



Photo: Katrin Rosenberg

## PUBLIC AUDIT PRACTICE – SHIFTING THE FOCUS OF ACCOUNTABILITY TOWARDS THE PEOPLE

### Helvetas Nepal's experience of ensuring downward accountability

#### SUMMARY

Trust in NGOs cannot be taken for granted only because they work “not-for-profit”. Therefore, Helvetas ought to be accountable not only to its donors, but also to the beneficiaries. Helvetas Nepal introduced the public audit method in its infrastructure projects to ensure that “power holders” are accountable to the people. Before implementing the project, during the construction phase, and after completing the project, the users of the scheme gather and all relevant information is presented to them and discussed. This raises the awareness on the importance of accountability and people are empowered to demand it.

## INTRODUCTION

This issue sheet provides an overview of the Public Audit Practice (PAP), as it is carried out within all Helvetas Nepal community infrastructure projects (irrigation, water and sanitation, trail bridges). The practice was introduced during the peak of the Nepali conflict around 2002, in order to be transparent to all conflict parties and therefore being able to continue rural development activities even in conflict zones. All stakeholders highly appreciated the tool and it is now a requirement for a project to be implemented.

The Users' Committee (UC) – a management committee comprising of proportionate representation by caste, including a 40% representation of women – receives the funds and is mainly responsible for the coordination of the project implementation. Support is provided by local partners of Helvetas and Helvetas Nepal itself. Therefore, it is essentially the UC who is accountable to all users of the scheme.

## WHY DOWNWARD ACCOUNTABILITY?

The problem of corruption is particularly severe in Nepal and affects both governmental and non-governmental development agencies. Mechanisms for ensuring downward accountability and awareness among the people on their "Right to Information" are missing. Helvetas Nepal and its partners aim to ensure downward accountability in their own projects. Especially since the PAP is in place, funds are hardly ever misused. In case of small incidences, social pressure led to reimbursement. Through PAP Helvetas enhances its own credibility. But the actual goal is to sensitise the beneficiaries and build democratic practices from the bottom. People are empowered to demand accountability.



Photo: Thakur Thapa

UC Member answering questions of the people during a Public Audit

## WHO IS INVOLVED?

Basically, everybody who is interested is welcome to join the event. However, the key stakeholders, listed below, are specifically invited, either personally or through letters.

- Users
- Political party representatives
- Local elites
- Representatives from local government
- Local partner organisation
- Representative from Helvetas Nepal

## HOW IS THE PUBLIC AUDIT PRACTICE

### CARRIED OUT?

PAP consists of three events (Public Hearing, Review, Audit) contributing to enhance participation of poor and excluded communities in planning, implementation and monitoring of the intervention. The events are carried out by the UC and supported by the local partners of Helvetas Nepal.



### Public Hearing

A Public Hearing is conducted in the preparation phase, before actual implementation starts. The event provides a space for the people to deliberate their concerns and if necessary modify the project implementation slightly. Organisational policies, costs and material provided, labour contribution, social processes, as well as the responsibilities of different stakeholders are discussed. An implementation and construction work plan is elaborated jointly. Finally, an agreement is signed by everyone to express commitment and ownership.

### Public Review

This second event is carried out at least once during implementation phase to monitor the progress. Have all stakeholders committed to their tasks? Has the material been delivered as promised? Have the trainings been conducted? Have people deposited into the operation and maintenance fund as agreed? The project progress is presented to the stakeholders and opened up for discussions. The public review is a self-monitoring tool for quality control and adherence to the implementation plan.

### Public Audit

After a project is completed, the users jointly commission and audit the project performance. A "final audit report" is presented to the public, comprising all cash and in-kind transactions. Clarifications on issues raised and decisions in case of embezzlement are also made during the public audit event. It is the last opportunity for people to complain about missing payments or material, or other issues. After everything is decided to be correct, a future outlook on how to best make use of the scheme concludes the event.



