Civil Society and Citizens in the External Audit Process

Comparative Study of International Practices with Recommendations for Serbia
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Belgrade, 2013
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Executive Summary

The aim of this Study is to provide the most appropriate solutions to the State Audit Institution of Serbia for the inclusion of citizens in the external audit process as well as to provide sustainable and more institutionalised forms of cooperation with civil society organisations. The Study adopts a comparative approach in its thorough analysis of European and non-European experiences and existing domestic institutional practices. A qualitative methodology was adopted in the form of a combination of primary and secondary sources, i.e. data collection was conducted through in-depth semi-structured interviews, electronic questionnaires, and the analysis of legislative and institutional frameworks and practices in regards to citizens’ cooperation in external audit process and cooperation of supreme audit institutions with the civil society. The methods applied proved as adequate in terms of analysing comparative practices in the chosen systems and for getting a broader insight of the examples in the areas of transparency and government accountability, and more specifically in external audit, across a variety of states.

The main focus in the research was placed on the experiences and practices of European states and their SAIs. In general, the experiences of “old” EU member states were concluded to be to a certain extent of a limited value for thorough analysis having in mind the context and position of supreme audit. The analysis of relevant sources in these states showed that the need for extensive activities in regards to the topic of citizen participation and cooperation with civil society organisations is present to a lesser degree. The topic at hand in these states is recognised as relevant for the work of SAIs as well as the cooperation between the civil and public sector meaning that it is incorporated within the activities of SAIs to the degree deemed necessary. In that sense Western European countries vary in terms of opportunities offered for bringing external audit closer to the citizens. South East European countries, most of which are still undergoing transition, which makes their context specific, largely lack in examples of good practices, while SAIs are also at times not recognised in terms of establishing direct communication with citizens and/or cooperation with civil society organisations. Those examples demonstrate that SAIs and CSOs have not yet sufficiently articulated their position in regards to the positive effects which would result from their cooperation.

Consequently, a thorough analysis of examples outside of Europe was performed, especially focusing on Latin American countries that proved to be a fruitful source of comparative practices in regards to the complexity and degree of institutionalisation of mechanisms for the inclusion of citizens and cooperation with CSOs. South American experiences proved to be of great value to this Study, and more specifically the State Audit Institution of Serbia, in the sense of a broader context rich with examples that more fundamentally regulate issues under the topic of this research. The diversity of Latin American practices derives from specific conditions in developing countries as well as newly industrialised countries where the need for greater transparency and government accountability is clearly articulated. In that sense, the Study incorporates these experiences in order to achieve an insight into the broader comparative practice.

Finally, the Study offers recommendations stemming from the aforementioned research activities, based on their suitability and usefulness in the context of administrative and institutional practices in the Republic of Serbia. A broad spectrum of examples is presented in order to give insight into the rich comparative practices while recommendations are formulated in the light of their practical implementation in the future period. The timeframe for their realisation is also given in a manner which is taking into account the capacities and resources of the Serbian State Audit Institution and the suitability of certain recommendations to the domestic circumstances. This manner of formulating recommendations seeks to give room for an analysis of their effects alongside their realisation as well as to continue the analysis of different practices in order to further improve the communication and cooperation which State Audit Institution practices in regards to citizens and CSOs, taking into account the larger scope of activities of State Audit Institution planned for the next period.
# List of Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>AGN</td>
<td>General Audit of the Nation of Argentina</td>
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<tr>
<td>ASF</td>
<td>Supreme Audit of the Federation of Mexico</td>
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<tr>
<td>BAI</td>
<td>The Board of Audit and Inspection of Korea</td>
</tr>
<tr>
<td>CGR</td>
<td>Comptroller General of the Republic</td>
</tr>
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<td>CPC</td>
<td>Citizen Participation Commission</td>
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<tr>
<td>CSO</td>
<td>Civil society organisations</td>
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<tr>
<td>DCSD</td>
<td>Department for complain control and oversight</td>
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<tr>
<td>DPC</td>
<td>Directorate for citizen participation</td>
</tr>
<tr>
<td>DRI</td>
<td>State Audit Institution Serbia</td>
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<tr>
<td>EEA</td>
<td>European Economic Area</td>
</tr>
<tr>
<td>EROPA</td>
<td>Eastern Regional Organisation for Public Administration</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
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<tr>
<td>IBP</td>
<td>International Budget Partnership</td>
</tr>
<tr>
<td>INTOSAI</td>
<td>International Organisation of Supreme Audit Institutions</td>
</tr>
<tr>
<td>IPA</td>
<td>Instrument for Pre-Accession Assistance</td>
</tr>
<tr>
<td>ISA</td>
<td>International Standards on Auditing</td>
</tr>
<tr>
<td>ISSAI</td>
<td>International Standards of Supreme Audit Institutions</td>
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<tr>
<td>JRGPA</td>
<td>Judicial Reform and Government Accountability Project</td>
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<tr>
<td>KOCD</td>
<td>Contact Civil Society Organisations</td>
</tr>
<tr>
<td>LED</td>
<td>Ethical Line for Complaints in Mexico</td>
</tr>
<tr>
<td>NAO</td>
<td>National Audit Office</td>
</tr>
<tr>
<td>NAOL</td>
<td>National Audit Office of Lithuania</td>
</tr>
<tr>
<td>OAGN</td>
<td>Office of the Auditor General of Norway</td>
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<tr>
<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
</tr>
<tr>
<td>OLACEFS</td>
<td>Organisation of Latin American and Caribbean Supreme Audit Institutions</td>
</tr>
<tr>
<td>PSAM</td>
<td>Public Service Accountability Monitor in South Africa</td>
</tr>
<tr>
<td>SAI</td>
<td>Supreme Audit Institution</td>
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<tr>
<td>SEIO</td>
<td>Serbian European Integration Office</td>
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<tr>
<td>SIPAR</td>
<td>Information System for Citizen Participation in Colombia</td>
</tr>
<tr>
<td>SIPRU</td>
<td>Social Inclusion and Poverty Reduction Unit</td>
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<tr>
<td>TACSO</td>
<td>Technical Assistance for Civil Society Organisations</td>
</tr>
<tr>
<td>TPA</td>
<td>Transparency, citizen participation and accountability</td>
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<tr>
<td>TSC</td>
<td>Supreme Court of Accounts in Honduras</td>
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<tr>
<td>UAC</td>
<td>Citizen Services Unit in Chile</td>
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<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>UNDESA</td>
<td>United Nations Department of Economic and Social Affairs</td>
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<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
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</table>
Chapter I: Introduction
The direct involvement of citizens as well as the engagement of civil society in the areas of transparency and government accountability is still in the early stages of development in Serbia. Institutions such as supreme audit institutions are relatively new actors in countries characterised by a late transition and thus encounter numerous challenges in their work. The State Audit Institution of Serbia recognised the need for the involvement of citizens and civil society organisations (CSOs) having in mind that both sides have a mutual interest to contribute to the enhancement of transparency and government accountability: SAI, on one side, owing to its legally prescribed position and role, a citizens, on the other, as primary stakeholders in the process of public finance control and management of public resources in an accountable manner.

The aim of the Study is to offer the best solutions to the State Audit Institution for the involvement of citizens and their contributions in external audit process, as well recommend sustainable, institutionalised cooperation forms with CSO’s, based on the analysis of comparative European and non-European practices and existing domestic institutional practices. The Study builds upon the analysis conducted by the European Policy Centre, “Towards a More Financially Accountable Government in Serbia - Implementation of Recommendations and Measures of the Serbian State Audit Institution”, published in June 2012, which examined the compliance of auditees with SAI recommendations. The analysis also provided a general overview of the role of CSOs in external audit and therefore laid down the foundations for a wide-reaching research of the variety of types of direct citizen participation in SAI work and cooperation between SAI and CSOs.

The importance of citizen participation and cooperation with CSOs in the area of external audit is at least twofold. Firstly, citizens’ understanding can be regarded as very useful for the improvement of the quality of the audit process through different forms of contributions. In comparative practice, the forms of citizen contributions are most common in the form of providing information via established communication channels, through lodging complaints, claims, petitions and other forms of inquiries. Secondly, CSOs and citizens represent allies to this institution in its work since their active participation and advocacy for greater transparency and government accountability increase the publicity of the entire audit process, influence the creation and enhancement of mutual trust between institutions and citizens and, therefore, increase the pressure on the state authorities to implement SAI’s recommendations. In this way, mutual benefit is achieved at multiple levels since as higher citizen engagement in these areas meets adequate responses, awareness is raised regarding the fact that partnership with citizens is natural and logical, while in the context of external audit it is comprehended that such cooperation does not jeopardize the traditional independent position of supreme audit institutions. Also, CSOs derive their special role in this context from the fact that they are bridging the gap between citizens and SAI i.e. represent a medium for channelling citizen contributions.

Taking into account developing international standards of citizen participation in light of participatory governance, numerous comparative experiences covered in this Study, as well as readiness of the SAI of Serbia to introduce cooperation activities that would improve the audit process and highly increase the integrity of the institution (also expressed in the Strategic Plan for the period 2011-2015), it seems that the time is ripe for the examination of this issue and requires high quality and evidence-based recommendations. Performance audit is planned for 2014 in Serbia and since it is especially suitable for cooperation with CSOs and citizen participation, it serves as an additional incentive for a thorough analysis

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2 Having in mind that both domestic and comparative terminology operates with different terms for citizen communication to SAI in regard to reporting potential irregularities or ineffectiveness for the examination through audit, in this Study, when needed, more specific terms are used (in accordance with their use in respective examined countries), and when it comes to communication to SAI in general, term “inquiry” is predominantly used, as most general term in the communication of citizens with administration.
and recommendations stemming from the best possible combination of comparative experiences and domestic legal and administrative practices.

Comparative practices and international experiences have illustrated a great variety of high quality examples which were examined in the Study in a detailed fashion. This abundance of material can be useful for an examination and application to Serbian case for at least two reasons. First, it shows that topics related to cooperation between SAI and CSOs and citizen participation are currently very novel and dynamic. Having in mind that this Study is pioneering in regards to this specific topic in Serbia, it is introducing the public in Serbia to problems concerning relations between citizens and CSOs and specific institutions in legal and political systems, such as supreme audit institutions. Secondly, the analysis of comparative examples, practices and practical instruments provides enough ground for concrete recommendations to the SAI of Serbia in order to develop activities in this field.

I.1 Methodological approach of the research

Having in mind that qualitative approach to research is characterised by depth and richness of findings, it was deemed to be most appropriate so as to produce adequate conclusions and policy recommendations. Taking a neo-institutionalist approach, the study was conducted through a combination of desk research focusing on secondary sources pertaining to the legislative and institutional framework and best practices of citizen involvement/engagement/participation in the audit process and a primary research based on the method of semi-structured interviews and electronic questionnaires. In this way, an overview of theoretical approaches related to the concept of citizen involvement as well citizen involvement in the external audit process and government accountability was presented, altogether with examples of comparative practices within and outside of Europe.

The method of collecting the data slightly differed within Serbia vis-à-vis comparative practices from abroad. Sampling which was deemed to best respond to the objectives of the Study reflected a combination of nonprobability purposeful sampling and snowballing technique. It was concluded that this type of sampling, e.g. a small, targeted and non-rigorous sample would suffice since the aim of the research is to examine the matter in great depth. Namely, within Serbia the data was gathered through in-depth semi-structured interviews face-to-face as well as via telephone in cases when it proved impossible to meet the interviewees in person. The sample consisted on the one side, of representatives of state and independent bodies having experience and knowledge on institutional cooperation with the civil society and/or citizens so as to investigate various paradigms of citizens’ engagement. On the other side, the interviewees encompassed representatives of CSOs dealing with financial accountability, transparency and anti-corruption practices in order to examine their stances on cooperation with SAI of Serbia and their stances and vision on possible cooperation with SAI of Serbia in the future, as well as gain insight into their collaboration practices with state and independent bodies. The purpose of such sampling was to establish an inventory of forms of cooperation with the civil society in the Serbian public sector, while at the same time identifying the potential pool of cooperating CSOs for the Serbian SAI once some form of institutionalised cooperation would be

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2 For the purpose of this Study, neo-institutionalism is broadly defined as having a research subject pertaining to the formal legal institutional framework, including constitution, public law, and formal institutional structure, etc., as well as informal institutions such as habits and conventions which result from longstanding activities of a peoples.
3 Nonprobability sampling does not entail random selection, and can be divided into two broad types: accidental or purposeful. As its denomination implies, purposeful sampling encompasses a previously define group which is deemed relevant for the study. Finally, snowballing can be understood as a subcategory of the purposeful sampling method and it denotes that identified interviewees who have been included in the study further recommend others who meet the criteria of the research as well.
established. CSOs were identified through the abovementioned snowballing technique, i.e. information on new interviewees was collected during interviews themselves. In total 20 interviews were conducted.

In regards to the rest of the sample, due to the geographical distance and limitations of financial resources, an electronic questionnaire was sent out to all European SAI’s, as well as to SAI’s from Latin America, India, South Korea and Republic of South Africa. Non-European part of the target group was identified on the basis of a preliminary desk research which indicated in what part of the world to look for the most valuable experiences of citizen participation in the work of SAIs.

Semi-structured interviewing and surveying are common techniques as they allow for simultaneous data collection and analysis and thus, lead to an incremental improvement of the methodology. For instance, since the primary focus of the comparative aspect of the Study were the Supreme Audit Institutions (SAIs) of EU Member States, the questionnaire was firstly forwarded to the representatives of the SAIs of the 27 countries, as well as the candidate countries and aspiring candidates. However, the replies illustrated the fact that due to a differential legacy and social context, there is a difference in the way Western European countries perceive the external audit process and consequently, citizens’ involvement in enhancing government accountability and the citizens’ engagement practices which they deem as necessary as opposed to the developing countries such as those in Latin America. Thus, having understood that the European practices mostly relate to citizen complaint mechanisms rather than also having developed cooperation with CSOs, the sample was broadened to encompass aforementioned countries and regions beyond Europe. In this way, as the understanding of the research question evolved, the sampling became increasingly more appropriate. In return, the accuracy, validity, and reliability of the research findings, and the quality and credibility of the study were increased.

For the semi-structured interviews, a script was produced which was based on the questions provided in the questionnaires so as to facilitate comparison during the interpretation of collected data. The questions and topics prepared were designed in such a way to lead interviewees towards coherent answers which would lead to better understanding of research questions, while not limiting them in the sense of information pertaining to their work. An amalgamation of the interviewing method applied to the sample in Serbia and surveying method in regards to all supreme audit institutions, offered the possibility to share particular illustrative insight while also allowing for a common denominator which facilitated the analysis of the abundant gathered data. Primary data collection was conducted during the period from March until July 2013. In total, there were 12 questionnaires out of 38 filled out by European and 13 by the Latin American SAIs. SAI’s from India, South Korea and Republic of South Africa did not respond to forwarded questionnaire. Across the Study triangulation of primary and secondary sources at disposal was applied, in order to check and therefore increase credibility of citations and conclusions.

I.2 Structure of the Study

The Study is structured in six chapters. After the first, introductory chapter, chapter II gives the theoretical framework and places the research topic in the wider context of citizen participation, firstly giving an overview of the concepts of participatory and deliberative democracy, which provide for a theoretical significance to the involvement of citizens in decision making and policy making processes. Further on, a wider overview of the general literature regarding the involvement of citizens and civil society in the work of

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8 Among European supreme audit institutions the response rate was approximately 31% and among Latin American approximately 65%, High response rate among Latin American SAIs was ensured through a translation of the questionnaire into Spanish and distribution through Organisation of Supreme Audit Institutions of Latin America and the Caribbean (OLACEFS).
SAI is brought forth. Chapter III at the onset presents and analyses the existing cooperation experiences and cooperation mechanisms of state institutions and the civil sector and citizens in Serbia, only to lead to an overview of the practice of Serbian State Audit Institution in terms of citizen involvement and cooperation with CSOs and to later on analyse the legal framework of external audit and citizen participation in Serbia. Chapter IV introduces the comparative good practice examples in regards to citizen participation and CSOs involvement in the external audit processes in European countries while chapter V focuses on non-European experiences, above all Latin American. Chapter VI summarizes the findings of the research and on the basis of the analysis of good practices from and beyond Europe offers options for citizen involvement and civil society inclusion in the work of SAI in the broadest sense. In the elaboration of the recommendations, particular focus was given to the historical and cultural factors in Serbia which have great a value “in the distribution of roles of institutions and civil society in the framework of participatory mechanisms.”

