



“I will not be corrupt and I will not tolerate corruption in others”

-His Majesty The King

HAND BOOK ON CITIZENS’ PARTICIPATORY AUDIT (CPA)

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FOREWORD

Helvetas Bhutan would like to congratulate the Bhutan Transparency Initiative (BTI) in coming up with this User Guide on the application of Citizen Participatory Audit (CPA), an important Social Accountability Tool.

We believe that engaging citizens meaningfully in local governance will lead to sustainable social, economic, and environmental wellbeing. One of the concrete ways to do so is through the idea of Social Accountability. At the centre of this idea, we believe, is the coming together of citizens, civil society organizations, service providers, and government agencies to collectively work together to identify gaps and solve problems associated with public resource use, and access to and quality of public services. It therefore relates to both development effectiveness and empowerment. BTI has been active in promoting social accountability in Bhutan and supporting communities to concretely apply the concept.

Through the EU funded Project 'Nyamdrel, support could be extended to BTI for the project on 'Strengthening Local Governance in Thimphu Thromde Through Social Accountability.' The one-year project from September 2021 to September 2022 focused on sensitization and awareness raising, and training for local government functionaries and community representatives on the use of Citizen Participatory Audit.

We are glad that as one of the ways to sustain the project initiatives, this user guide was developed by BTI to serve as a reference point. We hope this guide will be widely used by communities, by service providers, by other civil society organizations, development partners and the media towards our joint aspiration of efficient and transparent use of public resources, and high-quality and citizen-centred public services.



(Tashi Pem)

Country Director
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Contents

Chapter 1: Introduction	1
Chapter 2: Social Accountability	3
Chapter 3: Citizen Participatory Audit	6
Chapter 4: Scope, Objectives Process of Citizen Participatory Audit	8

Chapter I: Introduction

According to World Bank, the sustainability of global development investments depends on strong institutions, civic engagement, accountable governments, and equitable economic growth. Goal number 16 of the Sustainable Development Goals explicitly recognizes the importance of the development of effective, accountable, and transparent institutions at all levels (UNDP, 2016). As we seek sustained change we clearly recognize that accountability is one of the key drivers for good governance.

In an evolving democracy like Bhutan, citizen involvement in governance is not only necessary but it has to be actively promoted. Therefore, improving the governance of public institutions has long been the central goal for most of the developmental strategies and policies. The Constitution of the Kingdom of Bhutan 2008, The Anti-Corruption Act of Bhutan 2011, the Local Government Act of Bhutan 2009, The Decentralization Policy of Bhutan 2019, The National Integrity and Anti-Corruption Strategy (NIACS 2019-2023), 12th Five Year Plan (FYP) and the Monitoring and Assessment Framework 2021 among others emphasize on promoting accountability through civic engagement. Furthermore, Good Governance is one of the pillars of Gross National Happiness (GNH) and promoting citizen engagement in developmental processes has been one of the main elements of democratic decentralization processes in Bhutan. Numerous initiatives were taken by the Royal Government of Bhutan to provide platforms for the citizens to take part in the decision-making processes. The establishment of Dzongkhag Yargay Tsgochung (DYT) in 1981 and the subsequent formation of Gewog Yargay Theogchung (GYT) in 1991 took local governments closer to the citizens at the grassroots. The enactment of Local Government Act of Bhutan 2009 and Local Government Rules and Regulations 2012 gave legal and policy frameworks for the citizens to participate in local governance. Further to enable the citizens to promote transparency, accountability, and good governance in public service delivery the concept of Social Accountability (SAc) was introduced in the country in 2013 by the Anti-Corruption Commission (ACC) of Bhutan based on the positive outcomes of the application of its tools in various parts of the world. Since then, a number of SAc tools were piloted such as the Citizen Report Card (CRC), Community Score Card (CSC), Budget Analysis and Expenditure Tracking, Social Audit based on their relevance.

Social Accountability is increasingly becoming more relevant in recent times as a considerable portion of the national budget is being gradually decentralized through the five-year planning processes. In the current (12th) Five Year Plan (FYP 2018-2023) more than 50% of the budget is allocated to the Local Governments (LGs). However, according to the National Integrity and Anti-Corruption Strategy (NIACS 2019-2023), 'enhanced fiscal decentralization is expected to pose greater challenges in promoting integrity, transparency and accountability at the local level due to limited management capacities of the LG functionaries and weak citizens' participation in decision-making

processes. Therefore, creating an informed and awakened citizenry on SAc has become vital for the LGs and communities to come together and work hand in hand to ensure effective utilization of resources and strengthening public service delivery.

