

Remarks of Mr. Dotel, Deputy Auditor General, Nepal

December 13 2021

How can accountability actors such as civil society and Supreme Audit Institutions work together to open government during budget formulation and oversight?

CSO SAI Working Mechanism

- Mostly, CSOs can play informing, disseminating, monitoring and advocating role.
- However, SAI has no role in budget formulation. CSO engagement should be made on behalf of MOF
- For the purpose of CSO engagement in budget formulation purpose, the budget formulation process should be accessible to the public. Public consultations, pre-budget discussions, e-consultations, advisory councils are the mechanism for public participations.
- Open public hearings on budget
- Seek public consultation on financial bill and tax proposal inviting Federation and chamber of commerce and industries as well and economist, professionals and former finance minister.
- Public notice on newspaper to provide input on budget formulation.
- Full information should be given in open data format.
- Feedback needs to be taken care properly.
- Parliamentary committee should review the budget seeking public and expert consultation.
- Social Audit and Public Expenditure tracking mechanism and citizen report card are also the techniques to increase participation on budget oversight process.
- Auditor investigates deviations between planned and executed budgets. In the audit process also CSOs can be engaged for getting information on risk areas or collecting evidence of anomalies. Also, they can disseminate and advocate audit findings that help the implementation of audit recommendation.

Challenges on CSO Engagement

- Hesitation from Government side
- Mapping CSOs is very difficult task. Difficulty in identifying potential CSOs which have experience in Public Financial Management.
- Capacity limitation of CSOs to understand budget, account, audit and other governmental values and norms
- Difficult to safeguard independency and professional secrecy

- CSOs may have vested interest creates conflict of interest.
- Sustainability of engagement requires separate budgetary support. Voluntary initiative may not be sufficient for long run.
- Institutional credibility of CSOs.

Strategy for CSO Engagement

- Identify the national level potential CSOs inviting notice (Mapping)
- Arrange series of capacity building workshop/training, webinar, virtual mode of mobilizing CSOs
- Use of technology like Citizen Auditor Mobile application
- Engage in Performance Audits and identification of risk in Compliance Audits/Financial Audits
- Sustainability with fund, long-term partnership with CSOs
- Use in dissemination and advocacy of audit finding and follow up.
- Create CSO network in the country