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Chapter II. Context: Citizen Participation and Government Accountability
II.1 Citizen Participation in Democratic Theory

Nowadays there is a notable worldwide tendency to increase citizen participation in decision making and public service provision. In that sense, political theorists have coined a term for this turn on the international arena to assure citizen involvement in democratic decision making – deliberative, direct or participative democracy. Given that citizen participation became a topic of interest to numerous scholars and experts, there is a great variety of definitions which aim at depicting the meaning of the term. However, for the purposes of this Study, participation represents a continuous process through which mutual trust and partnership are being built. It encompasses strategies for the horizontal involvement of citizens who are otherwise outside of the process of designing, making and implementing policies. Still, we will provide a short overview of a selection of theoretical definitions which are up to this date deemed relevant. Therefore, this chapter covers the main theoretical strands which aim at elaborating the concepts of participatory and deliberative democracy, as well as citizen participation so as to eventually arrive to the perspective of citizen participation in improving the work of accountability mechanisms.

In the European Union the debate stemming from a legitimacy crisis and a overly talked about democratic deficit, led to an increased focus on the civil society as a crucial actor in a authentic participative democracy i.e. a promising supplement to representative democracy. Moreover, in a representative democracy, the citizens sporadically at elections delegate their powers to a group of representative who afterwards enjoy a degree of independence in relation to their electorate for the period of their mandate. It was noted that in this way, it comes to a certain alienation of representatives which raises the question of how to regulate, decrease and bridge the gap, while at the same time maintaining a certain necessary dose of autonomy and independence of state institutions. Experts, theorists and activists have began to give greater significance to the widening discrepancy between the citizen representatives in the existing institutions and the needs of the constituency. The chief questions are revolving around the deepening of democracy, or in other words how to give the citizens the space so as to articulate their needs in a more successful manner.

It is deemed that participatory governance decreases democratic deficit since it introduces traditionally marginalised grouped into policy making which ideally leads to enhanced levels of democratic accountability, legitimacy and openness. It is not limited to activism, pressure and advocacy but envisages for societal influence to be channelled through institutionalised opportunities for citizen participation institutionalised mechanisms of citizen participation in decision making and oversight. Participatory mechanisms are considered to be complementary to representative democracy since they aim at the establishment of participatory institutions, i.e. to create a space for citizen participation in order to ensure sustainability and irreversibility of the participative process which bestows the citizens with a greater

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role. In participatory governance, the focus is placed upon the proactive role of citizens, while at times deliberative practices are also introduced. Therefore, participatory democracy must be differentiated from direct as well as from deliberative democracy. Under the model of direct democracy, citizens themselves make key political decisions as envisioned by, among other others, the political philosopher Jean-Jacques Rousseau, is deemed to be unachievable in today’s complex and may lead to dangerous amalgamations and hybrid forms. Therefore, we will not dwell upon the elaboration of this model. It is thought that the frequency and quality of citizen participation is enhanced through participatory democracy, which in return establishes a novel relationship between the citizens and the state, one which is based upon cooperation and deliberation with the goal of improving the end results of the work of state bodies.

Participatory governance already above stated, is to be differentiated from deliberative democracy which comes down to creating forums which surpass individual interests through a discussion which strives for a normative consensus. One of the renowned theorists of deliberative democracy today, John Dryzek elaborated that the term deliberative democracy entails a focus on the authenticity of democracy, thus, the extent to which democracy is substantive and involves competent citizens. In relation to representative democracy which looks at participation through its constituency, deliberative democracy expands the understanding of participation public discussions, public hearings and more inclusive processes. Even though there are numerous definitions of public deliberation, it is sufficient to say that this term entails an inclusive discourse through which citizens in cooperation analyse the problematic at hands and arrive to options which depict the multifaceted priorities of the society, which they later on debate upon so as to jointly reach the optimal decision. Deliberative perspective is based upon the communication theory of Jürgen Habermas, which states that actors have to be ready to be persuaded into a better argument through practices which exclude any type of coercion, while the final goal is to reach a consensus on the basis of competing rational claims. This consensus is necessary in the pluralistic societies of today so as to surpass the legitimacy crisis and arrive to legitimate decisions. Such an approach, however, is still oftentimes criticised for being utopian and a normative ideal which does not hold enough value for actual policy making.

Even though public participation has become a routine part of many decision making processes through public debates, hearings and reports, it is important to emphasise that deliberative democracy is qualitatively different from such methods. Therefore, the premise is that the citizens not only have the right to be informed, and for those purposes participate in consultative mechanisms, but also have the right to influence decision making in regards to the decisions which concern them and may in the future affect them.

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12 Referenda, citizen initiatives or petitions, and the impeachment of political representatives are examples of forms of direct democracy which are incorporated in political systems today.

13 The extent of this improvement depends on a variety of factors, some of which are the capacities and competences of the civil society, the political context, party system, the nature of participation mechanisms, as well as availability of resources. For more information see: Adam Przeworski, Stokes, Susan C., and Manin, Bernard (ed.). Democracy, Accountability, and Representation. Cambridge University Press, 2012. Available at: <http://partipirate.re/doc/tresors/Democracy-Accountability-and-Representation.pdf>


For instance, James Fishkin who worked throughout his career on the practical implementation of deliberative democracy worldwide, emphasises five key characteristics – informativeness of arguments based on facts, balanced arguments and counterarguments, conscientiousness of the participants meaning presence of mutual trust and dedication to expressing one’s view and listening to another’s, substantiveness in the sense that the arguments are being assessed based upon their value, and not in regards to their proponent, and finally, comprehensiveness entailing that all significant perspectives and stances of the society are represented.\(^{20}\)

Citizen participation reflects the interconnectedness of citizens, institutions, relevant issues and the very political system which provides the citizens with the opportunity to actively participate and express their opinion.\(^{21}\) Citizen participation is a topic of numerous researches; however, despite the extent of literature on the topic, there is no clear and overarching, generally recognised terminology. Therefore, in order to explain the dynamic relationship of the citizens and the state, a number of models of citizen participation came to the forefront of the debate. One of the pioneering works on the topic is the well-known model of Sherry Arnstein, which denotes eight levels of citizen participation which are differentiated in regards to the share of power at the disposal of the citizens.\(^{22}\) Citizen control is hypothetically the highest level which illustrated the outmost instance to which citizen participation may develop.\(^{23}\) In this sense, it may be said that Arnstein defines citizen participation in relation to the concept of power and that in this view citizen participation is feasible through a redistribution of power i.e. through the distribution of information and participation in budgetary allocations.

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure.png}
\caption{Table adopted from: Arnstein, Sherry R. A ladder of citizen participation (1969)}
\end{figure}


\(^{23}\) Tokenism is a superificial form of effort of symbolic gesture aimed at achieving an objective.
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Even though theorists stress the importance of direct citizen participation, as there is very little writing which represents systematic studies, it can be concluded that theory building which would be based on the understanding when and how and to which extent to apply citizen participation models is still underway. As one of the novel approaches, we refer to Kathe Callahan who made a brief overview of the models which are available in literature and presented them in a table according to the role undertaken by the citizens and public servants, approach toward the citizens, and the dynamic and method of the interaction. Even though it represents a simplification of the models of citizen participation and has its limitation, it still gives the insight necessary for the conceptualisation of the examined dynamics.24

<table>
<thead>
<tr>
<th>Administrator Role</th>
<th>Citizen Role</th>
<th>Managerial Approach</th>
<th>Dynamic</th>
<th>Method of Interaction</th>
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<td>Ruler25</td>
<td>Subject</td>
<td>Coercive</td>
<td>Authority</td>
<td>Government Control</td>
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<td>Voter</td>
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<td>Neutral Competence</td>
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<td>Passive</td>
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<td>Engaged</td>
<td>Deliberative</td>
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<td>Co-producer</td>
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<td>Active</td>
<td>Partnership</td>
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<td>Cooperative</td>
<td>Co-investing</td>
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<tr>
<td>Employee32</td>
<td>Owner</td>
<td>Compliance</td>
<td>Conflict</td>
<td>Citizen Control</td>
</tr>
</tbody>
</table>

Table 1. Adopted from Kathe Callahan, Citizen Participation (2007).

Namely, as the author herself argues, citizen participation remains to be a disputed concept, while above all, there is a very limited number of empirical research endeavours with the goal of examining citizen participation in the public administration. Thus, she attempted to analyse through her work the suggested models and to give her own recommendations for future research and activities. She concluded that even though the models are different, a common pattern which pervades all of them is that citizen participation is represented through two extremes – complete passivity vis-à-vis the proactivity of citizens, while the rest remains unexamined. Additionally, Callahan underlined that informal and ad hoc approaches to trainings on the topic of citizen participation do not bring about more effective change in the attitudes of the civil

25 Bureaucratic and undemocratic system in which public administration hold absolute power over the people.
26 Representative democracy in which civil servants are accountable in front of the officials who were chosen by the electorate.
27 Traditional public administration which is characterized by bureaucrats of whom citizens become dependable.
28 New public management representing a public administration approach in service to the citizens similar to the approach of the private sector.
29 Civil servants facilitate citizen participation, meaning reciprocal respect and trust are being built.
30 Ideal in which citizens and civil servants with joint efforts work towards a common goal.
31 Civil servants are a type of brokers in which citizens have invested their trust, responsibly invest so as to maximize the gains for the welfare of the society at a large.
32 Civil servants are at service to the citizens and abide by their decisions.
servants. What is necessary is a continuous and coherent approach to re-education.\textsuperscript{33} Moreover, it is thought according to sociological studies, that the likelihood of cooperation increases if it comes to a direct contact between the citizens and civil servants. For instance, the research conducted by King, Feltey and Susel shows that authentic participation requires dialogue and deliberation, while limiting factors seem to be based in administrative processes and participatory techniques.\textsuperscript{34} Therefore stems the recommendation of education and re-education of citizens and civil servants so as to alter the nature of their communication and cooperation.

If we look at the concept of citizen participation through the prism of accountability, it is important to emphasise that in this regards lately there has come to a proliferation of literature, and that participatory mechanisms are increasingly being the focus of researches so as to examine benefits and the negative sides of introducing such mechanisms into institutional structures in order to finally reach certain conclusions and recommendation for the maximisation of the effect of cooperation practices in regards to citizens and CSOs. Political scientist usually analyse accountability through a vertical and horizontal perspective. According to Guillermo O'Donnell, on the one side, vertical accountability entails a direct citizen impact in regards to policies through their participation in elections i.e. through their influence on the policymakers while on the other side, horizontal accountability refers to state institutions and as part of the internal system of checks and balances in the system of division of power. Supreme audit institutions are for instance oversight bodies which are established as horizontal accountability mechanisms with the explicit goal of preventing, eliminating, compensating, and/or punishing activities (or lack thereof) of other state institutions which are deemed illegal either on the basis of encroachment of their mandate or corruption.\textsuperscript{35}

In this sense, diagonal accountability is introduced so as to entail direct citizen participation in horizontal accountability mechanisms with the goal of improving the oversight of the government.\textsuperscript{36} In this manner the oversight role of the civil society is strengthening since the state institutions lose their monopole over the formal oversight of the government. Some of the principles of diagonal accountability are – participation in horizontal accountability mechanisms, the flow of information i.e. open access to the information which

\begin{itemize}
  \item American Political Science Association.
\end{itemize}
generally available exclusively to the institutions of horizontal accountability, the possibility of pressuring the government to reply to information demands, and the possibility of using the findings as influence of officials. In literature, there is also mention of so-called social accountability which according to a strand of thought represents a misnomer due to the fact that it is not indeed a specific type of accountability but an approach of vertical accountability. Namely, examples of social accountability are participatory budget planning and social audits, as well as other initiatives which introduce citizens into oversight systems and government control of which will be elaborated in greater detail further in the text. World Bank studies claim that social accountability expands the concept of diagonal accountability since it is generally accepted in literature as an approach aiming at achieving accountability while other strands of thought deem it necessary to preserve the differentiation between these two concepts due to the fact that the state strives to keep the oversight system as exclusively its domain and therefore reduces social accountability and civil society participation to a symbolic level.

II.2 Development of the Concept of Citizen Participation in the External Audit Process

Despite the tendency among SAIs worldwide to adopt and implement practices and mechanisms which promote transparency and citizen participation on the national as well as subnational levels, the citizens still do not perceive them as institutions of the accountability system to which they would first turn, while in regards to the CSOs, they in most case still do not have a developed cooperation network. Moreover, it is evident that in research and academic circles, the topics of citizen participation in the external audit process remains underexamined with the exception of a limited number of key works. Thus, there is a literature gap which must be surpassed for the introduction of participatory mechanisms to be based on research, findings and conclusions which stem from previous practices and experiences.

The fact that SAIs owe their influence on the government to public and media support, explains the recent inclination to include the citizens in the external audit processes. As societies become more diverse, societal phenomena are more complex, pushing for the traditional functions of SAIs to develop and adapts so as to be able to respond to the newly created challenges. Citizens are deemed to be the most important stakeholders, yet in most cases they are the ones who are the least familiar with the functioning and values of SAIs. The approach which promotes citizen involvement in external audit processes is related to the understanding of citizens as “accountability holders”, in other words, individuals who through taxes finance the work of the government and the services it provides. Thus, the government holder ultimate accountability in respect to the citizens. Even though the citizens practice participation in democratic regimes through voting rights in political processes and in that manner exercise their role of “accountability holders” in the rudimentary sense, in the context of participatory democracy, it is deemed that additional levels and forms of citizen participation are necessary for achieving this desired role. Such citizen participation may be achieved directly or through CSOs, who stand for certain interests of citizens and the society at large.

38 Ibid.
On the one side, SAIs provide the citizens with necessary information so they could perform their “watchdog” oversight function, while on the other side, the citizens can contribute with useful information for SAI recommendation and later on follow their implementation. In this vein, it can be concluded that citizens may be considered as partners to SAIs in a joint effort to strengthen public accountability and transparency. Only, if citizens believe that SAIs work exclusively in their favor and the society as a whole, they will respect them as key institutions in the accountability system. In order to be in the position to demand the implementation of SAIs recommendations, citizens have to actively participate in the political debate through an appropriate platform.42

Through direct cooperation with the citizens, it is ensured that the public sector takes in account citizen demands and more successfully identifies the deficiencies of the budget management, while indirectly, citizen participation leads to greater trust in the government, and naturally the external audit itself. According to the 21st UN/INTOSAI Symposium on Effective practices of cooperation between Supreme Audit Institutions and citizens to enhance public accountability which was held in Vienna in 2011, as a step towards including citizen concerns in the external audit process, numerous SAIs established complaint mechanisms which allow for citizen participation. An institutionalisation of focus groups in the analysis and finals phases of audit) or citizen surveys was noted si as to promote SAIs functioning and citizen participation in the institutions work, as well as to gather additional information on the topics of relevance to SAIs work.43 Additionally, consultations with advisory groups and professional organisation on topics of strategic planning, audit standards, etc. were also noted. On the same occasion, it was emphasised that citizens show great interest for social audit. Attention was drawn to the fact that in establishing citizen participation mechanisms, independence standards of SAIs (e.g. ISSAI 10) should be respected as they were instituted by INTOSAI so as to evade any kind of influence which may compromise SAIs independence.44

As little attention has been devoted to the cooperation of SAIs and CSOs in literature, there is no systematic work on the topic, as well as no comparative analysis of the implementation of participatory mechanisms within SAIs.45 Even though civil society has for a long time been marginalised in the area of public finance, and at times even excluded, throughout the last decade the contribution of CSOs in the analysis and their influence on the use of public resources, especially in regards to the developing countries, has been heralded.46 These countries are forerunners in civil society initiatives in regards to public finance management since they are mostly characterised by a low level of public trust in the government and public administration. Consequently, this instigates greater focus of the civil society in regards to issues pertaining

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43 Ibid.

