Municipal Commissioners who monitored the Hurricane Mitch Reconstruction Assistance subsidies to villages and rural funds in accordance with donor requirements, which led the Honduran Comptroller General's office to establish social auditors in municipalities receiving reconstruction support.

When no legal framework exists for citizens' participation in social audits, binding mechanisms can be established to ensure that social audit activities have a legal basis. For example, the National Commission on Audit (COA) –the Supreme Audit Institution of the Philippines– entered into a partnership with a NGO, Concerned Citizens of Abra for Good Governance (CCAGG) to conduct participatory audit exercises in the Abra region. The exercises focused on assessing the impact of the audited government program/project to determine whether the program/project achieved its desired results. In another example, in Andhra Pradesh, the fourth largest state in India, the Government permitted the appointment of Village Social Auditors (VSA) for each local government body (*Gram Panchayat*) under the National Rural Employment Guarantee Scheme (NREGS). These village social auditors are unemployed youth from the village who are trained for this purpose and facilitate the social audit in the village.

[12] Pyun, Ho-Bum (2006). "Audit and Civil Society: The Korean Experience," in the *International Journal of Government Auditing*. Washington D.C.: International Budget Project, Center on Budget and Policy Priorities, April.

Skills and Resources: The central elements enabling Civil Society Organizations (CSO), to conduct social audits, entails their capacity to organize, as well as their available technical and advocacy skills. The skills required probably encompass legal, operational and communication skills, and are important not only in terms of technical skills but also to use them to mobilize support and resources. With more knowledge about the social audit process, and the possibility to reach the aims, the motivation to engage policy-makers could be raised. Similarly, CSOs' ability to mobilize and effectively use the media, and their breath membership, as well as their capacity to form and sustain coalitions, their legitimacy and level of representation, responsiveness and accountability to their own members are all central elements. Even in countries where political will, enabling legislation and basic rights exist, civil society still requires the capacity to organize and promote action. Organization is not a spontaneous outcome. It also requires skills, discipline, strategy and resources. While spontaneous participation can create excitement at the beginning, it is neither effective nor sustainable. Organizing for collective action entails different essential elements (see Section VI for a detailed step by step example).

Box 5: Training Citizens in Understanding Health Subsidies in Colombia

Social Audit experience to monitor the allocation of public health subsidies: The social audit exercise brought together the participation of several stakeholders, including municipal and departmental governments, local CSOs, youth groups, and other citizens. The project brought these groups together to work cooperatively to train youth participants, educate the public, and help in investigating inconsistencies in health policy.

The initiative also used technical advisors and coordinators in municipal "base teams" in order to provide technical support for monitoring of the health subsidy, and to coordinate the various organizations working on the project. Citizens and youth also were trained on themes related to the health subsidy and citizen participation. The initiative also utilized local media resources, such as radio, television, and print, to distribute information on the health subsidy and to promote community activities related to the project.

The youth participants, largely high school-aged students, were instrumental to the project because, in addition to other activities, they helped educate the general public on the health subsidy program and policies. The youth used their creativity and energy to communicate in ways that were easily understood (artwork, theater performances, poems, and songs that explained the health subsidy programs and the importance of finding and correcting inconsistencies. Youth groups were created to hold community assemblies and to make house calls to resolve any discrepancies in the health subsidy program, and to confirm health subsidy card expiration dates and validity. This process identified waste, fraud, and mistakes in the health subsidies program, so that the funds were subsequently reallocated to needy citizens with first priority given to infants, children, and pregnant mothers.

Source: Partners of the Americas, *Involving Citizens in Public Budgets: Mechanisms for Transparent and Participatory Budget*. Washington D.C.: Partners of the Americas, 2005.

Objectivity and Independence: Successful social auditing requires that those who monitor or track government activities maintain their objectivity and independence from the government. Objective and impartial collection of data and/or information is vital for the ability of social audits to inform both government and society about government activities and their consequences. Politically motivated social auditing exercises lose credibility and impact. Similarly, programs and policies audited by third parties should not have a vested interest in the public entity being monitored. Finally, independence also often implies financial autonomy from government resources as well. When government resources are added, there should be some safeguards to ensure that this funding does not adversely affect the process.

Broad civil society participation: Social auditing initiatives yield better results when citizens are actively included in the entire process from design and planning to implementation. This increases participants' understanding of the process and sense of ownership and enhances potential sustainability. It is important that legally recognized organizations (NGOs and CSOs) establish links with the community members they represent in order to generate credibility and acceptance by the community. Citizen initiatives which originated in organizations without community support lose credibility and effectiveness. Syndicates and unions, and sometimes even private enterprises can also play an important role in enhancing accountability. More importantly, broader social coalitions increase the power and effectiveness of advocacy initiatives in support of government reforms (Box 6).

Box 6: Broadening Citizen Participation: Enhancing Effectiveness and Impact

A critical part of any social audit initiative involves bringing the findings to the attention of the concerned public sector official and/or policy-maker, and to negotiate for change. In Bangalore, India, to curb public works corruption, children were sent to monitor the streets with checklists. The youth, aged 12 to 14 years old, were first briefed on the need to drain water from the roads to maintain their quality. The technical advisors explained the various critical road dimensions: the efficacy of the drainage system, impediments to pedestrian and road safety, and the quality of the riding surface.

The youth were then sent to observe 300 meters of each road and to fill out their checklists. Some of the indicators were: presence of drains, evenness of the surface, presence of covered footpaths, number of potholes, and number of cracked areas. The results were presented to the Bangalore Municipal Commissioner at a public function. Based on the youth's findings, the Municipal Commissioner directed his officials to take immediate steps to upgrade the roads covered in the research. Consequently, these measures produced a visible change in road maintenance in Bangalore as the filled-in potholes produced an observable improvement.

In Indonesia, the *Koalisi Perempuan* (Coalition for Women) submitted its blueprint for the National Plan of Action to the Ministry of Women Empowerment. It drafted proposals and lobbied for amendments to the 1945 Constitution. The coalition wrote position papers on maternity rights, on affirmative action for

women, and on anti-trafficking measures. In response, Indonesia's *Koalisi Perempuan* established a Caucus of Parliamentarian Women at the national level and the coalition installed itself in the policy-making body of the Ministry for Women Empowerment. As a result of this ground-breaking work, the ministry established focal points for gender and development concerns to be in charge of planning gender policy.

In the Philippines, UNDP and UN-Habitat partnered with five municipal governments to implement the Citizen Action for Local Leadership to Achieve MDGs by 2015 project or Call 2015. The objective was to localize MDGs and promote citizen engagement in urban governance. It aimed to establish dialogue and voice mechanisms between citizens and the government to combat corruption and strengthen the delivery of basic services.

The project's strategy was to build partnerships between research and academic institutions, civil society organizations (including grass-roots women's organizations) and local governments to develop systems of knowledge exchange and management as well as user-friendly applications to measure results and track progress towards the MDGs. "Integrity Circles" (ICs) composed of respected men and women from local communities selected through a community consultation process were established in all 5 cities. Researchers and academics from participating universities were also members. Each of the 5 cities piloted Call 2015 through various projects. A Community Based Monitoring System (CBMS) was developed to profile all the households in the municipalities and establish baseline indicators for eight poverty "dimensions". The baseline data was translated into household-level maps indicating problem areas. Local government officials and IC members were trained to use the CBMS to monitor service delivery against the baseline.

The involvement of city officials through systemic consultation increased their responsiveness to the suggestions of the ICs to update local legislation and policies. In Tuguegarao, the city government established the Call 2015 Information Corner and invited the city-level IC to monitor and evaluate the performance of the city. An official resolution facilitated participation of IC members in city council proceedings. This strengthened the direct accountability of city officials to citizens. The success of these pilot projects resulted in mainstreaming this approach in all cities in the Philippines.

Source, India and Indonesia; Dennis Arroyo, "Summary Paper on the Stocktaking of Social Accountability Initiatives in Asia and the Pacific," The World Bank Institute Community Empowerment and Social Inclusion Learning Program, 2004.

Source, the Philippines: UNDP (2010) Fostering Social Accountability: From Principle to Practice. Guidance Note. Oslo: United Nations Development Programme. Oslo Governance Centre.

SOCIAL AUDITING INITIATIVES

V. Social Auditing Initiatives

A variety of strategies, approaches and methodologies have been developed to conduct social audit, such as score cards, citizen charters, and service delivery assessments in health, education, transport and water and sanitation.

Most social auditing initiatives are organized in response to poor and/or inadequate delivery of social services at the local level. In many cities, citizens lack channels to express their concerns and governments lack adequate mechanisms to obtain feedback about the quality of the service they provide. For example, in Delhi, India, citizens bribed government officials to obtain public services because they lacked other available mechanisms to complain and demand better services within the city government.[13] Social audits can also be used to analyze and monitor sensitive issues, such as military expenditures and budgets (see Box 7). Whatever the area targeted for social audit, the first step in selecting the appropriate social audit strategy, approach and tools, is to clearly define the objective and the subject of the exercise (i.e. which government entity, which policy), as well as the target audience.