Towards this, Bhutan Transparency Initiative (BTI) has been endeavouring in promoting SAc at the local government levels since 2015. Currently, BTI has implemented a number of advocacy and training on Community Score Card (CSC) in all the of Gewogs and five Dongkhags of Paro, Zhemgang and Bumthang, two Gewogs under Thimphu and two Thormdes (Thimphu and Gyelephu). This year, BTI embarked on piloting Citizen Participatory Audit (CPA) in the two Demkhungs of Thromde. Therefore, this handbook is designed based on the experiences gained from piloting CPA in Changzamtog-Olakha and Simtokha-Babesa Dhemkhungs between June and July 2022. According to the study on the evaluation of SAc programs in Bhutan (draft 2021), complexity of the concepts of different SAc tools and lack of adequate capacity and skills among others impeded the implementation and sustainability of the programs. Therefore, towards building a knowledge store on the SAc mechanisms, BTI came up with this simple user-friendly manual on CPA for sustaining the practices of SAc for promoting good governance in the LGs.

Chapter 2: Social Accountability (Sac)

According to the World Bank, Social Accountability is defined 'as an approach toward building accountability that relies on civic engagement, i.e., in which it is ordinary citizens and/or civil society organizations that participate directly or indirectly in exacting accountability. In a public sector context, social accountability refers to a broad range of actions and mechanisms that citizens, communities, independent media and civil society organizations can use to hold public officials and public servants accountable. These include, among others, participatory budgeting, public expenditure tracking, monitoring of public service delivery, investigative journalism, public commissions and citizen advisory boards. These citizen-driven accountability measures complement and reinforce conventional mechanisms of accountability such as political checks and balances, accounting and auditing systems, administrative rules and legal procedures.' Therefore, It involves participatory planning, implementation, and monitoring of developmental plans and projects, and services at the grassroots.

SAC mechanisms enables citizens to monitor local public services and engage in open dialogue with service providers, leading to enhanced ownership of both parties to improve public services. It is thus a means to bring together the service providers and service receivers for improving the delivery of services within the local governments. Therefore, the benefits of social accountability include increasing transparency and access to information, and enhancing accountability and citizen oversight.

There were a number of SAC tools practised in different context and countries as follows:

- i. Budget Analysis (BA);
- ii. Community Scorecard (CSC);
- iii. Citizen Charter;
- iv. Citizen Juries;
- v. Citizen Report Card (CRC);
- vi. Participatory Budget (PB);
- vii. Public Expenditure Tracking;
- viii. Public Hearing;
- ix. Social Audit (SA); and,
- x. Ombudsman.

In Bhutan, the ACC in collaboration with the Department of Local Governance (DLG) and the Royal Institute of Management (RIM) has introduced four of the tools, namely, Community Score Cards (CSC), Citizen Report Cards (CRC), Participatory Budgeting (PB), and Social Audit (SA) based on their relevance to the context of Bhutan.

The definition of each tool as per the Social Accountability Practitioner's Handbook by Basel Institute on Governance and ToT on Social Accountability Tools by Masnusher Jonno Foundation are as follows:

- I. **Citizen Report Card (CRC):** CRC is a simple and participatory survey tool to generate systematic feedback on the performance of public services from actual users of the services. Nevertheless, it goes beyond being just a data collection exercise to being an instrument to exact public accountability through extensive media coverage and civil society advocacy that accompany the process. CRCs are used in situations where demand-side data, such as user perceptions on quality and satisfaction with public services is absent.
- II. **Community Score Card (CSC):** CSC process is a community-based monitoring tool that is a hybrid of the techniques of social audit and citizen report cards. Like the citizen report card, the CSC process is an instrument to exact social and public accountability and responsiveness from service providers. By linking service providers to the community, citizens are empowered to provide immediate feedback to service providers.
- III. **Participatory Budgeting (PB):** PB is broadly defined as a mechanism or process through which citizens participate directly in different phases of the budget formulation, decision making, and monitoring of budget execution. PB can be instrumental in increasing public expenditure transparency and in improving budget targeting. Since it is a useful vehicle to promote civic engagement and social learning, PB has been referred to as an effective “School of Citizenship”.
- IV. **Social Audit (SA):** SA is a process in which, details of the resources, both financial and non-financial, used by public agencies for development initiatives are shared with the people, often through a public platform. Social Audits allow people to enforce accountability and transparency, providing the ultimate users an opportunity to scrutinize development initiatives.