44 “Pillars of independence” concern issues related to the questions of legal status, resources, cadres, activities, access to information, reporting on results of audit, content and time of publishing audit reports, as well as effective mechanisms for monitoring audit results. See: INTOSAI. Eight Pillars Defining the Independence of Supreme Audit Institutions (SAIs), What does SAI Independence Stand for? Available at: <http://www.intosai.org/fileadmin/downloads/downloads/4_documents/Folder_English_2012.pdf.>


Currently the focus is on forging adequate innovative synergic mechanisms for the cooperation of SAI with citizens so that wider participation in the process of external audit would create a better environment for the compliance with SAI recommendations, and thus create a positive societal change.

The fact that the CSOs are in direct contact with the citizens signifies that they have a facilitated access to information of importance such as the expectations of the stakeholders, and thus may contribute to the legitimacy of SAI and greater public support.

to government accountability and above all financial accountability.\textsuperscript{47} Still, the CSOs mostly chose to focus on the budget of the executive prior and during its implementation, while instances of cooperation with SAIs which perform ex post audit, were fewer. Currently, the focus is placed on finding appropriate synergic relations of the citizens and SAIs so as to create a more favourable environment for the implementation of their recommendation, and in return stimulate a positive social change, through a wider involvement in the external audit process.\textsuperscript{48} As noted, CSOs provide necessary information on the manner in which the budget influences the poorest citizens, conduct awareness raising trainings, and stimulate knowledge and capacities of citizens and the media, instigate discussion within the civil society on the topics revolving around public finances, contribute to the gathering, synthesis, and dissemination of relevant information.\textsuperscript{49} Additionally, CSOs contribute to external audit owing to concrete advocacy activities, the proximity to service beneficiaries, lower level of bureaucratisation and procedural limitations.\textsuperscript{50}

Ramkumar and Krafchik on the basis of the analysed case studies denote the following conclusions on CSOs role in the external audit process:

- building citizen literacy on public financial management
- detect potential cases of corruption and to report these to SAI
- augment limited SAI capacity to undertake performance and procurement audits monitor and build
- pressure on the executive to implement audit recommendations
- innovative audit methodologies to monitor public projects/programs

Due to a common interest for the improvement of the entire framework of accountability, the civil society may become a significant ally to SAI which has a highly complementary role, while at the same time not compromising the institutions integrity and autonomy. In this way, both the CSOs and SAIs experience the benefits arising from their cooperation. While SAIs have access to all relevant information, their employees are highly qualified in regards to the audit topics and have technical tools and financial resources, CSOs have a developed network of contacts at their disposal and these can prove to be very useful throughout the process of the dissemination of results. CSOs due to the sole fact that they are in a direct contact with the citizens have a facilitated access to information of relevance to SAIs such as stakeholders’ expectations. Also, CSOs may monitor the implementation of audit recommendations through which along with the media, they would create a pressure on the government. The CSOs may themselves give suggestions for audits on the basis of information which they gather

\textsuperscript{47} “Towards Greater Financial Accountability of the Government in Serbia”, European Policy Centre, pp. 64.
\textsuperscript{49} Ibid.
through their work with the citizens, and in this way may bridge the gap between the citizens and SAIs. In the analysis conducted by the European Policy Centre in 2012, Towards Greater Financial Accountability of the Government in Serbia, a number of tendencies were noted in regards to the cooperation between SAIs and CSOs:

1. Above all, civil society organisations in certain cases themselves instigate the process of independent audit. Well implemented activity in such a way may give momentum to accountability issues and pressure institutions into reacting and supplementing the findings of audit institutions.
2. Civil society organisations use reports, recommendations and findings made by audit institutions so as to question the accountability of state institutions and demand compliance. In this way they exercise neo of their naturale functions of control and overishgt (watchdog).
3. Civil society organisations and audit institutions may cooperate closely in a more or less institutionalised form of cooperation (from informing, consultation, dialogue to partnership)
4. Certain audit institutions instigate more inclusive approaches when it comes to citizen participation and provide opportunities for their contributions.

In such a widely defined framework, institutional forms of cooperation may be established in various manners depending on the content and desired goals, while state bodies most often “adopt appropriate documents which emphasise the support and importance of civil society organisations for the society as a whole, as well as for the functioning and success of a specific public policy.” The formal dimension of these relations is established through a) bilateral documents between the state body and the civil society organisations which define the goals of the cooperation and the accountability of both parties (memorandums on cooperation, understanding etc.), or b) unilateral documents which are adopted by a state body (the parliament, the government, the ministries, local governments etc.) often with the contribution of a part of the civil sector. Modes of cooperation may be represented from an endorsemnent to the entire sector with an emphasis on a wide spectrum of issues, or a support in a certain area, up to cooperation in the provision of certain services.

In order to face the limitation of SAIs in relation to the institutional framework, capacities as well as political influence, an ever growing number of initiatives purport transparency and participation mechanisms. For instance, the Conference in Manila organised by the IBP, UNDESA and EROPA in 2007 under the title Dialogue on Civil Society Engagement in Public Accountability, is arguably one of the first initiatives which brought together the representatives of CSOs and SAIs so as to examine the possibilities of cooperation.

Namely, the IBP paper which influenced the conceptualisation of the conference was The Role of Civil Society Organisations in Auditing and Public Finance Management from 2005 as a pioneering effort to tackle the factor of CSOS in the strengthening of SAIs work. It was concluded in Manila that there are numerous opportunities for such a cooperation to take place since on the one side, the civil society is ever

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*There are numerous cooperation opportunities having in mind that on the one side, the civil society is increasingly being interested in the audit process so as to improve financial accountability of the government, while on the other side, auditors are ever more open for citizen participation in audit processes.*

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51 Montero, Aranzazu Guillan.
more interested in the external audit processes to improve the financial accountability of the government, while on the other side, the auditors are increasingly more open to citizen engagement in audit processes.56

The International Organisation of Supreme Audit Institutions in November 2011 created a program with IBP and UNDESA in order to examine possible SAI cooperation practices with CSOs and citizen participation in audit processes. UN and INTOsAI brought forward numerous recommendations with the goal of improving government accountability through the cooperation of SAIs and citizens such as the recognition of citizen contribution, strategies of transparent communication, promotion of participation, monitoring as well as giving follow up to the citizens.57 On the General Assembly of the United Nations on the December 22nd 2011, the Resolution Promoting the efficiency, accountability, effectiveness and transparency of public administration by strengthening Supreme Audit Institutions which clearly and explicitly denotes the key role of independent SAIs.58 The 21st UN/INTOSAI Symposium was held so as to identify successful cooperation practices of SAIS and citizens and pinpoint innovative approaches.59 The gathering encompassed three subtopics – Communication between SAIs and citizens in the improvement of government accountability and awareness raising of the citizens in regards to SAIs work, Forms of citizen participation in government auditing with focus on appropriate ways and conditions so as to include the citizens in the audit process, and Values and benefits of cooperation between SAIs, parliaments and citizens. It was emphasised that for SAIs to be more successful in their role of partners and representatives of the citizens, they need to monitor citizen needs throughout their work, notify the public on audit and audit finding, as well as introduce citizen oriented capacity building so as to be able to demand the implementation of audit recommendations.60

It can be said that the 21st UN/INTOSAI Symposium was monumental in the long and perseverent awareness raising process in regards to the mutual benefits of strengthening cooperation between SAIs and citizens. On this occasion, the conclusions of the Committee of Experts on Public Administration on the empowerment of citizens in exercising their right to access information of public importance and on government accountability in the strengthening of democracy. Refering to the principles of Lima Declaration from 1977 and Mexico Declaration from 1987, it was emphasised on the Symposium that external audit has an implicit role in strengthening the public trust in state institutions through ensuring the management of public resources for the benefit of the entire society. Additionally, from the previously mentioned documents, stems the role of citizens in enhancing transparency and fight against corruption in the public accountability system which is a composite part of good governance.61 Moreover, according to the UNDP definition, good governance is characterised as participatory, transparent, accountable, effective,

Despite the worry that the cooperation between SAIs and OCDs may compromise the traditional role of SAIs as independent institution, strong partnerships and effective cooperation practices improve service provision and strengthen the fight against corruption.
in accordance with the law and open for the needs of citizens.\textsuperscript{62} Thus, the successful cooperation of SAI on the one part and citizens and CSOs on the other is an important prerequisite for attaining the goals of good governance.

The SAI present at the 21\textsuperscript{st} UN/INTOSAI Symposium, declared that they are aware of the fact that opportunities for the institutionalisation of cooperation with citizens and the civil society should be examined, and even consider cooperation with organisations in the private sectors so as to assure that the public administration in its entirety adheres to accountability principles in an efficient, effective and responsible manner.\textsuperscript{63} Even though there are concerns on both sides that cooperation may compromise SAI\mbox{s in relation to the mandate of audit, it is underscored that organisations and cooperation platforms must be carefully selected so as to correspond to the social context, while maybe even a conduct code needs to be adapted to the newly created conditions in order to ascertain SAI\mbox{s independence. It was concluded that despite the worry that such cooperation may impair the traditional role of SAI as independent institutions, strong partnerships and effective cooperation practices promise to improve the provision of public services and management of public resources, and in return strengthen the fight against corruption.\textsuperscript{64}

National Audit Office of Finland in 2011 conducted an international comparative survey on the topic of Citizen approach in audit work throughout EU Member States and certain OECD countries in order to examine whether the SAI\mbox{s of these countries have established a citizen approach in their work.\textsuperscript{65} Namely, the conclusion of the study show that this kind of approach is was from becoming mainstream among the European SAI\mbox{s, as this Study confirmed through its own research. Thus, it is interesting to examine the practice of citizen participation in developing countries and above all focus on the South American SAI\mbox{s where the first steps to open financial control to the citizens as the „sources of qualified and continuous information on critical areas of public administration” have been made already in the mid-1990s.\textsuperscript{66} Even though the participation of civil society in the external audit process is a relatively novel phenomenon, in particular the examples of South America illustrate the fact that these mechanisms compensate for certain institutional limitations and lack of capacities within SAI\mbox{s, as well as decrease the susceptibility to political influences. Arguments for and against cooperation with CSO\mbox{s and citizen participation remain to be discussed in the international arena, and even though they are in their inception, they seem to be getting momentum when it comes to establishing cooperation between external audit institutions and civil society.

\textsuperscript{62} Ibid.
\textsuperscript{63} 21st UN/INTOSAI Symposium.
\textsuperscript{64} 21st UN/INTOSAI Symposium.
\textsuperscript{66} Division for Public Economics and Public Administration Department of Economic and Social Affairs. Rethinking Public Administration. Available at: <http://www.unpan.org/Portals/0/60yrhistory/documents/Publications/Rethinking%20public%20administration.pdf>
Chapter III: Citizen Participation Mechanisms in Serbia
III.1 Citizen Participation in the Work of State Institutions in Serbia

In the Republic of Serbia, the right of citizens and the wider public to participate in the processes of formulating, implementing and adopting policies is derived from general constitutional provisions (Article 2 and 53 of the Constitution), as well as on the basis of democratic (participatory) governance backed by human and minority rights. Additionally, Article 56 of the Constitution prescribes that “everyone shall have the right to put forward petitions and other proposals independently or with others, to state bodies, entities exercising public powers, bodies of the autonomous province and local self-government units and to receive a reply from them if they so request.” From a wider perspective, having in mind that government policies and programs directly concern citizens and influence their lives in their surroundings, citizens are seen as primary stakeholders.

Civil society organisations represent one of the practical forms of the freedom of association. A logical step of the freedom of association and in that regard realisation of individual, group or collective interest in matters of importance for individuals and their rights, presupposes the opportunity to influence decision making in public policies that concern the lives of citizens. Their involvement in decision making processes is therefore necessary in order to bring policies closer to the citizens. As they important actors in the decision making process, the role of civil society organisations is twofold: firstly, they articulate legitimate interests towards the public and authorities, and secondly, they monitor the work of the authorities and represent a certain controller.67

As Serbia is a state striving to join European Union, the context for the involvement of citizens in the work of state institutions (or in the management of public affairs) is also instigated by EU legislation, above all the founding treaties. The importance of citizen involvement in the European Union is recognised in the Article 8a of the Lisbon Treaty stipulating that every citizen has the right to participate in the democratic life and that decisions are to be made as close to the citizens as possible, while Article 8b prescribes that institutions will keep an open, transparent and regular dialogue with representative associations and the civil society.68

The framework for institutional cooperation between government institutions and civil society can comprise a range of bodies, appointees/contact persons and other structures built to connect those two sectors. Under institutional cooperation mechanisms we consider those mechanisms that allow for the “establishment of platforms and framework for sustainable and permanent partnership with CSOs as primary functions of those mechanisms”,69 which are often followed by respective strategic documents (memorandums, strategies, agreements etc.).

Some of the advantages of institutionalised cooperation mechanisms are:70

- Promotion of the concept of an open, collaborative and transparent governance;
- Easier communication and creation of a platform for structural and permanent dialogue and cooperation;
- Support of civil society organisations development;

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69 Guidelines for transparent financing of associations and other civil society organisations from the budget of local self-governments. pp. 3.
70 Guidelines for transparent financing of associations and other civil society organisations from the budget of local self-governments. pp 5.
Comparative Study of International Practices with Recommendations for Serbia

- Higher participation in policy making processes;
- Involvement of civil society organisation in the European integration process etc.

According to the research “Assessment of the Situation in the Civil Society Organisations Sector in Serbia” done by Civic Initiatives and the Office for Cooperation with Civil Society, the attitude of the state towards civil society organisations is predominantly assessed as disinterest (39%), while 22% evaluate it as positive, and finally 19% of organisations hold that the state sees them as partners. The same research elaborates that predominantly organisations dealing with law, public advocacy and policy see positive steps in relations with state.

According to the results of the research conducted by the European Centre for Non-Profit Law on main achievements and results of institutionalised cooperation mechanisms currently in use in the Western Balkans and Turkey, multiple benefits are to be seen in 1) the education of government officials, members of parliament and organisations on possibilities for development of civil society and citizens’ participation, 2) the creation of a platform for structural dialogue of key actors, 3) the improvement of the reform of the legal framework for CSOs, 4) the stimulation of citizens’ participation in legislative processes and 5) the increase of financial sustainability of organisations. Problems that are usually emphasised in that context are the lack of political will, inadequate structure of domain and composition of existing mechanisms, lack of capacities and resources as well as focus on cooperation with larger organisations and networks.

Aiming to institutionally regulate relations between civil society and public authorities, the Government of the Republic of Serbia established in 2010 the Office for Cooperation with Civil Society. The Office is an expert service of the Government with powers predominantly related to coordination of the cooperation of Government, ministries and other governmental institutions with civil society organisations as well as giving expert support in the establishment of appropriate communications channel. The domain of the Office among other tasks includes initiating dialogue with civil society, activities pertaining to creating an enabling environment for the development of civil society and development of cooperation between the civil, private and public sector, as well as other activities which aim to build capacities and sustainability of work of civil society organisations. The category of civil society, within the domain of the Office, encompasses associations but also media, trade unions and other types of organisations whose aim is to influence the work of public authorities. The Office has to ensure a partnership platform by creating and establishing clear standards and procedures for the involvement of civil society organisations at all level of decision making, on one side, as well as by providing support to civil society organisations in the processes of defining and implementation laws and policies, on the other. Specific importance in the work of the Office has been given to projects that enable the cooperation of public authorities and civil society organisations in the European or regional context.

Specific mechanisms for the involvement of citizens and civil society are also necessary since traditional mechanisms for the involvement of citizens and their contribution are insufficient for the establishment of more qualitative and effective decision making system that could to a greater extent solidify the principles of participatory governance. Apart from traditional mechanisms of citizen and civil society organisation participation, such as referenda, civic initiatives and public participation in committee meetings and public

71 Guidelines for transparent financing of associations and other civil society organisations from the budget of local self-governments. p. 22.
72 Guidelines for transparent financing of associations and other civil society organisations from the budget of local self-governments. pp. 25.
73 Regulation on the Office of Cooperation with Civil Society. Available at: <http://www.srbija.gov.rs/vesti/dokumenti_pregled.php?id=130068>, (04.05.2013)
hearing of the parliament, recent changes in the Rules of Procedure of the Government, introduced the obligation of the proposer to organise a public debate when preparing a law that crucially changes a certain matter or regulates a matter of special importance to the public (more information on the provisions on public debates in section III.4). In comparison to the previous version of the Rules and Procedure, recent changes regulated requirements, procedures, program of public debates and deadlines more closely and it is definitely advancement, while the application of the new solutions in practice remains to be seen. However, certain issues remained open, such as the possibility to not propose an organisation of a public debate (with the decision of the committee in charge), thus making room for an evasion of public debates, as well as the issue of a lack of mandatory public debates in the preparation of strategic documents.