The following section provides brief descriptions of selected type of approaches and tools, including examples that have been used in a number of countries to organize a variety of social audit activities.

Box 7: Social Auditing of the Military Expenditures in Guatemala

Guatemala's transition to democracy in 1985, after many years of rule by authoritarian regimes led by the armed forces and the subsequent signature of the peace accords in 1996, begun to disclose information about the extent of the military's abuse of human rights. However, little or no information existed about military expenditures, although the military budget was known to be considerable. While citizens suspected that the military was highly corrupt, no analysis had been conducted to examine and evaluate how the budget allocated to the military was actually spent.

In 2000, a civil society group (GAM-CIIDH-*Observatorio Ciudadano*) began to examine information on military expenditures. While the information was limited, this group was able to unearth some important findings:

- The military did not subject any of the goods it procured to public bidding process.
- All payments were done in cash.
- The military purchased mosquito nets at exorbitant prices.
- The army purchased expensive imported ham every month.
- Salaries were paid in cash every month.

[13] Dennis Arroyo and Karen Sirker (2005). "Stocktaking of Social Accountability Initiatives in the Asia and Pacific Region." World Bank, CESI, Community Empowerment and Social Inclusion Learning Program, N. 37255, p. 4.

- Several goods were purchased from "ghost companies."
- 40 different enterprises that procured to the military belonged to the same owner.

The civil society group disseminated these findings and requested the courts to start an investigation against several military officials. As a result of civil society pressure, in 2004 the office of the Attorney General ordered the Ministry of Defense to publicly release its financial files, which until then were considered state secrets. Military expenditures have become increasingly transparent since this civil society group began tracking and monitoring the military budget. Knowing that the budget is now publicly monitored, the military has also become progressively careful in its budgetary spending.

Source: Mario Polanco and Gilberto Robledo, "Informe de la Ejecución Presupuestaria de Ingresos y Gastos del Estado. 2005. GAM-CIIDH-Observatorio Ciudadano, Guatemala, 2006.
http://www.albedrio.org/htm/documentos/INFORME2005.pdf

Citizen Report Cards

Citizen Reports Cards (CRCs) entail a participatory survey that solicits users/clients feedback on the performance of specific public services, combining qualitative and quantitative methods to collect useful demand-side data. CRCs are also an instrument to exact social and public accountability and transparency, through accompanying media coverage and civil society advocacy. They are used where demand-side data, such as user perceptions on quality and satisfaction with public services, are absent. They enable citizens to identify key vulnerable and reform areas in public entities and services. CRCs have an array of different applications, for example, to help orient budget allocations to priority needs and/or to get comparative data on services across public entities and within regions, and to complement national service delivery surveys. CRCs also provide feedback from users of services on availability of services, satisfaction with services, reliability and quality of services (and the indicators to measure these), responsiveness of service providers, hidden costs (corrupt practices) and irregularities.

The Public Affairs Centre (PAC) in Bangalore, India, pioneered the use and application of CRCs, which provided an assessment of citizens' level of satisfaction with regard to the city's public services and ranked public service agencies (water, power, municipal services, transport, housing, telephones, banks and hospitals) in terms of their service performance. The CRC in Bangalore helped to increase public awareness of the quality of services and stimulated citizen groups to demand better services. These CRCs influenced key officials in understanding ordinary citizens' perceptions and the civil society's role in city governance.[14] (See Box 8)

The CRCs involve two related elements. First, a "scientific" element that entails collecting or generating data on the quality and/or quantity of a public service. This element requires defining the scope of the problem, selecting a sample, designing a questionnaire, collecting the data, analyzing it and writing a

[14] Ravindra, Adikeshavalu (2004). An Assessment of the Impact of Bangalore Citizen Report Cards on the Performance of Public Agencies. Washington D.C., World Bank.

report. And second, a more "socializing" element, which entails designing a media campaign to disseminate the results of the study, building awareness, mobilizing broad social coalitions, advocating for reform, negotiating with government authorities and engaging in constructive discussions or public hearings (Box 8).

Box 8: Citizen Report Cards in the Health Sector: India and Uganda

In 2000, the Public Affairs Center (PAC) in Bangalore, India created a report card to measure health care services serving the urban poor. The report card indicated low patient satisfaction, poorly maintained facilities, and wide-spread corruption in the form of bribes and under-the-table payments for care. The study reported that only 43% of patients had access to usable toilets, and less than 40% had access to free medicines as required by government policy. After the PAC worked with the Bangalore Municipal Corporation to implement reforms, an evaluation in 2004 found that services had significantly improved. Improvements included cleaning and laundry functions outsourced for better accountability, qualified nurses replaced untrained staff, a board of overseers was created with elected Councilors and prominent citizen members, and a citizen charter was in place, defining rights of patients.

Similarly, a Citizen Report Card Project in Uganda found that the transparency initiative increased the quality and quantity of health care service provision and improved health outcomes such as increased immunization rates and reduced wait time.

Source: Taryn Vian, 2008. "Transparency in Health Programs", U4 Anticorruption Resource Center. www.U4.no/themes/health

Tracking and Monitoring Government Performance and Compliance with Development Plans

One of the many sources of discontent and disillusionment with democratic governments is the growing gap between political campaign promises and government actions once they are in office. As elections become more competitive, politicians develop ambitious plans and promise more than what they actually can deliver. In some Latin American countries, several social auditing initiatives have been organized to analyze the extent of compliance with government development plans and to provide feedback to government authorities about citizen's satisfaction or lack thereof with government performance. In another approach, such as "*Ciudadanos al Día*" in Peru, has created a national prize to reward government officials for best government practices (Box 9).

Box 9: Two Samples from Latin America

Veeduria Ciudadana: Medellin Colombia

In Medellín, Colombia, a city of approximately three million people, citizens came together with city authorities to define a 15-year development plan. After completing the plan, a group of CSOs and private sector entities created the *Veeduría al Plan de Desarrollo de la Ciudad de Medellín* (Citizens Oversight of the Development Plan). Each of the member organizations lends staff members and hires consultants as needed to monitor, analyze and evaluate the City's compliance with the Development Plan. Demanding access to documents and to public officials, the *Veeduría* tracks allocation and utilization of funding for key sectors and compares them to those specified in the Plan. Public statements outline the discrepancies. In the process, city officials are held accountable for implementing or failing to implement the Plan.

Source: Veeduría Plan de Desarrollo de Medellín 2001, *Balance General: Plan de Desarrollo de Medellín, 1998-2000, (*Medellín, CO: Veeduría Plan Desarrollo Medellín, March. See more in http://www.veeduriamedellin.org.co/index.shtml (only Spanish)

CAD: Award for Best Practices in Customer Service: Ministry of Labor, Peru

Ciudadanos al Día (CAD), a Peruvian CSO, defines best practices in customer service as the policies and systems public institution provide to improve the quality of the services provided to citizens, reducing the processing time of any procedure, increasing the efficiency of the organization and improving the friendliness of the public servants. The latter requires implementing of a variety of mechanisms to provide a more personalized and customer friendly service to citizens, such as single stop windows, telephone hot lines, and new decentralized offices.

In 2007 the Ministry of Labor obtained the prize for best practice in customer service for its program called "My Business," a program oriented for the promotion of small and medium size businesses. This program allowed businesses to expedite the procedures necessary for registering and opening a new business and obtaining a license. The program also reduced the costs of processing all the required paperwork and provided capacity training to entrepreneurs.

Source: Ciudadanos al Día. Buenas Prácticas Gubernamentales. http://www.ciudadanosaldia.org/pubs/manual/manual_bpg_2008.pdf

Public Expenditure Tracking Surveys (PETS)

The PETS involve citizen groups tracking spending trends to identify how much of the allocated resources reach their targets and, in the process, identify whether there are leakages and/or bottlenecks on the way to the recipient institutions and beneficiaries. PETS are used to record and assess financial information and, in doing so, help identify negative incentives for corrupt practices as well as spotlight the institutions and/or officials responsible for corrupt behavior. Typically, PETS consist of a survey of

frontline providers and local governments complemented by central government financial data. PETS employ the actual users or beneficiaries of government services (often assisted by CSOs) to collect and publicly disseminate data on inputs and expenditures. This approach often involves the triangulating of information received from disbursement records of finance ministries, accounts submitted by line agencies and information obtained from independent research, often using social audit activities (see Boxes 10 and 11).

Box 10: Examples of PETS

First Public Expenditure Tracking Survey (PETS) in the Education Sector in Uganda

In 1996, the World Bank first introduced a PETS in Uganda to examine leakages in the allocated education budget. While the budget for education had increased considerably, schools were not receiving their budgeted non-wage resources. Citizen groups were trained to collect data on non-wage allocations in different school districts. The data was then compared to official data from the Central Government and the Ministry of Finance. Citizen groups were also involved in surveying users or beneficiaries and in disseminating the data collected to increase public awareness about the budget for each particular school. The initiative was successful as it identified the source of the leakage of non-wage expenditures: local government officials. While local government officials were supposed to transfer the funding to the schools, they actually had enormous discretionary power over these transfers and used it to negotiate the amount of the transfers. The initiative discovered, smaller schools in rural areas had more problems in obtaining their allocated transfers than larger schools.