While the tools and methods of social accountability are diverse and varied, there are certain basic similarities. Common components include collection, analysis and dissemination of information, mobilization of public support, advocacy, and negotiation for change. The handbook is specifically designed to enable public service users (citizens) and public service providers (public servants) to apply the Community Score Card (CSC) for Citizen Participatory Audit (CPA) to assess the quality of public services and bring about tangible improvements in them through citizens' participation. The aim of this manual is to provide a comprehensive process of CPA based on the political legal and social context of Bhutan.

Table 1: The Context of Social Accountability in Bhutan

Political	Legal	Social
<ul style="list-style-type: none"> ➤ Democratic decentralization processes initiated by successive monarchs ➤ Exemplary Leadership, willingness and Commitment for promotion of integrity, transparency and accountability ➤ His Majesty's aspirations to build a corruption-free and happy and harmonious society for all times to come, are being highlighted on many occasions. 	Constitution of the Kingdom of Bhutan	<ul style="list-style-type: none"> ➤ Bhutan ranked 25th/180 least corrupted country in 2020 by Transparency International (TI), Berlin. ➤ Ours is a closely knit society with a small population (790,098 only in 2022). ➤ We aspire for Gross National Happiness. ➤ We believe in the law of Karma and do not like corruption
	Local Government Act of Bhutan 2009	
	Local Government Rules and Regulations	
	Anti-Corruption Act of Bhutan 2011	

Chapter 3: Citizens' Participatory Audit

Before trying to understanding the concept of CPA, it is important to demystify what audit means and what the different aspects of audit are. According to Oxford Dictionary, audit means to 'conduct an official financial inspection of (a company or its accounts).' The objective of audit is to promote transparency, accountability and value for money in public operations. There are three types of auditing as per the Guidelines on Performance Audit of Bhutan 2019 namely Financial Audit, Compliance Audit and Performance Audit. Financial Audit refers to audit of financial statements; Compliance Audit refers to audit of compliance with authorities; and, Performance Audit is the audit of economy, the audit of efficiency and effectiveness of the public institutions and programmes.

Owing to the limitation of the conventional methods of auditing, basically the financial auditing, the idea of participatory audit emerged to improve the relevance of audit. Hence, the technique of Performance Audit and Social Audits came into light, and the combination of the different tools of SAC gave birth to the idea of CPA. While the financial audit answers the question of if the money is spent correctly, the CPA digs deeper to find out if the investment/spending made any difference in the lives of common people.

The core idea of CPA according to different audit institutions is to involve citizens and civil society in conducting joint auditing. Thus, CPA is a participatory approach to build accountability and transparency in the use and management of public resources to enhance social performance. It makes the Public Service Providers* accountable by getting the expenditure verified by the Service Users/Receivers** followed by corrective action in the delivery of Public Service***. It is a democratic process that ensures public accountability of agencies through a systematic demand of information by the community in response to the works/programs that have already been implemented by the government or other agencies for that particular community.

***Public Service Provider**

Any public office or its employee(s) with the mandate to provide certain service(s) to the citizens. Examples: Ministry, Dzongkhag Administration, Gewog Administration, Agriculture Sector of Dzongkhag, Park Services, a Construction Company or Contractor, Ministers, Dzongdas, Judges, Thrompons, Gups, Mangmis, Tshogpas, Livestock Extension Officers, Agriculture Extension Officers, Health Officials, Community Center Operators, Gewog Administration Officers, Teachers, Electricians etc.

****Service Users/Receivers**

All citizens who avail or use public services like roads, health services, drinking water, electricity, education, forestry services and so on. Examples: people living in the communities, people using public road or transport, students etc.

*****Public Service**

Public service is any service provided for the welfare and/or security of any citizen or community by any public service provider. Examples: Irrigation, roads, bridges, drinking water, education, telecommunications, hospitals, veterinary care, seeds and seedlings supply etc.

Objective of Citizen Participatory Audit (CPA)

The objectives of conducting CPA are as follows:

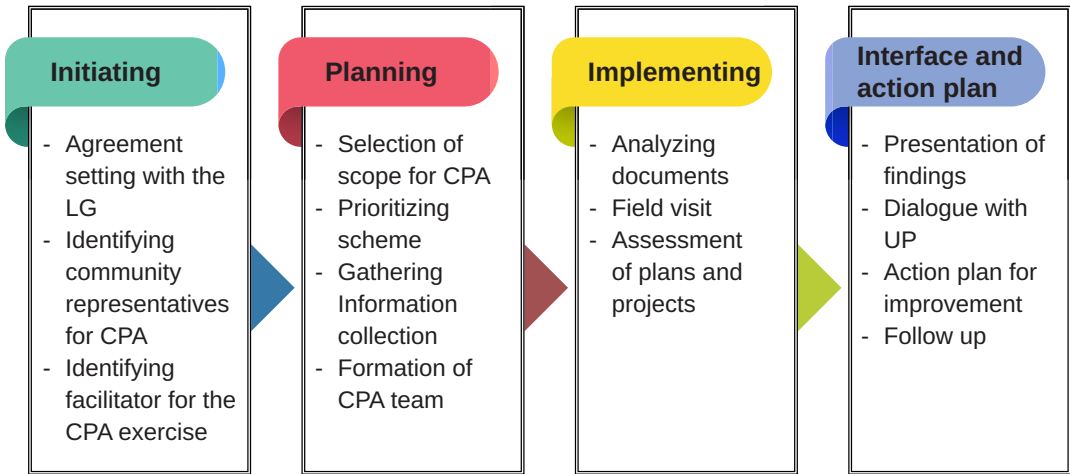
- i. To promote transparency and accountability in various programme implementation;
- ii. To inform, educate, engage and empower people about their rights and duties;
- iii. To provide a platform for people to express their grievances and needs;
- iv. To promote people's participation at all stages of programme implementation;
- v. To strengthen grassroots democracy and grassroots institutions;
- vi. To build the capacity of people in participating in social audit; and,
- vii. To strengthen programmes by improving planning based on feedback from social audits.

Usually the CPA in other countries are initiated by the audit agencies. Likewise, in our country the Royal Audit Authority (RAA) piloted the idea in 2019. Therefore, it is not a new idea in Bhutan. As such, BTI embraced CPA for our Social Accountability program to enhance civic engagement in the Local Governance. Although the idea of CPA from the countries where it is practiced like the Philippines is to conduct joint audit by engaging civil society and citizens to make public sector more effective, transparent and accountable, BTI could not involve the RAA in the course of the CPA in Thimphu Thromdes as they were not available. Therefore, BTI had to make do with the thorough engagement of the LG authorities and the communities. Thus, this manual is purely based on our first-hand experience, and it may need to be further refined in the near future.

The CPA aims at changing people's mind-set. The idea that governance is only for people in the government is flawed and exhibits a spectator mind-set. We would, however, like our people, especially the younger generation, to be involved in the work of governance. After all, democracy is not only for the people, but also by the people.

Commission on Audit Institution, Republic of The Philippines

Chapter 4: Scope, Objectives Process of Citizen Participatory



The CPA involves four board steps as follows:

1. Initiating

Building partnership with the Local Government Authorities: Building partnership with the Local Government authorities of the place where the CPA is intended to be executed is necessary for laying the foundation of CPA. A consultative meeting with the LG leaders and service providers (elected local government Leaders and Service Providers) is instrumental to get leadership buy-ins. It offers an opportune moment to build network and partnership, and garner their support.



Figure 1: Consultative meeting with the LG Functionaries of Thimphu Thromde



Figure 2: CPA Team from Babesa-Simtokha and Changzanthog-Olaha Demkhung

Planning for a brief (1-1.5 hrs) consultative meeting will help in convincing the leaders on the concept of SAc and its tools. The event will also be an opportunity to plan the schedule of activities and logistics for the CPA in the communities with the Thrompon, Thumis and other sector heads (e.g. Planning Officer) in case of Thromde and Gups, Mangmis, Tshogpa and Gewog Administration Officer, Agriculture/Livestock Extension Officers, In-Charge of Community Centre and so on in case of Gewogs.

Planning: After convincing the LG authorities and building a clear understanding on the application of CPA, the following steps should be taken

Important steps

1. Identify a venue for the meeting;
2. Invite community representatives and the concerned officials from the LGs;
3. Request the concerned Engineer/Planning Officer/Administrative Officer to present the developmental activities either ongoing or in the pipeline for the communities gathered;
4. Ask community representatives to list at least 3-4 critical services with most issues faced by the community. The key questions to be asked to the Service Providers here are: How are things going on with the service/program? What program/service is going on well? What program/service is not working well?
5. Prioritize one to two services/developmental plan for CPA;
6. Develop a set of indicators to be assessed;
7. Selection of services/developmental plan and indicators for CPA exercise shall be approved by at least 2/3rd of the community representative;
8. Form two teams, i.e. Service Providers and Service Users, and appoint a team leader for each group;
9. Track the inputs by getting all the information on the identified services/developmental plan, such as the available budget, required standards, time frame and so on from the Local Government(s); and,
10. Ask the team leader to do necessary study on all the relevant policies, guidelines, rules and regulations related to the prioritized service(s) to provide clarifications to the participants, if required during the process of discussion.