Following the accession of Serbia to the Open Government Partnership, the Action plan for 2013 provides further suggestions for the improvement of public debates via internet. This Action plan also envisages other activities pertaining to fiscal transparency and citizen involvement and economy (a variety of activities such as the promotion of electronic public debates among citizens, establishment of a central system for the collection of citizen experiences of the use of services of the state administration, local self-government and public enterprises for the purposes of improving the quality and effectiveness of service provision).

Civil society organisation are ever more active in the sector of transparency and financial accountability of then government (and even more specialised in the fields of public procurements and fight against corruption) in different forms. Alongside “classic” types of organisations such as think tanks, watchdog and activist organisations, specialised civil society organisations such as professional organisations (e.g. The Association of Professionals in Public Procurement) can play a significant role in these areas. The importance of these associations rests in their expert knowledge. Problems in their work concern insufficient capacities as well as an insufficient visibility in respect to the public. There have been few examples in Serbia of cooperation between civil society organisations and professional associations, one of them being

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75 Previous version of the Rules of Procedure. Available at: <http://reforma.bezbednost.org/poslovnik-vlade/>, (15.05.2013)
77 Action plan is available at: <http://www.zakonjenas.rs/sites/default/files/attachment/Akcioni%20plan%20Partnerstvo%20za%20otvorenu%20upravu.pdf> (20.05.2013)
78 Civil society and civil society organisations are two related concepts but different in scope. Civil society organisations can consider “primarily associations (until recently known as association of citizens), foundations and endowments, professional associations…syndicates and employment organizations, religious organisations, culture, art, sport and all other organisations citizen associate with – thus exercising their natural and later constitutionally guaranteed freedom of associations”. Bjeletić, Milorad, Organizacije građanskog društva i borga protiv korupcije, in: Građansko društvo i mediji zajedno protiv korupcije, Topički centar za demokratiju i ljudska prava, Prokuplje, 2012, pp. 52.
79 Građansko društvo i mediji zajedno protiv korupcije, pp. 8.
the dialogue on roots and solutions in fight against corruption jointly triggered by the Association of Public Prosecutors and the Coalition for Oversight of Public Finances.⁸⁰ An exchange of experience among “classic” civil society organisations and professional, expert organisations is of great importance having in mind the specific knowledge at the disposal of both types of organisations.

Citizens’ participation in the domains of transparency and financial accountability and budget management is vital for the enforcement of public policies. In that context, knowledge of budgetary process is needed as well as solutions for active participation in these areas – “As long as budgetary processes are far from the public eye, policies will be alienated and their implementation will not be as successful as those framed in the participatory manner.”⁸¹

### III.2 Domestic Comparative Practices of Citizen Participation and Cooperation with CSOs

In Serbia there are examples of cooperation with civil society on a higher level. Moreover, these are seen as good examples of a wide consultative process/forum striving to include civil society actors to a greater extent. These examples are worth summarizing having in mind that they can serve as a framework for the State Audit Institution in regards to its intentions to strengthen cooperation with CSOs and involve citizens in its work to a greater extent.

**Office for Cooperation with civil society** has been already mentioned as a horizontal institutional mechanism of the Government with the objective of enhancing cooperation with civil society in all areas. It is worth mentioning that the Office is planning to begin activities for advancing this mechanism, such as the establishment of a national council for cooperation with civil society, adoption of a strategy for the creation of an enabling environment for civil society, as well as the production of communication standards between the Government and civil society. Moreover, alongside described activities it is necessary to build capacities on both sides. It is paramount to stress the importance of continual implementation of mechanism after their establishment in order keep responsibility of state representative once those mechanisms are established.⁸²

**Social involvement and Poverty Reduction Unit of the Government (SIPRU)** initiated a wide consultative process in the adoption of the Poverty Reduction Strategy. Aiming to improve the cooperation SIPRU initiated Contact Civil Society Organisations (KOCD) that consisted of seven organisations each representing a single socially vulnerable group. The idea behind this programme was to enable the civil society organisations to participate in the implementation of this strategy.⁸³

**European Integration Office** firstly initiated the signing of a Memorandum of Cooperation⁸⁴ with civil society organisations in 2005 and afterwards programmes of cooperation with civil society organisations in the field of planning development assistance, especially programming and monitoring the use of the instrument for pre-accession. This programme introduced in 2011 a consultative mechanism for civil society organisations, while main actors are the Sectorial civil society organisations (SEKO) as a consortium of organisations selected through a public call. Results envisaged for this programme had to include civil society organisations in key processes related to the planning of development assistance, especially

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⁸⁰ Bjeletić, Milorad. Građansko društvo u borbi protiv korupcije, pp. 60-62
⁸² From the interview with Ms. Ivana Ćirković, director of the Office for Cooperation with Civil Society.
⁸³ Citizens Participation in the Process of Preparation and Implementation of Laws and Other Public Policy Instruments, pp. 41.
⁸⁴ Also, memorandums of cooperation as initial documents for establishing cooperation with civil society organisations have been signed between different state bodies and civil society organisations, e.g. Ministry for human and minority rights in 2009 signed memorandum with organisations.
programming and monitoring of IPA implemented by the Government. Also, a wide consultative process was used to define positions and recommendations of a broad forum of civil society organisations and integrate them into the final documents of the relevant sector of the Office. In total, seven SEKO sectors have been formed: rule of law, state administration reform, civil society, media and culture, competitiveness, human resources development, agriculture and rural development, transport, environment and energy.85 Also, in the light of the preparation for Serbia’s accession negotiations, the Office initiated with the technical support of German development agency (Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH) – the project “Support to European integration process in Serbia”, and prepared a model for the involvement of CSOs in the negotiation process. In this sense, it will enable the involvement and contribution of representatives of relevant CSOs in individual negotiation chapters, without a formal appointment thus ensuring flexibility of the system.86

Independent agencies often form partnerships with civil society organisations in their activities having in mind that some of them focus primarily on improving the position of citizens and advancing citizen rights. Independent bodies and agencies are a new form of control over state bodies which incrementally began developing from the second part of the 20th century. The literature often sees those institutions as a so-called “fourth branch of government”. The domain of independent institutions encompasses the “protection of human rights and rule of law; external control of government; transparency; accountability and public integrity of state institutions; achieving good governance and public interest”.87 More specifically, the aim of those institutions is to “monitor compliance with the law and to control the functioning of state bodies” and represent a “barrier to the tendency of government corruption”.88 Independence equals autonomy in their work as well as financial independence from the executive (regardless of whether financing sources are from the budget or in-kind). Those two dimensions of independence should enable employees in these bodies to perform their duties without any external pressure. In order to be efficient, independent bodies have to: “be fully independent from the government; have extensive powers to perform investigations; have appropriate resources without charging plaintiffs; be easily accessible territorially via local offices, as well as electronically; submit reports and remain accountable for their work to the parliament”.89

Having in mind the control function they perform in regard to the executive as well the special attention that is given to the protection of human rights, a natural link between these institutions and civil society organisations is evident in activities pertaining to strengthening government transparency and (financial) accountability, good governance and exercise of guaranteed human and minority rights. These institutions although established by state bodies, in most cases the parliament, represent independent, “external” instances of control, meaning that civil society and citizens are recognised as natural partners with complementary goals.

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85 Sectorial civil society organisations. Available at: <http://www.cdspredilaze.org.rs/> (25.05.2013)
86 From the interview with Mr. Srđan Majstorović, deputy director of the European Integration Office.
Anti-Corruption Agency adopted the internal Guidelines for cooperation with CSOs in order to regulate the forms and conditions of cooperation with civil society within its domain. Three possible forms of cooperation are: general support, cooperation and partnership.

Strategy for the fight against corruption for the period 2013-2018 which sets out aims for the prevention of corruption, such as making conditions for a more active participation of civil society in the fight against corruption.\(^9\) Guidelines for the cooperation with civil society state that “Participation of CSOs in drafting and applying policies is necessary and useful since it: a) increases the quality of an adopted policy; b) enables an easier and less expensive implementation of a policy; c) enables an easier oversight over the application of policies.”\(^9^2\) For organisations interested in cooperation, which above all fulfil the criteria from the guidelines, the Agency envisaged three forms of cooperation: general support, cooperation and partnership. Also, the Strategy envisages a more detailed elaboration of the mechanism for acting upon recommendations made by independent state bodies, prescribing the regulation of an oversight procedure over the implementation of conclusions adopted by the National Assembly when annual reports of independent bodies are submitted.

At the conference held in June 2013, organised by the Agency and the Office for Cooperation with Civil Society, the abovementioned Guidelines were presented and the issue of strengthening social integrity in the state administration bodies and in civil society organisations was raised. The Director of the Agency stated that strengthening cooperation is a priority and civil society organisations are seen as partners.\(^9^3\) In its previous work the Agency held trainings on corruption on numerous occasions aimed at representatives of civil society.

The Agency also led an extensive awareness campaign on the rise of corruption in Serbia. The campaign encompassed media advertisements, social networks, and a telephone line as well as an internet presentation to report corruption (prijavikorupciju.rs). The website enabled the citizens to directly report alleged corruption to the Agency in previously defined areas on the website, selected through the analysis of cases of corruption reports during the work of the Agency. The telephone line had also an educational and informative component i.e. it covered topics such as what is corruption and how it can be reported. In total 105 potential cases of alleged corruption have been reported (6 in procedure). Depending on the nature of submissions, the Agency forwards them to the institutions in charge or handles them if they fall within the purview of the Agency – asset and income of public officials, misuse of public office, conflict of interest etc.

\(^{90}\) Department for education, campaigns and cooperation with civil society. Available at: <http://www.acas.rs/sr_cir/o-agenciji/nadzna/sektora.html> (24.05.2013)


\(^{92}\) Guidelines for cooperation of Anti-Corruption Agency with civil society organisations. Available at: <http://www.acas.rs/images/stories/Smenice_-_OCD.pdf> (24.05.2013)

\(^{93}\) From the speech of Ms Tatjana Babić, Director of the Anti-Corruption Agency at the Conference “Role of civil society organisations in fight against corruption,” Belgrade, 13th June 2013.
The Agency adopted the Regulation on the protection of persons who report suspicion on corruption in order to regulate the protection of whistle blowers. The Regulation defines a whistle blower as a civil official or an employee in any of the state bodies or organisations established by the state, local self-government or provincial autonomy. However, it is reasonable to say that the definition of whistle blower as an employee in an institution where corruption is being reported is rather narrow and indeed broader regulation of whistle blowers is underway (see Section III.4). Annual report of the Agency for 2011 states that the lack of legal provisions that would regulate the nature, content and scope of rights to be protected limited the Agency to primarily deal with suspicion on corruption during the drafting of the Regulation, while protection itself was neglected. In the absence of a more precise legal framework, whistle blowing as an activity contributing to transparency and financial accountability is complementary with activities of civil society organisations. These organisations can indicate potential suspicions on corruption, conflict of interest or misuse of budget resources through the information provided by citizens in a manner which can protect their anonymity for the purposes of privacy and security (example in Serbia is online portal Pištaljka - www.pistaljka.rs).

The Ombudsman performs control over the legality of work of the holder of public powers and also examines ethics, conscientiousness, impartiality, competence, effectiveness, efficiency and respect of party’s dignity as well as other features of the administration. Thus, the Ombudsman should represent a key state body for combating so-called mal-administration, which signifies a group of acts and actions of the administration in any given formal or factual form that unjustifiably breach citizen rights in terms of time, conditions, manner, accuracy or respect of personal dignity in exercising its powers. The Ombudsman is characterised by a proactive and positive attitude when it comes to cooperation with civil society, while civil society organisations are seen as partners in protecting rights and freedoms of citizens. Between 2007 and 2012 the Ombudsman continually developed and enriched forms of cooperation with CSOs. The report for 2007 states that “cooperation with civil society organisations and especially with non-governmental organisations is one of the main elements of strategy of the Ombudsman.”

In 2007 the Ombudsman held numerous individual and group meetings with civil society representatives on issues of common interest and provided four recommendations to non-governmental organisations for their projects. Activities in 2008 included involvement of civil society representatives in the formation of advisory bodies for specialised areas while at the same time focus was given to organisations dealing with protection of vulnerable and minority groups. Continual dialogue and participation in different events were regular activities of the Ombudsman in cooperation with civil society. In 2009 representatives of civil society organisations were involved in the work of advisory bodies. “Cooperation of the Ombudsman with civil society organisations was also manifested through joint organisation of different events and other forms of partnerships. The Ombudsman analysed with civil society organisation state in specific areas, exchanged experiences, prepared legal initiatives etc.” In 2010 “network of partner organisations and experts has been established for the exchange of information and cooperation on individual issues electronically as well as directly, was very useful for the Ombudsman’s work on the protection and improvement of human rights and freedoms” while other forms of cooperation were continued. In 2012 successful cooperation practices with civil society continued with further deepening

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of cooperation in specific fields (Roma, gender equality, rights of the child, persons with disabilities) through work on legislative initiatives on law amendments and monitoring of implementation of recommendations.98

Reports of the Commissioner for Information of Public Importance and Personal Data Protection provide information on cooperation with civil society as well. The general experience is regarded as positive and in 2009 cooperation developed “primarily in organisation of different expert events for the purposes of training and affirmation of the right of public to know...especially with non-governmental organisations gathered around Coalition for free access to information of public importance.”99 The positive role of the cooperation with media was also highlighted. In 2010, the Commissioner “continued to develop previously established good cooperation with civil sector.” 100 Activities were identified as the same as in the previous year (expert events, affirmation of the public’s right to know etc.). Novelties in 2011 included activities “aiming at strengthening the non-governmental sector having in mind that activities pertaining to free access to information are far more articulated than those pertaining to personal data protection.”101 In the report for 2012, it is stated that the Commissioner “welcomed over thirty pupils from high schools from municipality of Preševo, Bujanovac and Medveda and introduced them the work of the Commissioner and how to exercise the right to access information of public importance and personal data protection.”102 Citizen education in this area was also performed through the integration of materials within the teaching programme of the course Civic education for pupils in the 4th grade in secondary schools.103 Although limited to a single non-compulsory course, this example of integration into teaching curricula represents a good example worth expanding to other areas of government accountability, including financial accountability.

The process of adopting the Law on free access to information of public importance itself is regarded as a good example of the crucial involvement of CSOs and the media, having in mind their active advocacy for the adoption and implementation of the Law. This Law was early on recognised in the public as a good mechanism for increasing transparency and government accountability.104

In regards to the cooperation examples between the Commissioner and civil society, it refers to the strengthening of local civil society organisations through trainings and capacity building for the practical use of rights envisaged by the Law on Free Access to Information of Public Importance. In this way, not only the capacities of organisations to make use of those rights were being increased but also the knowledge and capacities of citizens to influence the processes of budget spending and make them more transparent i.e. to systematically monitor the process of the adoption of municipal budgets. Moreover, capacity building is

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98 Annual Report of the Ombudsman for 2012. Available at: <http://www.ombudsman.rs/attachments/2766_God%C5%A1nji%20izve%C5%A1taj%20Za%C5%A1titnika%20graana%20za%20godinu.html> (05.06.2013)
100 Annual report of the Commissioner for 2010, p 80-81. Available at: <http://www.poverenik.rs/sr/o-nama/godisnji-izvestaj/1018-izvestaj-poverenika-za-2010-godinu.html> (05.06.2013)
103 See: <http://www.gradjanske.org/page/civicEducationProgram/sr/civicEducationSubject/manuals.html>
104 From the speech of Ms Stanojla Mandić, deputy Commissioner at the Conference „Civil Society and Citizens in the External Audit Process;“ 7th of June 2013.
increasing the information of the public and raising citizen awareness on the importance of active participation in decision making processes and distribution of resources.

Finally, cases of multiple rejections of state bodies to make available information of public importance are also important for the role of CSOs in monitoring the implementation of the Commissioner’s work. Based on this information, the Commissioner collects and updates list of those cases (“black list” of the Commissioner, hereinafter).\textsuperscript{105} Multiple rejections can indicate the intention to conceal certain information from the public and therefore to hide (often harsh) irregularities that can be subject to examination in the process of external audit and also suitable for activities of CSOs in monitoring the Commissioner’s work, thus resulting in useful suggestions for commencing external audit.