The findings of the PETS revealed that on average only 13% of the annual grant budget from central government reached the schools, while 87% was being captured by local officials for purposes unrelated to education.

Following the publication of the results of the survey, the Government of Uganda made a swift attempt to remedy the situation. It began publishing the monthly intergovernmental transfers of public funds in the major newspapers, broadcasting information on the radio, and requiring primary schools to publicly post information on inflows of funds for. This public dissemination made information available to parent-teacher associations, and it also signaled to local officials that the central government was resuming its oversight function. An evaluation of the information campaign –using a repeat of the PETS– revealed great improvement. While schools on average still did not receive the full amount, leakage was reduced from 87% in 1996 to 18% in 2001.

Source: Ritva Reinikka and Jakob Svensson "Explaining Leakage of Public Funds," Policy Research Working Paper 2709, World Bank, Washington, D.C. November, 2001; and http://www.u4.no/themes/pets/petsreferences.cfm

Box 11: Using PETS to Detect Leakages at Primary School Level in Sierra Leone

Following a Ministry of Finance's PETS survey conducted in 2002 that revealed that 45% of the funds for school fee subsidies were not accounted for and that 28% of the teaching material had disappeared, the National Accountability Group (NAC), a Sierra Leone CSO, used in 2005 a PETS to find out what happened to school fee subsidies and learning materials designated for a sample of 28 schools in a rural district. The study indicated a significant improvement in the delivery of funds and equipment, with the recruitment of an independent auditing firm to manage the disbursement of funds.

PETS were conducted in the education sector in Sierra Leone (2002), **Uganda** (1995 and 2002), **Tanzania** (2002/2003) and **Zambia** (2001/2002) and in the health sector in **Rwanda** (1998/99), **Ghana** (2000) and **Nigeria** (2002) and Tanzania (2004).

The PETS have been replicated in other countries and they have been used not only to track and identify leakages in budget transfers but also to prevent corrupt practices.

Source: For Sierra Leone http://www.id21.org/id21ext/e1sk1g1.html. A summary of the findings for the other

Citizen Charters

Citizens' Charter is another tool which CSOs can employ to improve the performance and the quality of public institutions and services they offer. The premise is that largely performance problems and poor quality service derive from a gap between citizens' demands and the public institutions' structures and processes in charge of fulfilling them. A Citizen's Charter is an instrument to close that gap which represents a promise from a government agency which publicly commits to fulfill a series of expectations related to provision of services, transparency of information and efficient use of resources, thus establishing a mechanism between the agency and the citizens to correct errors and improve the quality of services.

Most Citizens' Charters consist of a written document signed by the highest executive of the public institution; whether it is a ministry or a municipality (see an example in Box 12). In other occasions the document is issued at a departmental level within a public institution. The document defines *what* services will be rendered, *how* and *when* they will be provided and *who* is responsible for the project. Most Charters contain procedures to file a grievance in case of noncompliance[15] (see an example in Box 12).

[15] Interesting discussions and analysis about Citizen Charters can be found in Spink, Peter K., et al (2008). "Government and Citizens: The Changing Nature of Civil Society." in Wilson, Robert, et. al., Governance in the Americas: Decentralization, Democracy, and Sub-national Government in Brazil, Mexico, and the USA. Notre Dame, IN: University of Notre Dame Press, pp. 200-247; United Nations/DPADM (2007). Civic Engagement in Public Policies: A Toolkit. New York: United Nations. Division for Public Administration and Development Management/Department of Economic and Social Affairs; Grindle, Merilee S. (2007) *Going Local: Decentralization, Democratization, and the Promise of Good Governance*. Princeton: Princeton University Press; and Carty, Winthrop (2004). Citizen Charters: A Comparative Global Survey. Mexico: Ash Institute for Democratic Governance and Innovation/Casals & Associates, Inc.

Box 12: The Citizens' Charter of Naga City in the Philippines

Naga City's Citizen's Charter operates within the framework of the "i-Governance" system, launched in 2001 by its mayor. The four "I's" of the i-Governance initiative are: 1) inclusivity, 2) information openness, 3) interactive engagement, and 4) innovative management. The Charter was conceived mainly as a tool to promote fairness, and eliminate the mentality in Government that 'everything depended on who you knew,' by standardizing the service delivery times. For example, the time required to repair a street light was 24 hours. The diverse commitments stipulated in the Charter are known as Performance Pledges. In total, the municipality standardized 140 services, divided into 18 categories, each one with its own "pledge." These "pledges" specified the steps to be followed, the periods of time to fulfill them, as well as all the necessary logistic information.

In order to maximize public access, the Charter is available in two versions: a printed leaflet, sent to all the households in Naga, and online through the city website, also known as "NetServ" (http://www.naga.gov.ph/cityservices/). Aside from direct e-mail to all responsible persons, the city offers a service called "TextServe," through which citizens are able to directly contact the persons responsible for the services through text messages sent from their cell phones, with guaranteed replies within 24 hours. This service is used by many citizens to file complaints or advise officials about needed services.

Source: Winthrop Carty. *Citizen Charters: A Comparative Global Survey*. Mexico: Ash Institute for Democratic Governance and Innovation/Casals & Associates, Inc., 2004.

Integrity Pacts

Integrity pacts are an anticorruption tool developed by Transparency International to prevent corruption in public procurement. The "pact" entails an agreement between government procurement officials and bidders to ensure that the bidding process abides by internationally recognized procurement standards of fairness, transparency, and efficiency. Government officials commit to follow transparent procedures and to reject bribes or gifts from bidders. Meanwhile, bidders commit not to collude with competitors to obtain a contract nor to offer bribes to public officials. The integrity pact also includes an independent social audit conducted by CSOs that are in charge of overseeing and monitoring the procurement process and to guaranteeing its integrity.

As any other pact, integrity pacts entail the drafting of rights and obligations of all constituent parties, conflict resolution provisions, and sanctions for violating the pact. The sanctions can range from losing a contract, to blacklisting companies for future contracts, to criminal or disciplinary action against violators of the pact. Integrity pacts encourage companies to refrain from bribing because all

competitors are abiding by the same rules. The overall goal of integrity pacts are to increase trust and confidence in public decision making process and to promote a stronger business climate.

Complex and sophisticated procurements require that CSOs acquire the skills and expertise to effectively monitor the bidding process and awarding of a contract. In many instances, this is accomplished by hiring appropriate experts (engineers, physicists, scientists, etc.). The pact also binds CSOs to abide by principles of handling confidential or proprietary information.[16]

Social Media Initiatives

Social media is becoming another key tool to implement social audits. The term social media refers to the use of web-based and mobile technologies to turn communication into interactive and fast dialogue, almost in real time (facebook, twitter for example). It can take many different forms, including internet forums, weblogs, social blogs, microblogging, wikis, podcasts, video, rating and social bookmarking. Social Media is becoming a growing tool to implement social audits, globally. It is being used for crowdsourcing, reporting crimes, whistle blowing of mismanagement, request information, and linking and tracking contacts with politicians to name but a few. The impact is often very strong and there are several examples when local, national or global citizen movements have reached their aims through demanding accountability via social media.

Box 13: Social Media Initiatives

www.ugatuzi.info is a web-based tool which analyzes and visualizes information on government's spending information and through this seeks to promote transparency and citizen engagement, ensuring accountability from government and parliamentarians and providing a means for communities to ensure efficiency in service delivery. When it is in full operation, it will operate in seven African Countries. As the system is built on an open source platform, ICT partners in the respective countries are being supported to adapt and build systems relevant to their local conditions and needs. Civil society groups, academic institutions and citizens will also be supported and encouraged to use the information generated to engage with policy and decision makers.
http://www.ugatuzi.info/index.php?yr=6

Ugatuzi is a Budget Tracking Tool that provides a collaborative platform for communities to proactively engage in public resource management and is complemented by another tool; **HUDUMA**, also a web-based platform that enhances collection, collation and amplification of citizen voices/feedback on service delivery but also enables service providers to respond to and address citizen's concerns. HUDUMA, accessible by web and SMS, seeks to place simple tools that citizens can use to monitor delivery of public services will be developed. The initiative seeks to use media and leverage technology,

[16] For more information see, Transparency International. The Integrity Pact. The Concept, the Model and the Present Applications. Status Report. 2002 . http://www.transparency.org/global_priorities/public_contracting/integrity_pacts

especially mobile telephones and the web, for evidence based engagement with authorities. The use of technology is in recognition of its cost-effectiveness, national reach and subscriber base in the developing world. The integration of community/mass media and mobile telephony as channels for demand and feedback will provide an effective means of enabling citizens to demand for better services on their own. The initiative is being piloted in Kenya at the moment and there are three other pilots in India, Philippines and Nigeria using adaptations of the tool. http://huduma.info/

