



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

Agencia Suiza para el Desarrollo  
y la Cooperación COSUDE

## **Examples on social accountability (2016)**

### **Local Governance and Municipal Investment Project (PGLIM)**

#### **Social Auditing and Participatory Municipal Budgeting Experience**

##### **1. Description of the social auditing experience**

The Swiss Agency for Development and Cooperation (SDC), active in Honduras since 2005, is supporting municipal governments and civil society bodies to improve local governance processes.

The projects supported are in line with national policies, such as the National Plan/Country Vision 2010-2038, decentralisation policy and the SDC's cooperation strategy for Central America (PRAC 2013-2017).

The Local Governance and Municipal Investment Project (PGLIM) promotes participatory spaces for civil society, such as participatory municipal budgeting, social auditing and local governance assessments and it aims to further improve participatory processes. More inclusive local governance shall enhance access to basic services and development opportunities and improve the living conditions of the poor.

##### **2. Target group**

Local residents are organised in Citizen Transparency Commissions (Comisiones Ciudadanas de Transparencia, CCTs), networks of community social auditors, civic local governance observatories and community-based organisations such as employer associations, local education boards, water boards and project operation and maintenance committees. They are trained to take part in municipal management processes and to oversee the transparent use of public resources for efficient services that meet the social needs of the citizens they represent, i.e. mainly rural people living in poverty.

The Federation of Non-Governmental Organisations for the Development of Honduras is also actively involved in two ways: as a facilitator and project executing agency supporting social organisations in 32 municipalities, and as a experience multiplier and catalyst for other social organisations in the country.

The project is also helping local governments to improve their performance in the project investment cycle and acting more accountable. This enabled them to undertake participatory consultation exercises and provide access to management-related information. As a result, citizens are given practical experience in oversight and can have an impact on improving their living conditions.

### 3. **Main social responsibility instruments and tools**

#### **Legal framework**

- Article 80 of the Constitution of Honduras states that “any person or association of persons is entitled to submit petitions to the authorities for reasons of either private or general interest, and to obtain a prompt reply within the legal time limit.” This constitutional provision is known as the right to petition.
- According to Article 71 of the Court of Auditors Act, the Court is responsible for strengthening the transparency of public administration, and establishing citizen participation bodies and mechanisms to ensure the greatest possible transparency.
- Article 59 C of the Municipalities Act defines the powers of the Citizen Transparency Commissions.
- The transparency and access to public information Act make it possible to demand accountability and guarantee citizen’s right to be informed of and take part in public affairs.

#### **Methodological tools**

- Social Audit System (SAS) is a methodological process structured in 7 steps, and it includes software for processing information from social investment projects audited by the community. The steps include:
  - Capacity building of involved actors: Citizen Transparency Commissions, network of social auditors, representatives of commonwealths of municipalities;
  - Identification of the municipal project to be audited, defining objectives and the process of audit;
  - Dialogue with the project responsible and municipal authorities to get their buy-in;
  - Interviews following a structured questionnaire, with project technicians, administrators, accountants, municipal authorities and with beneficiaries;
  - Recording in electronic database for systematisation and visualisation in graphics;
  - Discussion, deepening of information with civil society leaders and representatives of the Citizen Transparency Commissions, followed by a draft report;
  - Sharing first results with community representatives for validation and elaboration of recommendations for the final report;
- Local governance assessment system is a methodology for measuring and suggesting improvements in municipal administration performance in terms of citizen participation, participatory planning, administrative and financial management, and the provision of basic services. Both tools include instruments to measure how satisfied citizens are with municipal administration and the quality of public services.
- Guide to Participatory Budgeting.

### 4. **What works**

- The social audit methodology has proven to be an effective tool for the Citizen Transparency Commissions in multiple municipalities.
  - The existence of monitoring and social oversight mechanisms such as social audits of social investment projects and public funds carried out by the Citizen Transparency Commissions provide a forum encouraging citizens to get involved in municipal public administration. This “has promoted transparency and reduced opportunities for corruption”.
  - During the execution of the project (2013-2015) support was provided for the process of organising and training the individuals in the citizen commission and community social audit networks in 32 municipalities which performed social audits on 145 investment projects, thus influencing the quality of those projects. This has altered their commitment and view of social auditing.
  - The project is embedded in the system as it contributes to the realization of existing rules and regulations. Community authorities have the responsibility to establish functional citizen commissions with the minimal required capacities (law on municipalities). The federation of civil society organizations for the development of Honduras is responsible for the administration and update of the social audit instruments.
- Municipal authorities show political commitment to allocate municipal budget resources to provide opportunities for citizen involvement, particularly in participatory budgeting. Overall this led to increased citizen involvement in local public administration

## 5. Challenges and risks

- The Public Affairs Secrecy Act counterbalances the Transparency and Public Information Access Act.
- In general, the citizenry are apathetic, indifferent and distrustful towards the political system.
- Structural elements such as the economic component (opportunity cost), level of education and geographical and technical access are major obstacles to these voluntary processes.
  - Currently social audits are conducted in about 40-45 of totally 298 municipalities. A big challenge is that neither municipalities nor central government pay due attention to the functioning of the social audits and in providing the necessary support. The association of municipalities is lobbying for the realization of respective laws, but with little success, also due to the actual difficult political context.