The introduction of a civil supervisor in the public procurements procedure was done through the adoption of the new Law on Public Procurements which came into force on the 6\textsuperscript{th} of January and is being applied from the 1\textsuperscript{st} of April 2013. The Law stipulates that “persons eligible to be appointed as civil supervisors are prominent experts in the field of public procurement or in areas related to subject of public procurement”\textsuperscript{106} and “also eligible for civil supervisors are associations dealing with public procurements, prevention of corruption, or prevention of conflict of interest.”\textsuperscript{107} The Public Procurement Office is in charge of more closely determining requirements and criteria. Pursuant to this Law, a civil supervisor performs oversights over public a procurement procedure if its value is estimated to exceed a billion RSD. His/her work is not remunerated. The civil supervisor submits a report on the implemented procedure to the committee in charge within the National Assembly, or assemblies of local self-governments or provincial autonomy, as well as to the Office for Public Procurements and if there is reasonable doubt on the legality of procedure, to the public as well as bodies in charge are informed. However, certain aspects of the Law remain unknown and there are also potential problems in the functioning of this new institution. Firstly, as the civil supervisor is not remunerated for his/her work, this can bear positive as well as negative consequences on the quality of his/her work and impartiality. Also, the form of the report that the supervisor submits remains unknown. Finally, the threshold of one billion RSD for the participation of the supervisor in a public procurement boils down to the fact that this institution will be only functional at the state level. According to the analysis of the Institute for Comparative Law, there are certain opportunities as well as advantages for this type of participation in procurement procedures of lower value, especially at the local level.\textsuperscript{108}

\textsuperscript{105} From the interview with the Commissioner, Mr Rodoljub Šabić.
\textsuperscript{108} From the speech of Ana Knežević Bojović, Institute for Comparative Law, at the conference „Civil Society and Citizens in the External Audit Process,” Belgrade 7\textsuperscript{th} June 2013.
III.3 Past Practices of SAI Serbia of Citizen Participation

When it comes to supreme audit institutions, which also includes the State Audit Institution of Serbia, it is important to stress the specific position of these institutions in comparison to other independent bodies. Apart from standard requirements for functional, financial and personal independence and competence within the institution in order to perform the function of the controller of state bodies in the most efficient and competent way, external audit is also specific since these institutions perform ex-post control of budget management. Consequently, they are often seen as the institutions which are “above the system” in comparison to other independent institutions. That position is partly proved by the specific expertise that the process of external audit requires and since the protection of citizen rights is achieved indirectly through the control of public spending, i.e. the money of the tax payers. In this vein, the supreme audit institution should be treated separately in the context of cooperation with civil society actors and citizens since that type cooperation could be regarded as “non-traditional.”

However, “external audit takes into account media releases and reports of civil society organisations that were dealing with budget spending in the production of the audit plan. Thus, it is relevant for the activities of the civil society in the field of budget transparency to send findings of budget realisation to this institution.”

Also, SAI of Serbia claims that communication with the citizens is particularly important since they are considered to be natural partners in eliminating irregularities in the management of public funds. According to the President of SAI, citizens are a valuable source of information and the dialogue with citizens is important for rising awareness on the work of SAI and for strengthening trust in state administration.

According to the SAI President, citizens are seen as a valuable source of information and dialogue with citizens is deemed important for rising awareness regarding the work of SAI and strengthening trust in state administration.

Insufficient understanding of SAI’s role is seen as a problem in the communication with the citizens. On the one side, it is expected that auditors can handle citizens’ requests immediately, while SAI’s work is based on a determined plan and programme, while on the other, SAI often receives enquiries and requests that do not fall within the purview of institution. SAI, therefore, highlights the need for citizen education which gives room for civil society organisations that, alongside SAI have a role in education and awareness rising. Also, the support of media is of great importance since it is the outlet through which SAI findings reach citizens.

The representatives of the State Audit Institution in Serbia (SAI) have been in contact with civil society organisations through trainings which were held upon request of organisations and their coalitions. Also, SAI representatives participated in seminars, conferences, interviews and consultations with civil society organisations in the course of projects conducted by those organisations (such an example is a project under which this research is carried out). So far there has not been a more profound type of cooperation, with a more formalised character. SAI of Serbia has organised three trainings so far for media representatives with the goal of introducing them to its work and improving their skills for a proper investigation of audit reports. SAI intends to continue to do so in the future as well.

Experiences of those organisations (majority of them being active in the Coalition for oversight over public finances, but not necessarily) prove that SAI is seen as a very valuable source of information. SAI reports and findings represent a credible source in the sense that they cannot be derogated. The difficulty in using these sources lies in the specialised language and incomprehensibility of reports which burden the

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109 Milosavljević, Miodrag. Uključivanje građana u budžetski proces, pp. 41.
110 From the speech of Mr Radula Sretenović, President of the SAI, at the conference “Civil Society and Citizens in the External Audit Process,” Belgrade 7th June 2013.
communication with civil society and citizens. In order to improve the level of cooperation from the current stage which is primarily reduced to informing, it is necessary to adopt a more proactive attitude on both sides and to define stakeholders in a clearer manner.\textsuperscript{111} Also, “organisations in Serbia dealing with public finances have gained significant knowledge from SAI employees though their work up to this date, which signifies that future cooperation, should be continued in both directions.”\textsuperscript{112} In the opinion of a SAI Council member, CSOs have achieved astonishing effects so far in their work, predominantly at the local level, and gained irreplaceable experience that can be used in the process of adopting annual plans of SAI’s work, both in terms of selecting auditees and topics of audit. It is necessary to secure sustainability of effects of CSO’s projects once the financing is over since without sustainability trust of citizens will be lost and existing capacities wasted.\textsuperscript{113}

In regards to SAI’s handling citizen requests, the analysis up to today was conducted in relation to requests made by individuals, legal entities as well as civil society organisations which were via e-mail to SAI in the course of 2011, 2012 and the first four months of 2013. Conclusions are solely based on the analysis of requests sent via e-mail while the possibility to analyse those received by other means was limited (e.g. via regular post, in person, by telephone etc.). In the analysed period, SAI received 132 requests in total and there is a notable trend of increase in the total number of requests as well of those submissions which report alleged irregularities and ineffectiveness of work of auditees which can be useful for the auditors’ work. Citizens are the most common contributors in regards to submissions while there is also a tendency of an increasing number of requests from stemming from CSOs and legal entities. On the other side, statistical data indicates a trend of significant decrease in the share of requests coming from employees in the bodies which are being audited, from 40% in 2011 to 21,47% in 2012 and then to 7,89% in the analysed period of 2013.

Submissions most commonly indicate breaches of acts regulating matters such as public procurements, financial management, employment relations and management of public property.

\begin{table}[h]
\centering
\caption{Overview of electronic requests to SAI in 2011}
\begin{tabular}{|l|c|}
\hline
Total requests in 2011 & 5 \\
\hline
Number of requests from individuals & 3 \\
\hline
Number of requests from employees in audited bodies & 2 \\
\hline
Number of requests beyond SAI’s domain (requests for giving opinion on law implementation) & 4 \\
\hline
Number of requests potentially relevant for SAI & 1 \\
\hline
\end{tabular}
\end{table}

In 2011 State Audit Institution received 5 electronic requests in total, one of them reporting an alleged irregularity and ineffectiveness of the work of auditees.

\begin{flushleft}
\textbf{Citizen requests sent to the Serbian SAI most commonly indicate on breaches of acts regulating matters such as public procurements, financial management, employment relations and management of public property.}
\end{flushleft}

\textsuperscript{111} According to the interviews with representatives of a number of CSO’s in Serbia (list of interviewees - Annex 2).
\textsuperscript{112} From the speech of Ms. Jadranka Jelinčić, director of the Fund for an Open Society in Serbia, at the conference “Civil Society and Citizens in the External Audit Process,” Belgrade 7\textsuperscript{th} June 2013.
\textsuperscript{113} From the speech of Mr Miroslav Mitrović, member of the SAI Council, at the conference “Civil Society and Citizens in the External Audit Process,” Belgrade 7\textsuperscript{th} June 2013.
In 2012, the State Audit institution received 92 electronic requests in total, while 47, 33% were from the part of citizens, 21,74% from the part of employees in audited bodies, 13,04% from the part of civil society organisations and 17,39% from the part of legal entities. In 43, 48% of cases indications on irregularities and ineffectiveness of work of auditees potentially relevant for auditors have been reported.

Table 3. Overview of electronic requests to SAI in 2012

<table>
<thead>
<tr>
<th>Total requests in 2012</th>
<th>92</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of requests from individuals</td>
<td>44</td>
</tr>
<tr>
<td>Number of requests from employees in audited bodies</td>
<td>20</td>
</tr>
<tr>
<td>Number of requests from CSO’s (associations, trade unions, media and political parties)</td>
<td>12</td>
</tr>
<tr>
<td>Number of requests from legal entities (businesses and auditees)</td>
<td>16</td>
</tr>
<tr>
<td>Number of requests beyond SAI’s domain (requests for giving opinion on law implementation)</td>
<td>27</td>
</tr>
<tr>
<td>Number of requests for information of public importance</td>
<td>26</td>
</tr>
<tr>
<td>Number of requests with proposal to SAI to perform audit</td>
<td>34</td>
</tr>
<tr>
<td>Number of requests potentially relevant for SAI</td>
<td>40</td>
</tr>
</tbody>
</table>

Until the end of April 2013, SAI received a total 38 electronic requests, while 52.63% from the part of citizens, 7.89% from the part of employees in audited bodies, 21.05% from the part of CSO’s and 18.42% from the part of legal entities. In 44.74% of cases, indications on irregularities and ineffectiveness of work of auditees potentially relevant for auditors have been reported.

Table 4. Overview of electronic requests to SAI in 2013 (end of April)

<table>
<thead>
<tr>
<th>Total requests in 2013</th>
<th>38</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of requests from individuals</td>
<td>20</td>
</tr>
<tr>
<td>Number of requests from employees in audited bodies</td>
<td>3</td>
</tr>
<tr>
<td>Number of requests from CSO’s (associations, trade unions, media and political parties)</td>
<td>8</td>
</tr>
<tr>
<td>Number of requests from legal entities (businesses and auditees)</td>
<td>7</td>
</tr>
<tr>
<td>Number of requests beyond SAI’s domain (requests for giving opinion on law implementation)</td>
<td>15</td>
</tr>
<tr>
<td>Number of requests for information of public importance</td>
<td>4</td>
</tr>
<tr>
<td>Number of requests with proposal to SAI to perform audit</td>
<td>12</td>
</tr>
<tr>
<td>Number of requests potentially relevant for SAI</td>
<td>17</td>
</tr>
</tbody>
</table>

III. 4 Legal Framework of External Audit and Citizen Participation in Serbia

The Law on the State Audit Institution regulates the external audit of public finances as a key control mechanism over effectiveness and legality of use of public resources in the system of public finances in Serbia. Introduction of the system of treasury, integral budget classification, standardised material basis for preparation of budget drafts and plans, unique criteria of budgetary control and audit as well as procedures and methods of reporting, preconditions for the introduction and functioning of the external audit have been met. Institutionally, external audit has been organised in the form of an independent state body, the State Audit Institution, while its position and jurisdiction fall under legal and constitutional guarantees.

External Audit exercises a control function over the use of public resources in the system of public finances, through independent reporting on programs, functions and activities of the subjects it controls. The subject of audit is examination of documents, certificates, reports and other information in terms of alignment of stated incomes and expenditures in regard to acts on the budgetary system, i.e. the alignment of financial reports, transactions, accounts, analysis and records in regards to relevant financial acts. Apart from that, the regularity of transactions of auditees is being examined in regard to authoritative acts that regulate their

activities and jurisdiction. Specifically important is the evaluation from the aspect of expedience of utilised resources based on the principles of economy, efficacy and effectiveness as well as compliance with planned objectives. Finally, external audit comprises of an evaluation of the system of financial management and internal control of auditee and its accounting and financial procedures, as well as activities of those in charge for planning, conducting and monitoring activities of beneficiaries of public resources. Regarding the procedural aspect of the law, it envisages specific rules regarding the initiation of the audit process, free access to data and documents, adoption procedure for audit reports, as well as procedures following audit findings, and in other matters where process character rules have been applied subsidiarity in accordance with general administrative procedure.

Application of measures and observations made in audit reports is being ensured through the obligation of submitting response reports on the part of the auditee, submission of request to take actions against the auditee, initiating dismissal of or criminal proceeding against the person deemed responsible. Response reports present auditees’ obligation to state in written on an action being taken in order to eliminate determined irregularities and ineffectiveness. Applied measures are subjected to a new audit evaluation, and if not satisfactory, there is a possibility of taking other, harsher measures. A request for taking measures is submitted to the authority that is seen to have adequate powers in terms of realisation of auditee’s accountability in order to examine the accountability of the auditee that breached the obligation of sound management. If serious beaches have been determined, request for dismissal of the responsible person is submitted directly to the adequate authority and is a press release is made to the public. Additionally, if the audit procedure determines elements referring to criminal or other responsibility, submission of request for initiating criminal or other proceedings against the responsible person is at disposal.

**Law on the State Administration**\(^{115}\) firstly prescribes the principle of transparency of the work of public administration as well as the obligation to facilitate insight in its work to the public pursuant to the law regulating free access to information of public importance. Alongside this basic instrument for achieving the transparency of work of the public administration, there are also following aspects:

- **Informing the public** on the work of the public administration via facilities of public informing and in other ways. Majority of ministries and other state authorities have specific organisational units or individuals in charge of public relations, namely for giving and transmitting information on the work of a respective authority to the media representatives for the purposes of ensuring continual, efficient and reliable communication.

- **Public hearing in law preparation** – authorities in charge of preparing laws have an obligation to carry out a public hearing regarding laws that significantly alter the legal regime in that area or regulate matters of specific interest to the public. Rules of Procedure of the Government\(^{116}\) extensively regulates public hearings by concretising when one needs to be organised, namely on while drafting a new systemic law, preparing a new law, unless the committee in charge decides otherwise after an elaborated proposal of the law proposer, as well as while preparing a law on amendments if it crucially changes solutions from the existing one, while the committee in charge decides in every single case upon the elaborated proposal of the law proposer. The decision on holding a public hearing, its program and deadline for carrying it out is decided by the committee in charge, upon a proposal from the law proposer, and a procedure of public hearing commences with the disclosure of a public call for participation in the public hearing along with the program of

\(^{115}\) Law on the State Administration (“Official Gazette of the RS” No. 79/05, 101/07 and 95/10)

\(^{116}\) Rules of Procedure of the Government (“Official Gazette of the RS” 61/06-consolidated text, 69/08, 88/09, 33/10, 69/10, 20/11, 37/11, 30/13); latest amendments including new procedural rules on conducting public hearing are being applied from 10.04.2013.
the public hearing on the internet page of the proposer and portal of e-government. The public call should also contain information on the structure of the working group that formulated the draft or the proposal which is subject to the public hearing, while the program should contain the draft of the act proposal with an elaboration and annexes determined by the Rules of Procedure for the act in question, the deadline for carrying out the public hearing, important information on activities planned within public hearing, especially time of the round tables, discussions and alike, methods of submitting proposals, suggestions, initiatives and comments, as well as other information important for carrying out the public hearing. The duration of a public hearing cannot be less than 20 days. The committee in charge is authorised to determine the program of the public hearing and the deadline for the examination draft law, if proposer was obliged but failed to do so. Finally, proposer is obliged to publish report on public hearing that is carried out on its own internet page and e-government portal, 15 days after concluding public hearing at the latest.

- **Administration days** as way of bringing closer state administration bodies to those who are not always in the position to approach them in their premises or departments. Administration days foresee the possibility to perform activities of state bodies in specific places, according to a determined time table which was made publicly through the media. However, cases of application of this type of administrative activities are very rare in practice.

- **Obligation to inform parties and citizens** is the obligation to provide information on the rights, duties and ways of their exercise to the individuals that they concern, as well as to provide information on its own jurisdiction, authority that is monitoring the work of a respective body and the way to contact that authority, as well as other information relevant for the transparency of work and relations with parties. Standardly, this information is provided within the premises of the body in question where contact with parties may also be established via telephone.