Zabatak is a free website directed to Egyptians (http://www.zabatak.com/?l=en_US). The website is started and managed by a group of young civil Egyptians with the purpose of creating a "bribery-free and safe" Egypt. Through the website, citizens can report corruption, theft, violence, commercial fraud, missing persons, cheating and violence. Reports are then verified and many of the cases have been brought to trial. It is also possible to get alerts and news through the website. Each and every crime is located on a map, sometimes with pictures attached. The corruption category is subcategorized into Bribe government interests, bribe policemen, and management corruption. There is a global version of the initiative in Egypt called Bribespot (http://www.bribespot.com/how-it-works), focusing on reporting bribes. Citizens can use their smartphone (or a website) to report locations where bribes are requested/paid, indicate the size of a bribe and area of government affected by it. Bribespot was developed and launched during a startup competition Garage48 Tallinn in April 2011 by an international team coming from Estonia, Lithuania, Finland and Iran.

www.theyworkforyou.com is a website that keeps tab on UK's Parliaments and Assemblies (UK Parliament, Scottish Parliament, Welsh Assembly and Northern Ireland Assembly). It was set up almost entirely by a dozen volunteers who thought it should be really easy for people to keep tabs on their elected MPs, and their unelected Peers, and comment on what goes on in Parliament. TheyWorkForYou allows citizens to find out what their elected representatives is doing in the citizen's name, to read debates, written answers, see what's coming up in Parliament, and sign up for email alerts when there's past or future activity. The aim of the website is "to bridge the growing democratic disconnect, in the belief that there is little wrong with Parliament that a healthy mixture of transparency and public engagement won't fix."

Other Tools for Social Audit Initiatives

There are a number of other social audit tools and approaches that have been developed and applied in many countries in the world.[17] These include focus groups, interviews (structured, semi-structured, key informant and in-depth), household surveys, and assessments (see Box 14).

While no single tool is suitable for every context, every tool has its advantages and disadvantages, and may work in some contexts more than others. Some social audit initiatives combine approaches and

[17] UNDP has categorized a sample of tools according to the focus of the tool in Fostering Social Accountability: From Principle to Practice: Guidance Note (2010).

methodologies, and may need to be adapted to national/local realities and practices. The choice of tools will also be dependent on resources (financial and human), time and skills available.

Regardless of which of these tools or combination thereof is used, they must provide the social audit exercise with credibility and must have to have the capability to produce inputs that can serve as basis for policy recommendations and solutions. When it comes to tools, what is more important is their potential to produce significant operational results (e.g., improved performance, the introduction of corrective measures).

Evidence also suggests that impact is enhanced when government officials are willing to collaborate and cooperate with social auditors to enhance government performance and introduce reforms. Ideally, in the context of a broader governance program, all of the tools, methods and approaches should be applied, accompanied by efforts to build capacity and promote an enabling environment for social auditing.[18]

Box 14: Other Tools for Social Audit Initiatives

- **Service Delivery Surveys:** Quantitative Service Delivery Surveys focus on public service providers and on factors that may affect the quality of service delivery. In such surveys, the frontline service facility or service provider is typically the main unit of analysis. Data is collected through interviews and the service provider's records. They can help document the characteristics of the service providers and identify problems with the provision of services in terms of input, output and quality. As such, they help to identify weaknesses in the system, by linking qualitative and quantitative data collected at household, community and public sector employee level. They integrate the service users' views and involve communities in the interpretation of the findings. As such they can be seen as "voice" mechanisms.

- **Household Surveys for Social Audit:** In South Africa in 2001, as part of a Provincial program to improve government service delivery, CIETAfrica (an international NGO) conducted in 2001 a pilot social audit covering 1000 households in the Northern Province of South Africa. The audit covered the "social needs" cluster of services: health, welfare, education and sports, arts and culture. The audit collected information from households in representative communities about people's use, experience and perceptions of service delivery in these four sectors, focusing on quality of service delivery and efforts to improve this. Similar social audits were also conducted in Tanzania, South Africa, Uganda, and in Mali. A community based social audit of social services was also conducted in two states of Nigeria, while in South Africa, in the Province of Gauteng, the role of corruption in the

[18] Vivek (2007), op. cit; De Ferranti, David et al (2006) *Enhancing Development through Better Use of Public Resources: How Independent Watchdog Groups Can Help*. Brookings Institution Policy Brief #157; USAID/Bolivia (2006). *Experiences and Lessons Learned from Citizen Participation and Social Audit Approaches in Bolivia*. La Paz: USAID/AAA Project/Casals and Associates Inc; and USAID/AAA Project (2006). *Social Auditing in Guatemala and Peru: Lessons Learned*. Washington D.C.: USAID/AAA Project/Casals and Associates Inc.

prosecution and conviction of rape cases set the stage for a much broader-based program to prevent sexual violence. Report at http://www.ciet.org/_documents/2006223151558.pdf

- **Community Based Monitoring:** The Integrity Watch Afghanistan (IWA) program was created in October 2005 and established itself as an independent civil society organization in 2006 whose aim is to evolve into a reference actor related to understanding, analyzing and acting for transparency, accountability and anti-corruption issues. IWA's Community Based Monitoring Pillar promotes social accountability through community mobilisation and social audit. The programme works with local communities in four provinces, Balkh, Herat, Nangahar and Parwan, and helps local community members to monitor reconstruction projects to promote aid effectiveness and qualitative construction. Approximately 200 projects will be monitored by local communities towards the end of 2011. The programme started in 2007 with 10 communities in the district of Jabel Seraj, Parwan province and has expanded across the years due to its success in empowering citizens in taking an active role in promoting integrity and accountability. The methodology is unique and involves all stakeholders. See at: http://www.iwaweb.org/community_based_monitoring.html

STEP-BY-STEP APPROACH TO DESIGN AND CONDUCT SOCIAL AUDITS

VI. Step-by-step Approach to Design and Conduct Social Audits

Ideally, every step of the social audit process should contribute to informing/engaging citizens and mobilizing support. The ability of citizens to engage governments is crucial to the success of social audit initiatives.

1. Initiating

1.1 Define a clear objective: Social audit objectives vary greatly, for example, they can be the quality of health services, the use of targeted public resources, teachers' attendance rates at school, the use of fees collected by a school, the quality and/or rate of completion of a government project, or the compliance with legal regulations. What is important is that citizens have a clear idea of what they are monitoring, its relevance, and who within the government is responsible for the service, action, program or decision they are monitoring. Having a clear objective is essential for defining good indicators of government performance and generating adequate information that serves both to inform the community and to provide feedback for public authorities about specific government actions or programs.

1.2 Define What to Audit: One of the first steps to designing and implementing social audit activities is to determine **what** will be the subject of the social audit exercise, and/or determine the entry point. The subject and/or entry point may be of a specific or general nature and may be identified at a local, provincial or national level. For example:

- **Policies/Laws/Programs/Plans**, such as investment and/or development plans, annual operative plans, anti-poverty programs, access to information, procurement processes and compliance with international conventions.

- **Infrastructure and Public Works**, such as street electrification projects, pavement of streets, and highway and bridge construction.

- **Public Services** is another potential area with a number of possibilities, such as property registration and taxes, public transportation, trash and recycling services, public markets, water and sanitation services, courts and judicial services.

- **Specific policy/program topics** that are the basis for human development, such as health, education, housing and human rights.

1.3 Establish person/organization responsible for the Social Audit: Once the entry point has been determined, then the stakeholders should be identified. That is, **who** are going to be the main players involved in the process, including the beneficiaries, government offices and officials, technical advisor and leading social audit group/commission/committee? It is here where the

formation and promotion of collaborative relationships between civil society and government, and among CSOs is crucial.

1.4 Secure Funding: the funds to carry out the planning and audit process should be obtained through a donor agency, international organizations or the State, as long as there is no conflict of interest.

2. Planning

Once the subject of social audit/entry point has been selected, the stakeholders should move to designing the strategy and/or action plan to implement the exercise. In this part of the process, answering **how** would the exercise be conducted and implemented is a key element. This plan/strategy should guide the entire process and at minimum should delineate objectives, activities, time framework, responsible entities and/or people, and funding requirements. It would be important at this stage not only to have a realistic budget, but also an analysis of funding and potential gaps and sources to fill those gaps. This is also the stage where CSOs would want to engage donors and other international and national sources of funding. The sequence of steps to implement the social audit process needs to be well articulated and linked to availability of resources.

2.1 Selecting Strategy/Methodology/Approach/Tools: At this stage consensus should be formed around a methodology and approach, including means to collect data, and pre-feasibility assessments. Thought should also be given at this stage to the beneficiary community to clearly identify their needs and manage their expectations. Also, deciding who specifically (an *ad hoc* team, a NGO, a Social Audit Committee and/or Commission) will actually be conducting the exercise is another important element of this stage in the process.

2.2 Identifying stakeholders, recognizing viable entry points, and drafting of an action plan: Once a common objective has been identified and understood, an action plan needs to be drafted explaining how the monitoring of government performance will take place. This includes, how will the different activities be coordinated, who will be responsible for what; what kind of information needs to be collected; what government agency needs to be approached; and the timeframe for completing the activity.