## 6. Success stories

**Social audit of the construction project for the first stage of the municipal stadium in Cane**

In 2014, with the support of the project, the Citizen Transparency Commission and the network of social auditors carried out a social audit of the construction of the first stage of the municipal stadium. The audit measured transparency and local government's sound management of the public funds allocated to the project.

In addition, local residents were surveyed to determine their level of satisfaction with the municipality's general performance.

To develop the process, the initiative was presented in conjunction with the municipal authorities. The involvement of the citizen commissions and network of auditors was secured, and the auditors were trained in social auditing, participatory budgeting, municipal budget cycles and organising the lead team.

The citizens were surveyed using the tools in the Social Audit System (SAS) and Sheet A was filled in (project details and monitoring).

The results of this exercise showed, firstly, that the municipality managed its resources transparently and secondly that the vast majority of the population rated the current administration's municipal management as excellent. Another important finding was that 94% of the respondents were of the opinion that the projects carried out by the municipality did indeed meet the needs of the people. These and other results were recorded in a report that was shared with the local authority and the general population.

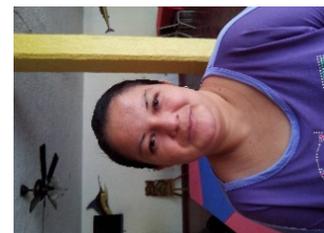
Beyond the generally very positive findings set out in the report, the key valued items are the local government's openness to being audited and the citizenry's active involvement in demanding accountability, both of which are crucial to improving local governance.

## 7. Testimonials from individuals involved



**Ms Santos Catalina**, a member of the team of social auditors from the municipality of San Isidro, department of Choluteca, says that she has been involved in other community organisations, but that she is especially pleased with this opportunity since, with the training provided, she will be able to help her people ensure that projects in the municipality are implemented transparently and that funds allocated by the municipality to projects are used to meet the most pressing needs of the poorest people. She thanks FOPRIDEH and the SDC for this fantastic opportunity.

**Ana Carolina, president of the CCT of San Antonio de Flores, a municipality in the department of Choluteca:** "I am delighted with and grateful to the SDC and FOPRIDEH because they trained me and now I am the person I always wanted to be. I can now help other leaders learn auditing and PMP. I like serving my community and the cooperation partners who come to San Antonio. Thank you!"



**Leader of the community of El Matasano, in the municipality of La Paz:** "I am grateful to God, to the new local authority, to FOPRIDEH and the SDC because now efforts are being made for the first time to take us into account, to come directly to our communities so we can explain our needs. It's not



like before, when we would take a piece of paper to the town hall and say, 'look, this is what we want'. Today, with this new methodology, with this new approach of taking us into account directly and giving us the opportunity to express our needs, I think this programme will foster commitment and enhance the credibility of the local authority. We are tired of voting and not ultimately knowing what they're going to do for us."

**Leader of the municipality of Jesús de Otoro:** "I think transparent budgeting is great and I would like it to see it happen every year. I would also like us to continue informed, since previously we did not know how the municipal budget was created. In the past, only the mayor, treasurer and The people were not informed. Today, through being part in the process, we can see that the mayor is doing asking for things that are beyond the reach of the of the local authority. If you're not informed you sometimes come up with things that won't work, but with this new process we know where the money is being invested. I am satisfied and I hope things continue this way so as to ensure greater transparency and so that the people feel like they are involved in all these efforts."



would like it to see it being invited and municipal budget was local authority knew. informed and taking a good job. We're not budget and the capacity budget and the capacity



**Olman Rodríguez, spokesman for the San Sebastián CCT:** "The social audit gives us young people a chance to get involved and find out how the municipality invests the funds it receives. Through this process we can ensure that the funds our municipality receives are managed transparently and in a way that benefits the poorest people. I learned a lot from the process thanks to FOPRIDEH and the SDC."

**Mayor of Marcala:** "For the municipality of Marcala it is an cooperation agencies such as FOPRIDEH and the SDC, in our first-time efforts at participatory municipal budgeting. through every stage of the process and gave local residents take part in the development of our fine town of Marcala."



honour to work with which supported us they helped us the opportunity to

**Photos:**

Citizen Transparency Commission using the SAS software tool



Citizen Transparency Commission auditing a project



Open public hearings for approving the municipal investment plan



Citizen Transparency Commission presenting a social audit report to the local authority of Yarula, La Paz