- **Opinions on the application of the law** and other general acts from the scope of ministry’s or other state body’s work represent one of the most important ways of providing adequate information on matters of importance to citizens from the view of acts these bodies are applying. This type of communication is widely accepted in the practice of state bodies and is popular among the public, since it ensures a relatively reliable insight into the position of the state body in charge of a certain category of situation. Opinions on the application of the law are not binding and they need to be linked with the relevant administrative practice of law application they are referring to.

- **Complaints** are a specific form of submission that any person can submit to a body of the public administration in relation to work of its employees, functioning of that body or other possible irregularities. The state body is obliged to enable the submission of complaints as well as to provide an answer no later than 15 days after the submission if the submitter requested.

Apart from the methods of maintaining relations between state bodies and parties or the public in general, the law also prescribes an obligation to achieve that relation in an appropriate manner, as well as an obligation to organize the treatment of parties during working hours.

**Law on Free Access to Information of Public Importance**[^117] - by regulating the specific legal framework which introduces the category of information of public importance and envisages the procedure, conditions and the way to access and have insight into data on the functioning of state bodies, and the principle of transparency of the state administration’s work have been laid down. Information of public importance entails information in possession of a state body that originated in work or in relation to work of a state body that is contained in a relevant document and refers to everything that the public has the right to know. The

[^117]: Law on Free Access to Information of Public Importance ("Official Gazette of the RS" No. 120/04, 54/07, 104/09 and 36/10)
spectrum of persons who are authorised to submit request is not exhaustive since there is general personal clause which grants that right to all under equal conditions regardless of citizenship, residence or place, or personal characteristics such as race, religion, nationality and ethnicity, sex and similar.

However, it is important to notice that the phrasing of this norm, as well as that of other articles in the Law which concerns the submission of requests, refers exclusively to individuals so it cannot be stated that it fulfils in entirety the requirement for ensuring the transparency of work of public authorities from the aspect of interest of collective entities such as civil society organisations. From the aspect of transparency of work of public authorities great importance has obligation of the state bodies prescribed by this Law to at least once per year publish a brochure on their work, covering among other the description of the body’s jurisdiction, duties and their organisational structure, data on the budget and work resources, data in regard to type of services directly provided to those with interest, procedure of submission or request to the state body i.e. lodging complaints against the decision, actions or failures, names of heads of those bodies and description of their powers and duties, as well as procedures for adopting decisions, data on working hours, premises, contact telephones and other. Alongside publishing a brochure, a state body is in the position to significantly relieve the performance of its duties in relation to access to aforementioned data if it publishes data that is considered to be of public importance, and is in this way free of the obligation to act upon individual requests.

**Law on General Administrative Procedure** - rules that regulate the transparency of an administrative procedure, the possibility of access and insight into subject papers, as well as exchange of other relevant information between a party or a second party with a justified legal interest, on one side, and the state body which conducts the administrative procedure are encompassed by rules on legal flow of the general administrative procedure. They refer to the rules on the communication of bodies and parties and between bodies i.e. they include process provisions on submissions, looking into documentation and informing on the course of the procedure and on delivery as well. **Submissions** are a basic and predominant manner of communication in an administrative procedure and they entail notifications of claims, suggestions, requests from parties and other participants in the procedure in regard to body in charge. Exceptionally, notifications can be made in writing within minutes, or by phone if it is possible to do so.

Rules on looking into documentation and informing on procedure flow contain authorisation of party to execute looking into and copying of the documentation of a subject under surveillance of a public official. In case of a third person i.e. a person who does not have the characteristics of a party involved in the procedure, legal interest needs to be proven. In addition, looking into documentation and copying is prohibited (minutes on deliberation and voting, official reports, draft solutions, confidential documentation) i.e. when it is opposite to the public interest or justified interest of one of the parties or third person. For the sake of looking into and copying documentation request is submitted in written or oral form. The same applies to informing on the course of the procedure to which party or every third person as well as state bodies with an interest have the right under the condition that there is probable legal interest. Usually, an official of the body in charge upon request orally notifies the submitter of the decision, while the submitter has the right to a specific complaint which is to be delivered in the period of 24 hours.

**Law on Public Procurement**\(^\text{118}\) - Transparency of public procurement is one of the main factors of fiscal accountability of public authorities. The Law prescribes the principle of transparency which signifies the obligation of the contractor to ensure visibility and transparency of the public procurement procedure respecting but not limiting only to the obligations envisaged by this Law. The concretisation of these obligations is foreseen by the rules on publishing public procurement calls, previous calls and calls for the submission of an offer or application as well as the Portal of public procurements. The manner of publishing

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\(^{118}\) Law on Public Procurement (“Official Gazette of the RS” No. 124/12; applied from 1.04.2013) is the third generation law from this area, after the first Law on Public Procurements in domestic legislation from 2012 and law from 2008.
calls envisages the obligation to publish a call on the Portal of public procurements as well as on the internet page of the contractor, as well as specific requirements for public procurements exceeding a certain sum. A contractor can also publish a call for submission of application offer in a specialised sheet having in mind the subject of the particular public procurement. Previous calls consider the obligation of the contractor to at least once per year, at the very beginning of the year, publish a notification on the intention to organize public procurement procedure, if the amount of a procurement of goods or services is fifteen times higher or in case of works twenty times higher than prescribed amount of a small value procurement.

The Portal of public procurements is a central information point for the exchange of data on planned, current and finalised public procurements. The Portal is run by the Public Procurement Office and apart from the abovementioned information; it also publishes an annual list of ordering parties, enables access to the archive of calls, negative references and measures for banning contract signing. The data search on the Portal is entirely free of charge and accessible, and does not require a certain registration of parties with interest.

When it comes to transparency of the public procurement procedure and participation of experts, the institute of civil supervisor as a legal novelty is of great importance. Namely, the civil supervisor is a person appointed by the Public Procurement Office selected among prominent experts in the public procurements field or specific field related to the subject of public procurement. The civil supervisor exercises an oversight function in regards to the public procurement procedure with an estimated value exceeding a billion RSD. In exercising its function, the civil supervisor has the power and obligation of continually preforming insight into the procedure, documentation and communication of contractor with stakeholders and suppliers, as well as to submit a report on the public procurement procedure to the parliamentary committee in charge of finances as well as to the Public Procurement Office. If the civil supervisor has a reasonable doubt of the legality of the public procurement procedure, he or she is obliged to inform the state bodies in charge and the public.

Apart from the aforementioned legal acts, impending legal initiatives with the function to enhance the transparency of work of public authorities should be also taken into account. Firstly, there is a project for drafting the model of Law on protection of whistle blowers led by the Commissioner for Information of Public Importance and Personal Data Protection with the participation of the Ombudsman, representatives of the judiciary and academic community as well as relevant civil society organisations. The aim of the initiative is to legally regulate the system for the protection of individuals who consciously inform to a body or organisation, control body or public on instances when public interest is at jeopardy so as to crucially improve the accessibility of reliable data on legal breaches in the functioning of a state body especially in matters of corruption. Individuals who are in the position to reveal that type of information are usually considered to be so-called insiders and their protection should be considered in regards to possible retribution concerning the violation of their rights and legally based interests, especially in terms of dismissal from the position which they hold in the respective body, persecution through a disciplinary procedure, change of position or work place, deprivation from work resources, change of working duties and tasks or deprivation of right to training etc.

A second important initiative refers to the preparation of the Law on the protection of public interest from forbidden trading in influence, which will for the first time regulate lobbying activities in Serbia. Even though
lobbying is still a contradictory topic in the Serbian public, legal regulation would ensure its transparency and would set rules and requirements in terms of qualifications of the individuals performing lobbying activities, control over their work as well as sanctioning identified abuses. In the context of this initiative lobbying entails a specialised service of exercising legal influence over authorities on the part of individuals authorised to do so, for the purposes of the realisation of a legally allowed interest of a party, in return resulting in a financial contribution. In essence, a lobbying activity would exclusively be conducted through the provision of relevant data and analysis which was previously unknown to the state representatives in charge of the preparation of the law in question, meaning that it also requires specific knowledge in terms of the category, form and manner of transfer of relevant information in which a party is interested. The basic effect of this initiative is to increase the level of social integrity protection and fight against corruption that can occur during identification of legislative policy, law preparation or adoption of decisions of general importance by the state bodies, organisations and other bodies granted with public powers. Additionally, legal regulation would legitimize the lobbying activity, which is very important in modern democracies, in the context of the domestic legal regime and would classify it as a regulated profession due to its special importance in the light of current and forthcoming activities in the EU accession process of Serbia.
Chapter IV: SAIs and Citizen Participation – Practices in European Countries
This chapter focuses on the practices of citizen involvement and cooperation of civil society organisations with supreme audit institutions among European countries (above all, European Union member states and countries of European Economic Area). As aforementioned, the practice of European countries is not sufficiently developed in comparison to those observed in Latin America and other SAI’s worldwide, however certain useful experiences still do exist and are worth examining.

The analysis presented in this part of the Study has been prepared on the basis of combination of preliminary archive research, 12 filled out questionnaires (Annex 3) sent out by the European Policy Centre to all European SAI’s (including SAI’s of the Western Balkans), as well as on the basis of contribution of participants at the conference “Civil Society and Citizens in the External Audit Process”, held in Belgrade on 7th June 2013 organised by the European Policy Centre, financially supported by the USAID Judicial Reform and Government Accountability Project. Exhaustiveness of the answers is directly proportional to development of practices of the involvement of citizens and cooperation with CSO’s.

IV.1 Citizen Participation in External Audit in Europe - Introductory Remarks

European Union member states as well as countries within European Economic Area do not provide many examples and comparative practices, in comparison to the countries outside of Europe, when it comes to cooperation of external audit with civil society as well as involvement of citizens. The reasons are to be found in specific contexts of the countries in the Western Europe.

Firstly, external audit in these countries does not represent the most obvious example for cooperation with civil society and citizens because of the special characteristics of audit activities and the role that other institutions have in the system. Supreme audit institutions perform control of spending of budget resources of all users and strive to establish good financial management at the systemic level which consequently leads to avoiding a “naming and blaming” position. While their work is not focused towards identification of single cases of corruption but rather on the alignment of financial reports and effectiveness of spending and policies, institutionalisation of mechanism for direct complaints coming from civil society would mean exceeding domain of activities envisaged by constitutions and laws on supreme audit institutions.

Secondly, independent position of supreme audit institutions which is guaranteed by the international INTOSAI standards as well as domestic constitutional and legal framework, explicitly stipulates that those institutions are independent in all aspects of the audit process (planning, implementation, monitoring and follow up procedures) and accountable to the parliaments and committees in charge to whom they report. Part of the answers received from targeted supreme audit institutions from Europe highlighted position of those institutions that influencing their activities by the external actors, including civil society organisations, is potential threat to independent position.

According to the research on national integrity systems in a wide range of institutions and actors in European Union member states, supreme audit institutions are high on the scales of integrity with high response rate of state administration bodies when it comes to the measures supreme audit institutions initiate. The need for intermediaries is therefore basically non-existent.
Thirdly, according to the research on national integrity systems in wide range of institutions and actors in European Union member states, supreme audit institutions are high on the scales of integrity with high response rate of state administration bodies when it comes to measures supreme audit institutions initiate. The need for intermediaries is therefore basically non-existent. It does not mean, however, that countries of the EU or EEA do not necessarily suffer from accountability issues, but it rather means that supreme audit institutions possess enough credibility and integrity for performing audit activities and enforcing their recommendations. Finally, in European countries areas of transparency and government accountability are not primary focus in the work of CSO’s, since they are predominantly oriented towards different topics where citizen participation and assistance of non-governmental organisations is needed and desirable.

However, certain practices or mechanisms do exist although in most cases insufficient to be regarded as institutionalised. They differ in the way they are regulated and provide some experiences as starting point for examination. One way of communication with citizens is via official internet presentations of audit institutions (Iceland, Lithuania), by regular post or sending submissions (France, Germany, the Netherlands), while in some cases direct visiting of the institution is allowed (Lithuania, Germany, France). Info programmes, seminars and trainings are also form of cooperation with civil society organisations, universities and other groups and associations (France, Germany, and Denmark). Legal basis for cooperation with civil society and citizens is extremely rare example within the sample of this research.

Organisational structures often lack department/unit for communication with citizens/civil society organisations and communication is primarily done through units for administrative affairs (Hungary), secretariat (Denmark), press service and PR departments (the Netherlands, Estonia). Generally, citizens and civil society organisations can approach supreme audit institutions any time and of the standard response is directing to ministry or institution in charge. In majority of cases information from civil society are taken into account only if assessed to be needed (Estonia). Cases of taking into consideration information from citizens are defined not clear enough in order to examine in what form, to what extent and in which stage are those information considered.

However, certain practices are still useful and their examination can provide valuable source of information on comparative experiences and it can also summarize similarities and differences in respective European countries whose supreme audit institutions see cooperation with civil society useful at least to certain extent. Following pages are demonstrating the most relevant examples of cooperation with civil society and citizens according to data collected from supreme audit institutions of Europe.

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IV.2 European SAIs and Citizen Participation

Supreme Audit Institution of **Norway** (The Office of the Auditor General of Norway - OAGN) is responsible for external audit of spending of public resources. According to the results of the survey conducted on request of OAGN in 2010 this institution has high credibility and integrity and it was ranked fourth among 50 public agencies in that country.

OAGN performs its activities in accordance with high professional standards while the public is seen as valuable source of information which OAGN seeks to utilise as much as possible. System for exchanging information between public and auditors is established altogether with handling of that information. OAGN is legally obliged to contribute to hampering and eliminating irregularities via audit process while public is considered valuable in performing those tasks.

In that context, practice for the examination of all information on irregularities has been developed and implemented by the internal expert group consisting of members from all audit departments. In case of suspicion on irregularity, first assessment of source of information and information itself is carried out. Auditor in charge is being advised on how to act in that particular situation on the basis of received information and other information collected during examination by the expert group. If auditor decides to proceed further or integrate specific procedure in audit programme expert group may provide additional assistance.

Also, OAGN initiated in 2008 specific **online whistle-blowing tipping channel** open to the public (available at riksrevisjonen.no). This channel can be used for disclosing any kind of information but it was primarily designed for the purposes of informing on potential frauds or maladministration in public sector. Anonymity of submitter and other information disclosed is protected when submitting tips on potential fraud. OAGN informs users of this channel that all data would be analysed in terms of content, risk in planning and audit performance. OAGN is interested in all information indicating potential irregularity and channel users are being informed that even though all information are analysed, further actions will be taken depending on the nature of received information, i.e. they will be utilised if they are proved to be empirically relevant and represent source of information otherwise non-accessible to auditors. Online channel provides possibility for the attachment of supporting documents. Depending on the content of tip, further examination is being initiated. However, OAGN do not comment on individual tips nor provides answers having in mind its accountability before the parliament and reporting obligations.

Content of the tip consist of specification of type of irregularity, description of facts - what, when, who and how, references to other sources or documents that support tip information, as well name and contact information.

Yearly OAGN receives between 200 and 300 tips. After registering tips are being sent to relevant sectors who consult internal expert group. This group performs initial treatment of the tips. Purpose of the initial treatment is equal and responsible handling of every single tip. Furthermore, this scheme produces learning effect and improves competence of the group. Initial treatment of tip is carried out in three stages:

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Norwegian SAI collects information on potential irregularities in the work of auditees using internet portal for citizens’ tips. All tips submitted are examined by the internal expert group and if they fulfil required conditions, they are taken into account in audit planning.

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120 Available at: <https://www.more.no/more/wizard/wizard.jsp?wizardid=4933>
1. **An assessment of the source of the tip** - First stage intends to determine how credible the information in the tip is, and whether the information provided could be verified through independent source. Credibility of the tip cannot be assessed beyond reasonable assessment of the tip content regardless of specific expertise tipsters can have.

2. **An analysis of the nature of the tip and** - Second stage begins with summary of the main points of the tip and highlights the core of the problem the tip contains. Content is taken into consideration if references to further information are provided and if the information can be verified through publicly available sources and/or records accessible to the OAGN. All surveys conducted by the expertise group are summarised in tip note documentation attached.

3. **The recommendation how the tip can/should be followed** - In the last stage, on the basis of the assessment of the source and the analysis of the contents of the tip, expertise group provides a recommendation to the relevant section, requesting at the same time for feedback on the results and follow-up. The sections are normally offered assistance from competence group to follow up on tips.