2.3 Understanding government decision making process: As well as the substantive issues involved in the public policies that are being audited. The more complex the subject matter being analyzed and evaluated, the more technical sophistication is required on the part of social auditing groups. Without this understanding and technical capacity, citizens can make unrealistic evaluations about government performance, can overload the government with unsupported and non-viable requests, and can lose credibility, thus risking generating greater frustration and cynicism about the government.

2.4 Collaborative Approaches: Once stakeholders have been identified, and before designing a strategy, it is imperative to adopt collaborative approaches and practices. This could help generate political will and commitments, although it is not automatic. Collaborative efforts between CSOs and government often result in increased mutual trust. Citizens also come to expect that government will treat civil society as a partner. These expectations and relationships may help to expand and sustain social audit initiatives in periods and places where political will is weak. The idea is to create a collaborative environment that enables the stakeholders to design a strategy and achieve the goals of the exercise, as well as to strengthen their individual capacities through the mutual exchange of tools, lessons learned, and technical skills. While conventional wisdom would point to stakeholders working in similar areas to naturally collaborate, this is not always the case. Evidence suggests that stakeholders, particularly CSOs, often perceive themselves more as competitors for funding and donor attention than as partners.

2.5 Engaging government counterparts: Is another key activity to seek their participation and inputs regarding the plan/strategy. Some of the social audit processes may be complicated and require access to information and sources of information within the government. In some cases, particularly where there is no Freedom of Information Law (FOIL) and/or a weak FOIL, procuring public information may involve formal agreements with government institutions.

3. Implementing

3.1 Perform audit: The plan for the audit process will be implemented and the audit will be performed by the selected person or organization that best guarantees technical expertise and objectivity throughout the process.

3.2 Collection and Analysis of Information: Producing relevant information and building credible evidence that will serve to hold public officials accountable, is a critical aspect of social audit. There are a number of tools that can be selected to collect and analyze data for social audit. Nonetheless, generally all aim at obtaining “supply-side” data/information (from government and service providers) and “demand-side” data/information (from users of government services, communities and citizens). On the one hand, social auditors must have accessibility to information from government officials and institutions, and on the other hand, the capacity to obtain and effectively analyze and present the information. When information about particular government policies or activities does not exist, social audits need to develop creative ways to generate useful information, such as surveys, report cards, or even less sophisticated information sources such as using cameras to photograph the humiliating conditions of public hospital rooms in Mexico or rulers to measure the width of cement applied to local roads in the Dominican Republic.

Often information provided by the government is not always up to date, and/or it comes in an aggregated and/or unfriendly format. For social audit to be successful, this may involve working with trained specialists in such areas as budget, surveys, and access to information, who can help to

unbundle financial information and collect and analyze data using techniques that will guarantee credibility and objectivity. Often at this stage, and with proper training, stakeholders can get involved in the collection of data and in testing systems and services. In any case, the goal is to produce meaningful findings that can be understood by all stakeholders and used to shine a light on a policy/program/service/issue and provide appropriate recommendations. Similarly, evidence shows that any methodological approach that is developed to conduct a social audit must be easily replicable by other stakeholders.

3.3 Disseminating Findings and Information: Bringing information and findings into the public sphere and generating public debate around them are a key element of most social audit initiatives. Irrespective of the topic, the information, analysis and findings produced in a social audit exercise can be key evidence to raise awareness, improve public sector initiatives and/or build support for reform. Reporting and dissemination of results and findings, has to be done in the most constructive way. Definition of a viable communication plan to disseminate the results of the activity, generate broader social support, increase awareness about a particular issue that triggered the social audit and advocate for reform. The communication plan needs to consider who the appropriate audience is, what is the most appropriate medium of communication, how will the messages be delivered, and who will take responsibility for responding to government and/or citizens concerns. Effective communication strategies and mechanisms are, therefore, essential aspects at this stage. These may include the organization of press conferences, public meetings and events as well the strategic use of both modern and traditional forms of media. Transmitting relevant information to government officials who are in a position to act on it (and, ideally, interacting directly with those decision-makers on an on-going basis) is also an essential aspect of social audit.

Moreover, the reporting and dissemination process must be thought as a dialogue, to establish cooperative partnerships (either informal or formal) between government authorities and citizen groups performing social auditing. Out of this dialogue process, political will for change, action and follow-up if not already present, can begin to develop and/or strengthen. As was mentioned earlier, social audit initiatives are not ends but means to improve democratic governance policy performance and impact. Therefore, the reporting and dissemination of the analysis and findings, is only the beginning of a process and should not only inform citizens about the status of their rights and the impact of policies on them, but also engage their interests and mobilize them to build coalitions and partnerships with different stakeholders (like bureaucrats, media, legislatures, the business sector).

3.4 Considering institutionalization and sustainability: The mechanisms that bring social audit into fruition include basic processes such as how to channel participation and engage policy-makers, to more specialized steps such as a technical mapping of the subject of the social audit exercise. There are often additional technical needs such as understanding pertinent laws (FOIL, Citizen Participation, Procurement, and Municipal Ordinances) to facilitate social audit, and/or providing training on these laws to a variety of audiences, such as national public officials and bureaucrats,

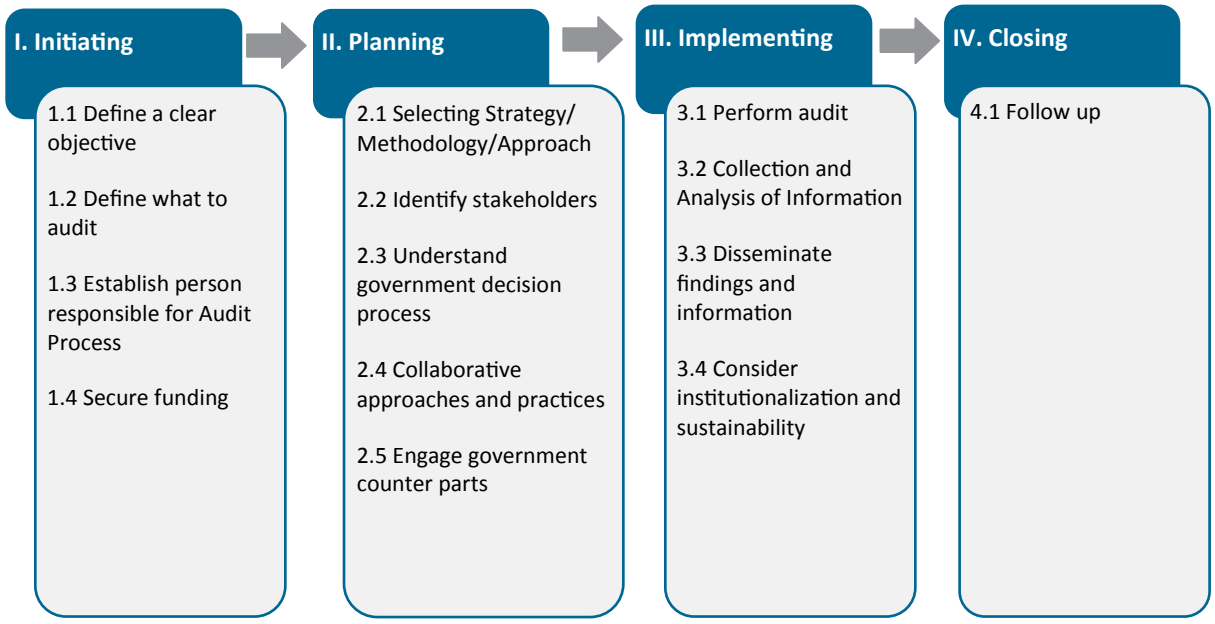
mayors, governors, mayors, NGOs and CSOs, and the media to name just a few. Clearly having a grasp of the enforcement boundaries and elasticity of these laws, can create spaces for social audit processes to obtain and get better access to public information, recognition of citizen committees, guidelines for greater citizen participation.

At this stage it is also important to address the concern of sustainability in order to create long-term results. Thus plans should be made to ensure sustainability of the social audit process, beyond the duration of the specific exercise being planned. In addition, it is important at this stage also to think on ways to leverage additional resources in order to institutionalize the process. Social auditing, like any other social initiative, requires financial resources to train and guide participants, conduct particular actions, communicate and disseminate its results, and advocate for change. Therefore if ultimately, the social audit exercise can demonstrate that it has improved key aspects of public sector management of resources, government efficiency, and democratic citizenship, it may provide sufficient evidence to justify additional funding, even from the public sector.

4. Closing

4.1 Follow-up: The interaction between government and citizens ultimately promotes more accountable and transparent democratic governance. While citizens reporting the results of the social audit exercise in itself does not guarantee transparency and accountability, at minimum it creates an opportunity to highlight demands and needs, as well as to promote dialogue, agreements, shared visions to improve public policies and promote reforms. Ultimately, ensuring that the results of the social audit exercise have been translated into sustainable change is the key to any social audit exercise.

Figure 2: Illustrative Step by Step Process of Social Audits



Source: Compiled and summarized from an array of Manuals and Guides those have been produced all over the world to help replicate social audit experiences.