- a. Selection of scope for CPA;
- b. Prioritizing scheme; and,
- c. Formation of CPA team.

Table 2: Example of an Input Tracking Matrix

Project:			
Indicators	Entitlements (as specific by service mandate)	Actual	Remarks

Criteria for Community Representatives for the CPA Team:

- An adult (18 years and above);
- Active and interested to work voluntarily;
- Politically nonpartisan and not a member of any registered political party;
- Committed to work for the welfare of the community; and,
- A permanent resident of the community.

2. Implementing

The implementation stage consists of the real application of the CPA. The recommended time is 2-3 days depending on the convenience of the Service Providers and Service Receivers.

Important steps

1. Collect relevant documents, such as drawings/bills/vouchers/quotations/terms of reference etc. of the selected service(s)/program(s)/plan(s);
2. Review and analyze the documents;
3. Gather necessary equipment/tools required for the field visit;
4. Inform the community about the field visit and the exact site through the LG Administration, and call some community members to observe the event;
5. Interview key personnel of the LG and beneficiaries;
6. Conduct site visits to verify and confirm facts recorded in the documents in collaboration with the LG;
7. Conduct community scoring exercise to assess the satisfaction level of the beneficiaries and Service Providers on the service/program/plan;
8. Ensure engagement of every participant during the assessment; and,
9. Prepare a report based on the observations and analysis and verification (from documents, physical measurements, and oral testimonies) process. It would cover all important aspects of programme delivery, including the perception of the community regarding the quality, quantity, usefulness and of the structures created/ services provided.

Table 3: Format for Service Users' and Service Providers' Score Cards.

INDICATOR	SCORE	REASONS	SUGGESTION FOR IMPROVEMENT
1.			
2.			



Figure 3: CPA team inspecting the construction of retaining wall at Changbandu



Figure 4: CPA team inspecting the quality of road at Babesa



Figure 7: Site Engineer presenting the drawings of the water treatment plant construction to the CPA team at RTC



Figure 8: CPA team at the construction site of water treatment plant at Chamgang

Interface and action plan

To discuss and dialogue on the observations/findings from the field visit, an interface meeting is necessary to bring together the Service Providers and Service Receivers on a common platform. An interface meeting is a joint meeting between the Service Providers and the Service Users to engage in constructive dialogue on a particular service. It is conducted to:

- Understand issues from both the sides (service providers' and service receivers') and identify the actual issues;
- Strengthen relationship between the Service Providers and Service Users by bridging information gaps and clarifying issues that might have been created due to misinformation, miscommunication, or lack of communication/awareness and so on; and,
- Draw up mutually agreed action plan(s) to improve service delivery and/or to continue to deliver quality services efficiently and effectively to the communities.



Figures 9 & 10: CPA team consolidating findings from the field visit and preparing for the interface meeting after conducting CPA in Changjamtog-Changbandu and Babesa Semtokha Demkhongs in Thimphu Thromde in July 2022.

Who to invite for the Interface Meeting?

- Key LG functionaries such as Thrompon/Gup/Tshogpas/Thumis;
- Media; and,
- Key Service Providers, such as engineer, planning officer, Administrative Officer and any other relevant officials.

During the course of the interface meeting,

- i. Open the meeting and welcome everyone;
- ii. Explain the purpose of the meeting, the methodology, and expected duration of the meeting;
- iii. Community Service Users' representatives should present the consolidated scores generated from the field visit. Presentations should include recommendations (way forward) on how to improve service(s) that scores low;
- iv. Service Providers' representative will present their scores and suggestions for improvement or for sustaining good performance;
- v. Moderate an open and participatory dialogue/discussion with each group given ample time to respond to the other group's queries as well as to ask questions;
- vi. Identify burning issues, and let the floor resolve them preferably by formulating mutually agreed and achievable action plans for change; and,
- vii. After the discussions let the members jointly decide the order in which the indicators/issues should be dealt with, and list them in order of priority on a separate flipchart with their suggestions for improvement. Remember to be realistic about any suggestions for improvement.



Figure 11: The Executive Director of BTI Opening the Interface Meeting in Thimphu.



Figure 12: Dasho Thrompon interacting with the community representatives during the interface meeting in Thimphu.

Reminder: The decisions taken during CPA must lead to concrete corrective actions. Issues not resolved at this level must be taken up with the concerned public agency(ies), and action should be initiated as soon as possible.

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