The vast majority of the tips are not about fraud, but of alleged misconduct in the state administration. Senders of tips belong mainly to one or more of the following categories - individuals, employees in the audited companies, and employees of companies that have received public support, suppliers to government agencies and their competitors, potential recipients of public support, interest organisations and politicians. The tips are distributed differently in ministry areas, but all ministries are represented so far.

Apart from specific mechanism established for communication with the public, OAGN also receives information through other standard means of communications - via telephone, e-mail, post or personal delivery. In accordance with the efficiency, information received through these means is registered and distributed and equally treated. Oral communication is being tape recorded, which represents good practice in this context, and recordings are being archived and is available to all auditors in need to them. Information is archived regardless of form of submitting and then forwarded to audit department in charge of

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Moreover, Norwegian SAI uses the term “fraud”, which potentially indicates serious forms of punishable acts.
specific areas who decide whether information in question is relevant. Assistance from the expert group consists of giving further guidelines and directions if information is proved to be relevant.\textsuperscript{122}

OAGN pays special attention to communication with the public. Public in that sense is broadly defined and encompasses citizens, businesses and organisations. However, specific forms of cooperation with civil society organisations as such are non-existent, civil society organisations are rather seen as valuable as sources of information.

When it comes to involvement of citizens, supreme audit institution of \textit{Malta} (National Audit Office of Malta) is firstly referring to the relevant legal acts regulating access to information of public importance and the right to request documents from all ministries and other institutions whereby transparency government accountability is improved. However, although relevant legal acts pertaining to the access to information also refer to information in possession of the NAO, this institution makes all reports public while printed versions are also available through information department. Publishing report is followed by press releases that can be useful for users of the reports for their better understanding (for civil society organisations in particular or public in general). In that sense, this practice can be considered as general practice of public relations and therefore do not represent specific practice.

Speaking of citizens’ requests sent directly to NAO, communication can be established via internet presentation by filling out online form for sending queries or by sending e-mail.\textsuperscript{123} These queries can be taken into account during strategic planning process by, firstly, examining their connection with mandate of the NAO, area they are referring to as well as materiality.\textsuperscript{124} In assessing materiality NAO assess both financial part of audit area and social influence and decides whether that audit would be purposeful. If decision is positive, submitted queries are supplementing already existing findings of the NAO in the stage of audit planning. After receiving queries, NAO can direct submitter to the relevant government body or public institution for the purpose of further correspondence.

Even though NAO provides room to the public as much as possible, citizens’ complaints often lack materiality in order to be taken into account and they also have political background. In that context,

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Picture4. Online form for submitting enquiries, NAO Malta
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\textsuperscript{122} Statistics for May 2010 - May 2011 states that OAGN received 256 enquires, 181 of them labelled as relevant and potentially valuable, while 22 were considered solid tips on risk of irregularities. Concerning the web-based whistle-blowing disclosure channel alone, the number of enquiries were 80, of which 14 tips were considered solid tips on risk of irregularities.

\textsuperscript{123} Available at: \texttt{<http://www.nao.gov.mt/contactus.aspx>}

\textsuperscript{124} International Standard on Auditing (ISA) 320 - Materiality in Audit, is referring to the concept of “reasonable assurance” that financial reports do not contain significant mistakes. Information is considered of material importance if it exclusion would negatively affect users of the reports.
introduction of institutionalised, structured approach with standardised format and procedure for handling each complaint in the same manner would be the best possible solution.\textsuperscript{125}

Supreme Audit Institution of Denmark (Riksrevisionen) does not perceive itself as an institution receiving citizens’ complaints in the strict sense, but citizens contribution are rather being forwarded this institution in the form of queries. Any person can turn to Riksrevisionen and all suggestions are taken into account. They can be taken into account when planning audit program while final determining of plan and program remains exclusive right of Riksrevisionen. Citizens’ queries are responded within ten days after they are submitted, and submitters are informed if it is assessed that received information is of importance for audit. Unit responsible for handling of citizens’ queries is secretariat, consisting of 11 employees, 3-4 of them ad hoc working on their analysis. None of the employees is working full-time only for this purpose it is rather combined with other tasks. These tasks can be performed by students, heads of departments or deputy head of secretariat.

For the purposes of informing the public, Danish Rigsrevisionen several times annually organizes informative programs for students, schools, universities and public organisations etc. are organised.

Examination of citizens’ suggestions and request is not in focus of supreme audit institution of Sweden (Riksrevisionen), having in mind strong emphasis put on parliamentary control as well as independent position guaranteed by constitution. However, like in some previous cases, information citizens possess can be taken into consideration when planning new audit activities. Also, this information can be useful in that sense of the improvement of knowledge and gaining additional experience in different audit areas. This clearly demonstrates how citizens’ contributions are seen as useful input for the work of audit institutions, even though direct involvement of citizens in audit activities is cannot be realised since these activities are exclusive domain of Riksrevisionen. The most common explanation of indirect involvement of citizens is reflected in referring to general acts that regulate obligation of state administration bodies to provide information, suggestion or give guidelines to all persons timely, or to forward citizens’ requests to relevant

\textbf{Danish Rigsrevisionen responds to the citizens’ queries within ten days after they are submitted, and submitters are informed if it is assessed that received information is of importance for audit. Several times annually informative programs for students, schools, universities and public organisations etc. are organised.}

\textbf{Picture 5. Contact form, Swedish Riksrevisionen}

\textsuperscript{125} From the speech of Mr Simon Vassalo, NAO Malta, at the conference “Civil Society and Citizens in the External Audit Process”, 7\textsuperscript{th} June 2013.
In that sense, handling of citizens’ requests by Riksrevisionen is no exception but part of the regular administrative procedure. Citizens’ complaints are taken into account only in this framework, meaning that specific legal regime regulating in more detailed fashion cooperation between supreme audit institution and citizens is non-existent. Handling of citizens’ complaints is followed with short written procedure. Auditors from different audit departments are examining requests while mentioned written procedure as well as delivery of complaints is jointly regulated by the registry (the Registrar) and unit for planning and quality. All complaints and answers are registered and archived and the registry is open to public.

Holland SAI (The Netherlands Court of Audit - NCA) puts strong emphasis on communication with citizens believing that citizen involvement positively affects quality of the audit and acceptance of recommendations. Particular importance is given to communication via social media and other online communication channels.

“Crowd sourcing” technique was applied in 2010 in order to involve in the discussion on potential audit areas. Group was created on the LinkedIn social network and users were invited to participate in debates. Group gathered approximately 400 members, around 20% of them invited personally. Discussion results were both promising as well as disappointing. Although application of “open source” standards resulted in great exposure of this initiative, actual results were less than expected. Many experiences were shared with only few facts and figures to ground these opinions.

Other examples of crowd sourcing include also internet forum “Action Plan Teacher” as well as “Passion for Public Accountability Project” from 2011. NCA launched internet forum in relation to initiative by the ministry in charge for education to improve salaries for teachers that perform well. NCA used this forum to see how this plan has been carried out and started an online discussion with teachers and school leaders. “Passion for Public Accountability” is virtual platform for on which public accountability can be discusses by both experts and citizens. Both examples demonstrated fast and accessible way to discuss with citizens, resulting in qualitative information. NCA started using Twitter in 2011 and today is being used for announcing reports and directing interested users to NCA website. Twitter channel has over 1000 followers and is limited to general announcements.

For pupils in senior classes of secondary schools NCA launched publishing of mini journal (visually resembling school books) where financial accountability of the government and public finances are being elaborated in a way suitable for children of certain age and with selected examples pupils were interested in. Journal is published several times annually with aim to raise awareness and understanding of pupils on the topics of financial accountability of the government and public finances in general.126

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126 From the interview with Mr Brord Van Westing, Resident Twinning Advisor, Twinning Project SAI Serbia.
Separate forms of communication with citizens are so-called Reality Checks that NCA uses to investigate how central government tackles problems in society. Reality Checks do not provide an overall picture and rather aim to determine whether or not a government policy is successful. NCA made 20 visits.

Even though institutionalised cooperation mechanisms are absent, supreme audit institution of Germany (Bundesrechnungshof) annually receives large number of letters from citizens and other stakeholders. In most cases, these refer to potential or determined deficiencies of public administration, i.e. irregularities in public resources spending and feedback on potential audit findings in areas of interest are requested.

Citizens’ complaints (petitions) are forwarded to relevant audit departments, where analysis of evidences found in complaints is performed. Petitions are often useful source of information.

In some cases audit findings stemming from complaints can be found in audit reports. However, in most cases it is impossible to inform submitters on audit findings even if complaints provided sufficient evidence for audit. Generally, each and every complaint is taken into consideration and examined to the most extent where applicable. Priorities and capacities of the institution are limiting possibility to examine every received complaint. Anonymous complaints are also being examined if evidence is convincing enough.

German SAI uses different cultural and social happenings to organize presentations, give opportunity to citizens to visit the institutions and get to know its work (“Open Day” events).

Utilisation of data not stemming from audit plan is determined by the law on establishing Hungarian supreme audit institution - “(the SAO) shall, in its on-going audits or during the planning of its audits, utilise the data and facts that have become known to it”. When it comes to contributions of citizens, State Audit Office of Hungary also refers to legal acts on the access to information of public importance as well as to other acts indirectly connected with citizens’ complaints. Internal regulation within SAO deals with procedures pertaining to the complaints, announcements and request of public interest, cooperation among internal units of SAO etc.

In Hungarian experience, complaints in strict sense refer to those of “public interest” which are published with other announcements on the website in form of summaries. It remains unclear if those citizens’ complaints are analysed for audit except of general remark that SAO utilises all data received i.e. those “that have become known to it.” SAO performs audit according to the audit plan and citizens cannot request extraordinary audits, since they can be only approved by the president of SAO after instruction from the parliament of government's request. However, SAO states that a lot of useful information can found in citizens’ contributions and they can be incorporated into risk assessment system and taken into account during audit process. Also, if citizens’ concerns eventually become subject of audit, SAO provides information on the results.

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127 According to the data received from Hungarian SAO it is not certain that law provision are directly referring to possibility of involvement of citizens in audit activities but rather to the rights in regard to handling personal and other sensitive data as part of public announcements, as well as to the rules for using data and facts when planning audit.
As in some other examples from the sample, Lithuanian supreme audit institution (NAOL) perceives cooperation with citizens as extensive public relations activity. Three target groups of public relations are mainly the media, civil society organisations and academic community serving as tool for sending out information to the public.

However, NAOL states that close cooperation with citizens is nourished with constant search for new forms of communication with different groups in society. Apart from regular reporting to the public on audit findings (press releases, radio and TV interviews), which is very often considered as example of cooperation in European supreme audit institutions, NAOL often organizes seminars and lectures for pupils and students informing on activities, values and accomplishments of institution. Citizen can, also, visit institution on a daily basis if they deem necessary. NAOL retain publishing activities (brochures, booklets) and citizens can leave their comments or send questions on the website. Positive practice of NAOL is publishing of all its reports in the less technical language for better understanding of audit findings and recommendations. Citizens can also file complaint or request information. In 2012 NAOL received 143 complaints and requests. Like in some other examples, opinions and contributions from citizens can be taken into account when planning or performing audit, although without providing detailed data on procedures and rules that regulate those activities.

IV.3. European SAIs and Cooperation with Civil Society

Unlike practices of the involvement of citizens in the external audit process, supreme audit institutions of European countries (above all “old” member states) characterize less experience when speaking of cooperation with civil society organisations. Limiting factors in that sense are already described and pertain to the long tradition of supreme audit institutions with enough experience and results, as well as already established high response rate to recommendations on the part of state administration bodies. Moreover, transparency and accountability issues are not in central focus of CSO’s in majority of these countries, since they are more involved in other activity areas and the need for cooperation with civil society in audit area is less expressed. Having in mind that response from SAI’s in new member states (enlargement from 2004 and 2007) to his research was rather low it is uncertain to determine practices of cooperation with CSO’s in comparison to older member states. It can be concluded from received answers (Malta, Hungary and Lithuania) that cooperation with CSO’s is regarded generally positive although without institutionalised and in-depth relations.

Novelty in the work of NAO Malta consists of requesting opinions from users on quality of the performance reports after they are published. “Readership Survey “is being construed for that purpose and attached to every copy of the report with request to all stakeholders, including civil society, to evaluate to what extent important issues are parts of the report. Survey is also used to generate information on whether main findings are presented clear enough, whether reports are objective enough and whether or not main recommendations contribute to the increase of effectiveness. Also, NAO meets with representatives of academic and professional groups to discuss role and function of audit institution and main findings of
the audit report and feedback is considered useful for performance of future audits. Criteria for selecting representative of these groups are based on the duration of work and experience. Results of these discussions are not made public in any specific form.

Position of the NAO on contributions from civil society organisations is positive at least in terms of examination of contributions while making audit plan. It is highlighted that civil society organisations very often communicate important issues through media and whereas NAO actively follows media reports and opinions of civil society organisations on certain matters, those opinions can be incorporated into audit planning where possible. Opinions of the civil society organisations can also be sought through interviews during audit process or focus groups consisting of civil society representatives. However, this form of communication is not obligatory and represents possibility at NAO’s disposal.

Organisations can attend sessions of parliamentary committee for budget issues (Public Accounts Committee) which is in charge for examination of audit reports. There is no criterion for selecting civil society organisations that can attend sessions (NAO does not acquire any role in selecting organisations nor it gives opinions or confirmation), attendance is free willing for all civil society organisations with an interest to attend discussions.

Generally, NAO holds that civil society organisations are important stakeholders in the audit process and their contributions are as positive. As in previous examples, there is no legal framework or unit within organisational structure for purpose of cooperation with civil society. Existing cooperation is processed in accordance with established informal practices. The only criteria for selecting civil society organisations, within informal mechanisms with no mandatory character, are that their activity areas correspond to the subject of audit. Practices of the involvement of civil society vary from case to case and depend on the nature of particular audit task.

Danish Rigsrevisionen cooperates with civil society organisations if cooperation is of mutual benefit, in other words, with those organisations that have expertise in areas where institution is lacking experts or there is a need for better understanding of complexities of certain aspects of case before undertaking audit. However, planning and recommendations, as well as monitoring of realisation of recommendations (follow-up) remains exclusively reserved for the institution in order to keep independence. Cooperation is therefore not legally regulated, channels are not institutionalised and there are no special rulebooks for more detailed regulation and description of cooperation patterns. Still, integrity of civil society organisations is taken as the basis for trust and establishment of relation of “honest brokers”. In practice cooperation is developed on an ad hoc basis and is fully dependent on specific subject. Organisations with which cooperation has been established are not registered and some of them include Danish branch of the IIA (The Institute of Internal Auditors) and office for statistics. It is evident that civil society organisations are not seen in strict sense as citizen associations for established for influencing policies.

On other side, Rigsrevisionen held trainings in cooperation with one CSO and different departments for internal audit in public sector. Training on the topic “Certification in Public Auditing” was held for members of all partner organisations/institutions included in the organisation of the training. Trainings and information programmes are not formalised in terms of frequency.

Supreme audit institution of Sweden (Riksrevisionen) does not undertake specific activities pertaining to the cooperation with civil society organisations. According to the data available the only activity performed in this regard refers to involvement of target groups, including civil society organisations, in strategic planning.
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of communication activities and it is done in cooperation of communication department and auditor with interest for specific issues.

**German** supreme audit institution practices refrain from any form of establishing direct cooperation channels with citizens and civil society organisations or more precisely any actors beyond parliament and the government since it would mean challenging legitimacy of democratically elected institutions. Outside of the scope of their mandate, representatives of German supreme audit institution hold lectures at universities and other educational institutions. Youth has the opportunity to do internship in this institution and improve professional excellence.