LESSONS LEARNED

VII. Lessons Learned

The advent of democratic governance in many countries around the world over the past two decades has opened and expanded opportunities for CSOs and citizens alike to actively participate in the policy-making processes, monitor and track government performance, and demand accountability. There has been a considerable increase both in the number of CSOs and in the scope of their activities. They play an increasingly influential role in setting and implementing public policy agendas across the globe. Many CSOs have been at the forefront of advocating principles and policies of transparency and accountability. Meanwhile, citizens have been demanding to interact directly with elected officials and their offices to influence public policy and provide feedback about the impact or result of government programs and actions.

Ideally, social auditing initiatives should help in generating greater communication between government and civil society and enhancing the performance, accountability and legitimacy of democratically elected governments. As discussed in this document, social audit initiatives can become strategic means to ensure the effective utilization of public resources, meet development goals, and prevent waste of public resources and/or corrupt practices. Social auditing can also become a means of generating new information, as well as produce valuable indicators about government performance, and can contribute to clarifying complex and cumbersome policies or political issues. As an oversight mechanism, social audit initiatives strengthen and/or create new effective vertical mechanisms of accountability and can contribute to reinforce other oversight mechanisms. This results in better governance, improved public service delivery and enhanced development effectiveness.

It is also important to recognize that the evolution of most social audit initiatives has not been a systematic and/or monolithic process. While some social audit initiatives have followed a more institutionalized path, the majority have taken advantage of windows of opportunities in response to particular situations. However, some general lessons can be extracted from practical experience. These are:

Enabling Environment and Political will:[19] Social audit initiatives are more feasible and have more likelihood of success where there is an enabling political environment. That is, where the political regime is democratic and fair and competitive elections take place, where political and civil rights are guaranteed (including access to information and freedoms of expression, association and assembly) and where there is a culture of political accountability and transparency. Moreover, political will on the part of government authorities at the national, local and/or regional levels to communicate with civil society, to allow citizens to provide feedback on their performance in office and to respond to citizens concerns is also critical in maximizing the potential of social audit initiatives.

[19] Political will, refers to the demonstrated credible intent of political actors (elected or appointed leaders, decision-makers) to attack perceived causes or effects of lack of accountability and transparency.

Citizens' Access to Public Information: The availability and reliability of public documents and data is essential for social audit initiatives. In many cases, initial social audit efforts may need to focus on securing freedom of information legislation, addressing a lack of political will to disclose and/or strengthen the technical capacity of public institutions to manage and provide access to public information.

Media plays a critical role in Social Audit activities: The media, including social media, plays a critical role in promoting social audit activities accountability. A social audit initiative that produces information must work actively with the media in order to keep citizens informed and build willingness to participate in governing processes that affect their lives. A common element of almost all successful social accountability initiatives is the strategic use of both traditional and modern forms of media to raise awareness around public issues, disseminate findings and create a platform for public debate. Local-level media (in particular, private and community radio) provide an important means whereby ordinary citizens can voice their opinions and discuss public issues. The extent to which media is independent and ownership is pluralistic (versus concentrated in a few hands) are important factors that can contribute to ensure accountability and transparency. There are also several examples of the positive impact social media can have on the capacity of the population to monitor the performance of public administrations

Coalition Building: The most crucial and challenging element of a social audit is to be able to elicit a response from public officials and effect real policy, program or service change. For that, a strong and able coalition is needed, not only to negotiate the change but also to follow-up and monitor. Such collective action can be defined as a conscious, freely organized, active and durable alliance of leaders, organizations and citizens sharing common goals relative to increasing accountability and transparency and preventing corrupt practices. Coalitions unite participants in a multi-faceted effort to advocate reform, acknowledging, rewarding and deepening political will while strengthening civil society itself.

Ability of Public Administration to Respond to Citizen's Demands: The success of social audit activities also depends on the public sector apparatus' capacity and effectiveness to respond not only to citizens' demands, but also to the challenges of accountability and transparency. It makes little sense to conduct a social audit exercise where public institutions are weak and ineffective. One key indicator of public sector capacity, which could determine the success and/or impact of social audit activities, is the ability of government to produce documents, records and data. Enhancing the technical capacity of government might be equally necessary for any donor-led effort to support social audit activities.

Ensuring Dialogue and Collaboration between Government and Civil Society organizations: The success of social audit activities depends in the end on some form of effective interaction/partnership and/or collaboration between civil society and the government. Unilateral state action can culminate in manipulation, while unilateral civil society action could end in repression and violence. Synergies must be found to encourage interface and strategic interaction.

Sustainability: Social audit activities can be most effective when combined with internal accountability mechanisms of public sector entities. More recently, CSOs have been building partnerships with Supreme Audit Institutions not only to generate collaborative efforts but also to identify institutional gaps and deficiencies and develop a reform agenda. Often social audit initiatives identify the need to change the behavior and attitudes of personnel, the incentives and sanctions of a particular organization, its management style or decision making processes. But, they can go further and also play a catalytic role in making sure that these changes occur by engaging with personnel, managing transparency committees for local government decision-making and/or introducing social monitoring groups to evaluate performance of national programs or policies. Special attention needs to be given to tracking results as the social audit is implemented and on continually communicating progress to the direct stakeholders and the public.

PROGRAMMATIC IMPLICATIONS AND POTENTIAL ENTRY POINTS

VIII. Programmatic Implications and Potential Entry Points

As discussed, social audit is a crosscutting approach that compliments most other development activities. These approaches, methodologies, tools and activities serve to enhance civil society initiatives in practically all topics, and in particular those related to education, health, gender, poverty reduction and service delivery, and other key areas such as the environment and political campaign financing. Consequently, any program strategy for social audit should be comprehensive, encompassing and involve a long-term commitment. In some countries, civil society has begun to partner with politicians and bureaucrats in formulating government policy. In others, there are still incipient attempts to encourage civil society participation and government openness. In some countries, the trend toward decentralization compels citizen participation and develops new mechanisms for consultation, dialogue, oversight and monitoring at the local level. While in others, centralized public policy making is still the norm. Any support from donors to social audit activities must take into consideration these general trends and specific national context trends. Efforts should be oriented to build capacity, both at government and civil society.

This Practical Guide presents below programmatic recommendations and potential entry points in four key areas to promote and support social auditing. These recommendations are directed to UNDP, other United Nations agencies, civil society, national and local governments and donors. The menu of strategic activities presented below can be considered individually or in strategic groupings, and of course this is not an exhaustive list but rather an illustrative one. The selection of any activity or group of activities presupposes the inclusion of a strong policy dialogue agenda and close donor coordination. While greater emphasis should be given to building civil society capacity to demand greater government accountability, other programmatic options can be considered. Selecting the most appropriate option almost certainly would depend on two factors: the first depends on the government's political will, and the second, depends the budget resources available. Obviously, a smaller budget will constrain which options are the most likely to produce the greatest result.

1. Building and Reinforcing the Political Will and the Enabling Factors

The political will of policymakers is the single most vital element in the success of any social audit effort. Therefore, it is essential to look for windows of opportunity. If policymakers demonstrate a genuine desire to promote accountability and transparency, then it is important to provide them with the help and show of support that can be essential catalysts to the ultimate success of any initiative in this matter. Political will is essential if citizen participation is to be effective. If it does not exist, it must be eventually developed through consultations, dialogue, legislative mandate and donor and citizen pressure.

Potential Activities:

- *Build Pressure to Fulfill Campaign Promises, and if applicable, Anti-corruption/Transparency Strategy*: CSOs can undertake an intensive public awareness program to reinforce the

commitment of government to meet the pledges of its political campaign, anti-corruption campaign platform and/or anti-corruption strategy.

- *Pressure governments to include anti-corruptions plans in their platforms*: If government does not have an anti-corruption and transparency strategy in place, CSOs can pressure government to come-up with one and at minimum to comply with international and/or regional anti-corruption conventions (UNCAC for example).
- *Use social media to pressure governments to improve transparency and accountability*: Individual and collective initiatives could be spread through social media in order to enhance citizen engagement and increase the demand for transparency and accountability.
- *Awareness of the Problems*: Using CSO coalitions, and if possible in collaboration with one of business organizations, carry out an initial assessment/evaluation of a policy/program/service problem, the results of which would be used as an advocacy tool and in public education efforts. The assessment/evaluation and the related public awareness program would be key elements in a bottom-up strategy to build and sustain the political will of the government to support social audit activities.

2. Technical Assistance to Strengthen Civil Society and Social Audit Mechanisms

Provide targeted technical assistance to CSOs that are already engaged in social audit activities, and/or those that will be initiating social audit activities. These areas might include training in getting access to information, better understanding of financial tools, preparing manuals, coalition building actions, public dissemination campaign and media relations, facilitating electronic and personal networks for sharing information. The overall objective of these activities would be to increase public demand for accountability and transparency.

Potential Activities:

- *Improve Capacity to Collect and Analyze Public Information*: Provide technical assistance to CSOs and CSO coalitions, to strengthen methodologies and approaches used in collecting and analyzing information.
- *Build/Strengthen Capacity to Design and Implement Social Audit Activities*: Train CSOs to analyze budgets, track expenditures in key sectors (education, health, and defense) and other social audit techniques.
- *Investigative Reporting*: To strengthen investigative journalism and writing and reporting skills on transparency issues.
- *Specialized Capacity Training for Journalists:* To bolster media's professional and institutional capacity and to strengthen journalists associations. Some illustrative training activities could be: control self-assessment and ethics, as well as exploring the application of mechanisms such as ombudsman and media observatory to promote analysis, debate and self-regulation; CSO/media spokespersons; and communicational skills.
- *Coalition/Collaborative Training for CSOs and Media*: To improve communication and collaborative work between the media sector and civil society to enhance advocacy, watchdog

initiatives and oversight. Some illustrative training activities could be: strategies to expand coalitions/networks outside capital cities into the interior of the country; and engage regional (Latin American, European, Asian, and African) journalist system to find collaborative activities, particularly as related to freedom of expression issues.

- *CSO/Media Activities and Capacity Building in Access to Information:* Where there are laws, focus on monitoring implementation, where there are not, focus on demands to adopt freedom of information law.
- *Encourage individual or collective initiatives to use social media to improve transparency and accountability.* To support initiatives where, for example, interactive web-based platforms are linked to mobile phone technology in order to encourage citizens to report abuse, corruption, mismanagement, lack of services etc. Develop capacity to manage such platform and the populated data to successfully report and map cases and trends.
- *Provide guidance on integration social media in the communication.* Social media is a very effective tool for "sourcecrowding" and give citizens a voice.
- *Civil Society Grant Program:* To support financially specific anti-corruption and social auditing activities to CSOs in accordance with a pre-established selection mechanism. Recipients can include NGOs, universities, and think tanks. Areas of focus have included greater oversight of the budget process, political party finance compliance with Anti-Corruption Conventions, monitoring and demanding access to information, procurement and assessments.
- *Institutional Capacity and Coalition Building for CSOs*: Activities will focus on developing capacity, sustainability and coalition building. Other activities could include legal, regulatory and policy dialogue to protect and enable the growth and strengthening of associational life. Coalition/network activities will be along thematic, demographic and/or geographic lines. Identify organizations that have greatest potential of sustainability beyond the assistance and support provided by the Program.
- *Training for CSO Coalitions in Conflict Resolution, Communication, Negotiation and Facilitation*: CSO Coalitions face many decisions: What are the most urgent problems? How do they prioritize issues? What would be the role of each member? How would they measure results? In addition, there are decisions with political implications: With whom in government would they interact? What ministry or sector would they monitor and/or investigate? What information would they publish and how? To resolve these and move forward with coalition development CSOs must be provided with advocacy, negotiation and conflict resolution training.
- *Professional Associations*: Identify opportunities to collaborate with professional associations (lawyers, bankers, auditors, businesses, chambers of commerce, teachers, and labor unions).
- *Policy Dialogue;* Encourage dialogue among civil society, business sector, and professional associations around accountability and transparency issues, such as freedom of information, political party finance, and anti-corruption conventions.
- *Specialized Anti-corruption Training:* Directed to civil society and media at the local and national levels, on ethics, conflict of interest, transparency, accountability, lobbying and social auditing techniques. Also, training on anti-corruption tools, various specialized anticorruption topics, such as the United Nations Convention against Corruption (how to monitor and report

compliance), leadership for transparency, political party financing, budget analysis, how to use (or demand the passage) the law of access to public information (including monitoring its use and requests for public information), municipal governance, and how to monitor and report the work of control entities (comptroller general, legislation, attorney general).

- *Awareness Campaigns Directed at Stakeholders and the Public*: regarding the extent, forms, causes, and adverse consequences of corrupt practices and lack of accountability and transparency within specific sectors and key institutions, as well as the benefits of specific reforms and opportunities for change. Emphasis in campaigns should be in promoting integrity and other positive values.
- *Participation of Key Stakeholders and the Public:* Key areas could be developing, advocating, and monitoring sectoral and institutional reform agendas.
- *Think Tanks, Policy Institutes and Universities:* to produce high quality research on the patterns and costs of corrupt practices within specific sectors and institutions, including the analysis of the vulnerabilities/risks that enable grand and administrative corruption, benchmarking sectoral and institutional performance against international standards, and best practices.
- *Plain and Simplified Language Guides for Business and Citizens:* regarding legal standards and rights taxation, licenses, registration, customs, and public procurement, among others.

3. Technical Assistance to Host Governments to Strengthen Enabling Environment for Social Audit Activities

No matter how much political will there is and support for CSOs, social audit processes and activities will have minimal impact unless there is reliable, credible public information that is widely accessible. Assisting host governments (at all levels) in streamlining mechanism for citizen participation and social audit is also strategic. The overarching objective of this programmatic option is to identify those institutions that are best suited and equipped for welcoming civil society participation in ensuring transparency and accountability and provide them with selective and targeted technical assistance.

Potential Activities:

- *Assess and Strengthen Horizontal Accountability:* Support targeted public institutions to improve "checks and balances" (internal and external controls, monitoring and audits).
- *Assess and Strengthen Vertical Accountability:* Support CSOs and CSO coalitions with the capacity to influence and monitor the exercise of entrusted authority by governing institutions and personnel. Support related awareness raising and advocacy initiatives aimed at specific problem areas, vulnerabilities, and integrity issues.
- *Build judicial and legislative capacity* to check and balance "power ministries" and other executive branch agencies.
- *Access to information laws and mechanisms.* Support pilot projects to ensure de facto implementation, should the laws exist de jure.
- *Strengthen Public Demand for and Official Awareness of Accountability:* Emphasize the duty of governing institutions and officials to account to their stakeholders. This includes

accounting for the collection and use of public funds, the award of public contracts, the management and distribution of public goods, service delivery, compliance with formal legal frameworks and rules that define their mission and govern their operations, and adherence to applicable standards of ethical conduct.

- *Anti-corruption Plan*: Support newly elected governments that campaigned on anti-corruption in the elaboration of a Plan, and if Plan is already in place, support implementation and monitoring efforts. Having such a plan in place is vital once the political will is present to take action.
- *Investigative Capacity*: Strengthen government anti-corruption investigative capacity in all control entities, using forensic auditing techniques. Provide technical and material assistance to any pertinent specialized investigative unit, particularly to produce public information and statistics.
- *Complaint System*: Many citizens and potential government whistle blowers fear the consequences of reporting irregularities and/or corrupt practices. Provide technical assistance to establish credible and safe place for complaints, as well as a means for tracking complaint cases, court decisions and the imposition of punishment.
- *Design ICT Strategies to Communicate with Citizens:* The dialogue with citizens on service delivery and experienced mismanagement, corruption etc can be developed through ICT innovations. Provide technical assistance and best practices on how accountability is improved through ICT.
- *Integrity/Transparency Index for Individual Government Offices*: Using existing models and practices, establish an index to measure the integrity/transparency of individual government institutions. This index will rank ministries and agencies according to the quality and availability of the information they make available and related indicators. The existence of this index will motivate improved availability and quality of information from government entities. It will also provide a benchmark that could be used to provide greater focus to accountability and transparency efforts and to track progress. Credibly compiled and widely disseminated indices will increase public awareness essential to reinforcement and sustainability of anti-corruption political will.
- *Service Performance Index*: This index will rate and rank government services on a variety of scales including coverage, quality and citizen satisfaction. Government agencies will be motivated (i.e. have the incentive) to compete to avoid a bottom ranking on this index.
- *Integrated Financial Management Systems (IFMSs):* Strengthen IMFs at the national and local levels, particularly their capacity to produce data on budget, expenditures, projections and other similar statistics. In addition, provide support to disseminate IFMS data in a friendly, easy to understand format that is accessible to CSOs and the media.
- *Develop Government-Wide information Systems to Support Internal Controls*: This will help track and assess both financial and managerial performance of public officials and institutions.
- *Develop and Help Implement an Internal Controls Compliance Monitoring System*: Assistance will strengthen ministerial offices charged with supervising internal control compliance.

Included also will be the development of complementary government standards on such things as ethics codes, strategic plans and performance indicators.

- *Development and implementation of a Freedom of Information Law*: Activity will support ongoing efforts for the development and support of a good, passable law.
- *Anti-corruption/Accountability Forum of Senior Government Officials and Managers***:** This forum will meet regularly and offer managers an opportunity to share information, perceptions, concerns, methodologies and best practices for controlling corruption. It also will establish a network for potentially improved collaboration and serve as a channel for possible technical assistance.
- *Technical Assistance on Social Audit Specifically Targeted to Local Governments:* Given the trend toward wider decentralization in a majority of countries, and the fact that the tendencies and trends are diverse, specific and tailor-made programmatic options for sub-national and municipal governments should be considered to support the training and capacity building that is required to carry out effective citizen participation activities, social auditing, strategic planning and budgeting. The financing can come initially from donors, but should ultimately be institutionalized in the national or local government budgets, or within the civil society organizations themselves
- *Periodic Risk assessments*

IN SUMMARY

In Summary

This Practical Guide doesn't offer a "magic formula" on how to conduct social audits. Rather it offers inputs, insights and examples to manage and navigate social audit processes. There are plenty of experiences, models and lessons learned, but the success of social audits will always depend on the context and the will and abilities of the involved stakeholders. Thus, capacity building is such a crucial component in social audit processes. The process of social auditing, in terms of what is audit, how it the audit is initiated, how is conducted and followed-up, and its impact is largely dependent on a number factors and actors. The key element in social audits is the policy dialogue that is established between citizens and decision-makers either by tracking budget expenses, organizing hearings for participatory policy design or conducting surveys on policy impact.

However, as was showed in previous sections there are a few key conditions for effective social audits. Political will and the responsiveness of public administrations are crucial and the confidence that is being built in the interaction between the stakeholders is the glue that will ensure sustainability. Having an appropriate normative framework that guarantees the right to public information, citizen participation and accountability and transparency is also a key requirement of social audit. Building political will is necessary, through using media and/or social media, and raising awareness about the democratic governance performance. The Guide has provided samples and references of how this can be done, as well as tools that can be used.

Specific national contexts must be taken into consideration in the start-up phase, but also during implementation. Government representatives and citizens should jointly define objectives and expected outcomes of social audits. A common point of departure will be indispensable along the process and lay the ground for a successful result.

Sharing experiences and best practices will give vital inputs to the process. There are examples of how civil society within a country has united to develop social audits, build capacity and share experiences.[20] This should also be done cross-nationally and even globally. In this, donor agencies can play an important role in capacity-building, but also in connecting initiatives and supporting networking. Even though social audit tools should be selected and developed according to national contexts, the aim to enhance accountability is global and in the interest of all societies that choose to have governance systems that are democratic.

[20] For example, in Honduras civil society organizations (CSOs) and municipals have created a network, Social Audit Network. http://www.redauditoriasocial.org/

ANNEXES

Annexes

Annex 1: When Can Social Audit be Performed? Some Examples

Social Audit can be performed in all the stages of the public policy and budget cycle. That is, at the design, deliberation, implementation and follow-up stages. Social Audit is relevant to all of them, and a variety of tools can be used at each stage. For example: participatory budgeting, public expenditure tracking; citizen monitoring and evaluation of public service delivery; elections and legislative monitoring; strategic planning; and participating in public commissions and hearings, citizen's advisory boards and oversight committees. Public works, education, and public health are some of the areas where citizens are holding the public sector accountable.

Social Audit activities can take place at the local, state/provincial and/or national levels. Citizens can come together in small villages and municipalities, such as in Sabanagrande, Honduras to work jointly with local authorities in monitoring budget expenditures. Since 2003, the Transparency Commission of Sabanagrande has been performing a number of oversight and monitoring activities that are being conducted with the full cooperation of municipal authorities.

Also, against the backdrop of rural Rajasthan, the largest state in India, an organization called the *Mazdoor Kisan Shakti Sangathan* (MKSS) has, in a little over a decade, developed into one of India's most potent social audit movements. The organization is a union of peasants and workers and has successfully demonstrated the power of information as an effective tool to enable citizens to participate in governance. The MKSS uses innovative forums called public hearings to facilitate structured and focused discussions among residents on government expenditures of public development funds in their communities. MKSS-sponsored public hearings have had a significant impact in limiting corruption in public works projects in rural Rajasthan. The success of MKSS social audits has even influenced the state government of Rajasthan to introduce aspects of social auditing within local governance processes. The state government now requires that a social audit be held annually within each village; as part of this process, all village residents must be given an opportunity to vote on a resolution verifying that the projects in their village have been successfully completed.

At the national level, in addition to helping monitoring public policies and budgets, social audit can also help to monitor compliance with regional and international anti-corruption conventions. The Inter-American Convention against Corruption (IACC) adopted in 1996 was the first in recognizing the role of civil society and explicitly encourages social audit activities. The reports presented by CSOs on the compliance with the IACC, are taking into consideration during the compliance evaluation process along with the official report issued by the government. The African Union Convention on Preventing and Combating Corruption adopted in 2003 also called for establishment of citizen's participation in combating corruption. Moreover, the United Nations Convention against Corruption, which came into force in 2005 specifically, encourages civil society oversight and participation.

Social audits can also be used in large cities like Porto Alegre, Brazil, a city of over one million people that has produced a model in participatory budgeting. Another example is the Citizen Report Card (CRC) in the city of Bangalore, India with an estimated population of 5.5 million. Similarly, in Medellín, Colombia, a city of approximately three million people, citizens came together with city authorities to define a 15-year development plan. After completing the plan, a group of civil society organization and private sector entities created the *Veeduría al Plan de Desarrollo de la Ciudad de Medellín* (Citizens Oversight of the Development Plan). Each of the member organizations lends staff members and hires consultants as needed to monitor, analyze and evaluate the City's compliance with the Development Plan. Demanding access to documents and to public officials, the *Veeduría* tracks allocation and utilization of funding for key sectors and compares them to those specified in the Plan. Public statements outline the discrepancies. In the process, city officials are being held accountable for implementing or failing to implement the Plan.

Social Audit at the national level and in large urban centers can be complex processes that require sophisticated technical skills and lots of collaboration from government authorities. In smaller communities citizens can apply their basic resources to perform social audits. For example, in some villages, citizens have used rulers to measure the width of cement or tar applied to a local road, tired of spending large funds on short-lasting roads, to monitor construction to specifications.

Sources: http://www.usaid.gov/stories/honduras/pc_honduras_citizens.html; Ramkumar, Vivek and Warren Krafchik 2006, "The Role of Civil Society Organizations in Auditing and Public Finance Management," Washington D.C.: The International Budget Project; Veeduría Plan de Desarrollo de Medellín 2001, *Balance General: Plan de Desarrollo de Medellín, 1998-2000, (*Medellín, CO: Veeduría Plan Desarrollo Medellín, March; and Action Learning Program 2001, "Civil Engagement in Public Expenditure Management (CEPEM) Case #1 Porto Alegre, Brazil: Participation in the Budget and Investment Plan," Participation and Civic Engagement Group, World Bank.

Annex 2: Social Audit vs. Other Audits

Social Audit is often misinterpreted as another form of audit, such as a public and/or private and financial. As can be seen in the Matrix below, each of these audit exercises is different although they also share some common elements with Social Audit. In general, social audit refers to a process for measuring, understanding and improving public and budget policy across government, public institutions and sectors. Social audit specifically adds another dimension in that it promotes useful public-private partnerships to improve accountability and transparency, and therefore improve the quantity and quality of public services, policies and programs. Thus, social audit strengthens the legitimacy of the government, as well as trust between the government and the civil society. Similarly, social audit can be thought as a complement to other more conventional audit exercises.

Table 1: Social Auditing and Other Types of Audits

	Social Audit	Public Audit	Private Audit	Financial Audit
Who Performs it?	Organized citizens/ CSOs and NGOs, as well as stakeholders, in cooperation with public sector officials and personnel.	Public Accountants, internal auditors. Private companies contracted by the public entity or government, international organizations, without involvement of citizens and stakeholders.	Auditing firms and/or individuals with auditing expertise, without involvement of citizens and stakeholders.	Financial audit and accounting specialists, without involvement of citizens and stakeholders.
What is the Focus?	Decisions, actions and budget, as well as decision-makers, public officials and entities.	Management of public resources and public sector performance.	Any economic activity in the private sector.	Financial records and their scrutiny by an external auditor following financial accountancy principles.
What is the Purpose?	Monitor quality and quantity of public services, policies and programs and provides recommendations to improve.	Improve the use and management of public resources in public institutions.	Improve management and administrative systems and strengthen internal controls.	Independently examine the financial statements of an entity, resulting in the publication of an independent opinion on whether or not those financial statements are

				relevant, accurate, complete, and fairly presented.
What are the Expected Outcomes?	Prevent and reduce corrupt practices, increase transparency and accountability, increase judicial effectiveness and horizontal accountability, and improve public policies.	Improve public policy, reduce poverty, strengthening institutions and compliance with policies, plan procedures, laws, regulations, established objectives and efficient use of resources.	Increase profit and credibility.	Verification of reliability and integrity of financial information and compliance with policies, plan procedures, laws, regulations, established objectives and efficient use of resources.

Source: Based on World Bank: *Social Audit Guide for Citizen Commissions*. Tegucigalpa, Honduras, 2007.

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Chile: *Corporación Participa: http://www.participa.cl/*

Colombia: Veeduría *al Plan de Desarrollo de la Ciudad de Medellín* http://www.veeduriamedellin.org.co/

CRC is a site that provides tools and on-line training on various social auditing activities. http://www.citizenreportcard.com

Dominican Republic: Fundación *Solidaridad*— www.solidaridad.org.do

International Budget Project (various social auditing practices and tools) – www.internationalbudget.org
Overseas Development Institute in UK (Governance page with a number of publications on social audit) http://www.odi.org.uk/pppg/politics_and_governance/index.html

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U4 Norway www.u4.no Anti-Corruption Resources Center

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