**Hungarian** supreme audit institution is cooperating with civil society organisations in the course of its own activities. In that context, this institution supports initiatives aiming to trigger establishment of accountable management of public resources and good governance, fight against corruption, introduction of international principles of good governance as well as training of young talented persons. Namely, in the audit planning process SAI utilises public announcements of importance and it takes positive stance on support of civil society to communication of SAI through utilisation of audit reports. Also, SAI states that cooperation with civil society could be achieved on the basis of bilateral agreements as well as statements on intent for supporting the work of this institution and therefore contributing to the establishment of financial management accountability. Cooperation agreements define general principles of cooperation (such as free willingness, mutuality, and free access). Precise areas of therefore established cooperation are determined in annual programme (methodological and scientific cooperation etc.). Strategy for 2011-2015 envisages that SAI works on continual development of cooperation with professional organisations. Basis of the establishment of cooperation is approval of the SAI president while particular rules are deliberated in accordance with specific issues. Mid-term strategy of Hungarian SAI is directed towards continual development and preservation of relations with professional organisations.

Criteria for selecting CSO’s is that they support SAI’s work, initiate contributions to the public finances, as well participate in activities in fight against corruption and development of integrity-based administrative culture. Cooperation with CSO’s can be achieved through the appointment of contact persons or meeting and working groups, while in terms of compulsoriness and frequency it can be based on free will and individual agreements. For the purposes of cooperation, it is stated that common database on relations with CSO’s is established. Department for communication and institutional relations employs two persons and it is in charge for communication with CSO’s. Training and other events are organised on request or individual decision. Proactive stance of SAI Hungary is also demonstrated by the data that in 2012 SAI participated in 61 events, 51 of them being conferences and round tables, while the institution itself organised 10 trainings. Topics of these events range from fight against corruption, spreading of good experiences, integrity, institutional and online communication. Trainings are organised on an ad hoc basis and are subject to the approval of the SAI president. Database, as a calendar event, serves for recording organised events and other forms of
cooperation. More info on the events from database can be seen at the website (column News, although only in Hungarian).

After reviewing relevant examples of the involvement of citizens and cooperation with CSO’s it is evident that European countries do no provide abundance of practices. However, it can be concluded that majority of SAI’s in question recognizes importance of contributions of citizens and CSO’s and attempts to achieve optimal balance between position of independence and contact with civil society actors. At one corner, example of Norway represents open and in detailed manner elaborated manner of including citizens in audit process, while at the other corner stance of Germany seems to be rather closed and rigorous in terms of preserving position of independence and non-involvement of outside actors, and it is not stressed in that volume within other surveyed SAI’s. Although other countries also characterizes emphasis of independence and autonomy in decision making they are still located somewhere in between these two examples, practicing involvement of citizens and cooperation with CSO’s in a more or less structured way.

IV.4 SAI’s from the Region and Participation of Citizens and Cooperation with CSOs

In supreme audit institutions in countries of South East Europe, on other side, practices of the involvement of civil society and citizens in external audit process are missing from different reasons, namely SAI’s in these countries are very often novel institutions in legal and political systems with insufficiently resonant civic initiatives in this area. Among institutions from the region that were encompassed by this research and/or filled out questionnaire (Macedonia, Montenegro Slovenia and Croatia) in one cases no cooperation mechanisms exist (Macedonia), in one case remains unclear in what way is will to cooperate put into practice (Montenegro). In one case it is stated that audit process does not include citizens’ complaints but they can influence scope of the annual plan (Croatia), although without further explanations. It can be concluded from analysed experiences that there is a great potential for regional cooperation between supreme audit institutions and CSO’s in developing citizen participation in external audit.

Apart from insufficient information from the countries in the region, greater attention can be given to the example of Slovenia. Supreme audit institutions in this country can request from users of public resources to provide all information deemed relevant for audit including documents and other data. Such requests can be sent on the proposal of CSO’s before audit process commences. In that sense SAI of Slovenia deems relevant all inputs for initiating audit process sent by relevant actors. It is, therefore, of significance for CSO’s that there is a possibility for initiating audit, which also represents informal cooperation channel with good experiences so far. Examples of civil initiatives include topics such as road construction, which has been cancelled after detailed examination in cooperation with SAI, civil initiative for investigating unjustified charges within bills for waste storage which identified over 2 million EUR of unjustified charges, as well as watchdog civil initiative for oversight over electoral campaign expenses, which SAI utilised to compare with costs within reports of political parties and decide whether to perform audit of financial reports if gap is too big. As another example, group called Tamno nebo form

Slovenian SAI supported numerous initiatives of civil society in relation to its domain and performed activities on the basis of findings of these initiatives.

128 As country of former Yugoslavia, Slovenia, and more precisely its SAI, was included into group of SAI’s “from the region”, although Slovenia is EU member state since 2004 and its experiences are more in line with those from EU countries.
Slovenia launched initiative of reducing side effects of night street lights on the environment and received support from SAI.129

Alongside civil initiatives, members of SAI participate in the events organised by CSO’s (round tables, seminars, conferences, info or education programmes where SAI members participate as experts), while individual meetings can be arranged during work on amending legislation.

Slovenian SAI does not recognize institute of citizens’ complaints but it has provided citizens’ with opportunities to contact SAI with their insights via website. Although unnoticed in the beginning, this option was widely used in pre-electoral periods. All enquiries are stored in the internal e-database which closed for public. In annual reports SAI highlights cooperation with media, responding to questions from journalists regarding clarifications of audit procedures, regular publishing of articles in the media, as well as organisation of press conferences (20 conferences in 2011, 10 in 2010, 18 in 2009 and 12 in 2008), which indicates significance SAI gives to public relations.

State Audit Institution in Montenegro recognizes usefulness of cooperation with CSO’s and perceives them as honest brokers, while positive stance is also kept towards involvement of citizens. In responding to questionnaire, SAI stated that cooperation with CSO’s is realised through actual projects and technical assistance without referring to actual examples. Institution is often not perceived attractive for cooperation with CSO’s which was recognised by civil society organisations Institute Alternativa and utilised it as foundation to contribute to better visibility of SAI in public by engaging in the field of public finances and external audit and to increase understanding of parliament and government for SAI’s work. This organisation holds that focus of the civil society and its coalitions should be monitoring implementation of recommendations of SAI in order to see to what extent are they fulfilled. Acceptance of recommendations should not be applied from case to case but rather from wider context of all budget users.130

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129 From the speech of Mr Igor Šoltes, former president of SAI of Slovenia, at the conference “Civil Society and Citizens in the External Audit Process”, European Policy Centre, Belgrade, 7th June 2013.

130 From the speech of Mr Stevo Muk, President of the Managing Board, Institute Alternativa, Podgorica, at the conference “Civil Society and Citizens in the External Audit Process”, European Policy Centre, Belgrade, 7th June 2013.
Chapter V: SAIs and Citizen Participation – Non-European Practices
This chapter gives an overview of cooperation practices of Supreme Audit Institutions outside of Europe. Since it was determined through the preliminary desk research that the majority of good practices in the area of cooperation with citizens and civil society organisations may be found in South America, and given that the SAIs of that region replied to the European Policy Centre’s inquiry, the vast part of the chapter is dedicated to the experiences of Southamerican countries. Other case studies which were processed are South Korea (specifically due to the unique and interesting character of the system for engaging citizens in the external audit), India and South Afrika, however it should be noted that the experiences of these countries are covered exclusively on the basis of primary and secondary literature which is available online.

V.1 Citizen Participation in External Audit in non-European countries – Introductory Remarks

Numerous developing countries and especially the countries of Latin America which are in transition, introduced numerous innovative mechanisms so as to resolve the issue of accountability deficit with the final goal of enhancing the quality of their democracy. Namely, theorist Phillip Schmitter argued that there is a conceptual link between the notions of democracy and accountability i.e. “the more politically accountable that rulers are to citizens, the highly will be the quality (or, better, the qualities) of democracy.” In this sense, the introduction of unconventional participatory accountability mechanisms of the oversight system in this region is understandable. These experiences are often in the focus of research dealing with participatory governance and social accountability. Specifically, the UNDP report from 2010, “Our Democracy,” denotes that among other, South American countries have to establish innovative forms of political participation in order to constrict the representative crisis. Additionally, in the UNDP report from 2011, “The State of Citizenship,” there is a clear proclivity in supporting citizen participation in the processes of policy preparation, decision making and implementation.

“The civil society has the capacity of organizing itself to exercise citizen control. It actively and frequently participates as part of the accountability system (social accountability), in the control of the legality and the efficient use of public funds. The SAIs shall strengthen their strategies, links and mechanisms of communication and interaction with the society, with the purpose of effectively involving them in the accountability systems that are being developed in the region; they will train the officials appropriately so that they are true “accountability agents” before the people; contribute to the development of an institutional framework that provides the adequate opportunity and effectiveness in the access the society has to relevant state information; encourage more governmental transparency; and carry out the necessary actions to enhance public knowledge on the logic that governs the whole accountability system, so that the people may adequately exercise their role in the system.”

Declaration of Asunción (2009), AccountabilityPrinciples: Principle No. 6 Active Citizen Participation

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Following the first steps toward the introduction of citizens in the fiscal control of the Comptroller General of Colombia, OLACEFS (Organisation of Latin American and Caribbean Supreme Audit Institutions) deemed that such strategies may prove to be useful in the period of democratic consolidation in the region. Due to institutional limitations and lack of capacity within SAIS, a need to implement transparency and participatory mechanisms was pinpointed. Moreover, The Declaration of Asunción, Principles of Accountability, which was adopted on the 19th General Assembly of the OLACEFS, emphasised the importance of citizen participation as a crucial component in the accountability system during the process of strengthening standards of accountability, which is one of the areas in which SAIs need to work so as to build up their capacities.\textsuperscript{134}

For the first time in August 2011, CSOs were invited to participate in the annual meeting of OLACEFS Technical Accountability Committee which is especially relevant since in this way the CSOs participated in an informed manner and had the opportunity to demand for a widening of their delegated responsibilities. The following year a network of SAIs and CSOs was established and an agenda of cooperation between the committees of the OLACEFS and CSOs gained momentum, all with the goal of strengthening fiscal control. In this vein, the Citizen Participation Commission (CPC) was instituted on the General Assembly of OLACEFS, and it represents the practical example of the agreement between South American SAIs in regards to the issue of involving the public in the control of the government and the commitment to facilitate and consolidate the audit processes within OLACEFS countries.\textsuperscript{135} Namely, CPC was conceived as an advisory body with the aim of promoting citizen participation through trainings on the instruments, methodologies, theoretical approaches and good practices so that a standardisation would ensue among the member counties of OLACEFS.

It is necessary for the information which stem from SAI work to be available to the citizens, which is conditioned by transparency policies and the regulation of access to information of public importance, as denoted in the aforementioned Declaration of Asunción. SAIs have the responsibility to adhere to their obligations and allow for an appropriate dissemination in a reliable, relevant and public manner, or in other words, the conclusions need to be made available to all the stakeholder through a wide spectrum of communication means.\textsuperscript{136} A causal relationship between SAI independence and autonomy on the one side, and its transparency on the other was denoted in this document. A causational relationship between independence and the autonomy of SAIs on one side, and its transparency on the other side were noted.

Declaration of Asunción is a key document which calls for South American SAIs to include citizens in the oversight of public finance as well as to work on building a culture and practice and accountability. It is stressed that financial accountability is comprised of interdependent political, social and judicial mechanisms of control which denotes the importance of coordination and interaction of social actors. Thus, the fact that public policies and decisions which arise from a more transparent and inclusive decision making process are of greater quality should not be overlooked. The sixth principle which is quoted above explicitly endorses the cooperation with civil


\textsuperscript{135}Nino, Ezequiel.

society which gives the citizens the opportunity to voice their needs and concerns as an organised collective, and not only on an individual level (e.g. through complaint mechanisms).\textsuperscript{137} The Transparency, Citizen Participation, Accountability Initiative (TPA), it can be said, gives the most systematised case study analysis of the state of affairs of the development of South American SAIs in regards to their areas of focus – transparency, citizen participation and accountability.\textsuperscript{138} The TPA conclusion, confirmed by CEP’s research as well, was that direct involvement through participatory audits and citizens oversight committees are rather rare examples, while the majority of SAIs has introduced citizen complaint mechanisms.\textsuperscript{139} Channels and mechanisms for the reception and processing CSOs denunciations were the first to be introduced. If such a mechanism is open and widely made available to the citizens, SAIs can greatly benefit from it throughout all of the phases of the audit process – from audit planning to the monitoring of the implementation of recommendations and consultations regarding the improvement of the implementation.

Depending on the development of participatory mechanisms, three levels were pinpointed: initial (mostly, the first step is the introduction of citizen complaint mechanisms which may be followed by an organisational change such as the institution of an office for the reception of complaints), intermediate level (the communication between SAI and citizens and CSOs is assured through a reliable information exchange), and the advanced level (active and regulated participation in the audit processes through the institutionalised cooperation between SAIs and CSOs).\textsuperscript{140} According to the TPA initiative, the participation of CSOs and citizens in SAIs audit work may be divided in five types: \textsuperscript{141}

\begin{enumerate}
\item \textbf{Dissemination of information and trainings related to external audit processes and participatory mechanisms}
\end{enumerate}

So as to attain a significant level of citizen participation, it is necessary to ensure that the information on the available participatory mechanisms and channels are widely disseminated and available to all citizens, since otherwise there is lack of awareness on the SAI participatory opportunities in the society. When there is a scarce culture of participation as it is the case in countries in transition which above all lack the tradition of democracy, it is important to assure the necessary preconditions and means of participation, while for these participatory mechanisms to be sustainable, it is of utmost importance to adhere to the principles of coherence, continuity and reliability in the work of SAIs. Thus, throughout South America, in accordance with OLACEFS recommendations, participatory mechanisms are presented to the wider public without notable problems or complications.

\begin{footnotes}
\item[137]\textit{Ibid.}
\item[138]\textit{TPA je akronim koji proizilazi iz „transparentnost, građansko učešće i odgovornost,” vrednosti koje 17 organizacija iz 13 zemalja Latinске Amerike promoviše u VRI širom regionala. Za više informacija posetite:<http://iniciativatpa.wordpress.com/english/>}
\item[139]\textit{Asociación Civil por la Igualdad y la Justicia.}
\item[140]\textit{22nd UN/ INTOSAI Symposium presentation: Good practices for citizen participation in the auditing and consulting functions of Supreme Audit Institutions (SAI): A Latin American perspective. Available at:<http://www.intosai.org/fileadmin/downloads/downloads/5_events/symposia/2013/14_E_Chile_Z%C3%BA%C3%91iga.pdf>}
\item[141]\textit{Asociación Civil por la Igualdad y la Justicia.}
\end{footnotes}
Still, it is also necessary to introduce the public with the work of SAI through trainings since without such an educational, awareness raising approach, the access to the institution’s reports and information on the participatory mechanisms and channels come down the organisations which are already familiar with the issues through their work and are dedicate to monitoring the financial accountability of the government. For the citizen contributions to be indeed constructive and useful in the audit processes, alongside awareness raising activities which aim to stimulate the public interest, the other prerequisite are trainings on topics of relevance to conducting external audit. At first glance it may seem that the audit process is highly exclusive due to a technical jargon and high specialisation, however, the experience of South American countries debunked such arguments by showing that citizens can significantly contribute to the accountability system if given the opportunity and means.

ii. Participation in the appointment of Comptrollers, Auditors and other high-level SAI officials

Since such a type of citizen participation requires a high level of openness and transparency of the institution, good practice examples remain scarce. Above all, SAI should publish the call and the list of candidate nominees for comptrollers, auditors and other high-level SAI officials as well as their qualifications, sworn statements on matters which may fall under a conflict of interest etc., which are then being disseminated through the media so that the citizen may submit informed comments, suggestions, observations or any other kind of contribution. It is possible to introduce a public hearing in order to gather information in a more efficient manner. In an ideal scenario, such an inclusive process should strengthen the institution’s autonomy and allow for the most competent candidate with the most adequate qualifications to come to the forefront, which would in return add to the credibility of the institution and instigates greater citizen support, while at the same time, restricting the possibilities for a conflict of interest or any other irregularity.\(^{142}\) Despite numerous positive sides of such an approach, this type of practice is not widely implemented in South America.

iii. Participation in audits planning

Even though the issues of autonomy and independence are often addresses as concerns as aforementioned, in South America it is deemed important for the audit plans to involve participatory mechanisms which take into account the demands and needs of the citizens. In this way the citizens are engaged in the audit processes, and the work of the SAI is more effective with a larger impact and of greater relevance to the society. In regards to taking into consideration the information from external sources through the process of planning the audit agenda, i.e. the inclusion of civil society and citizens in the selection of institutions and programs which will be subjected to audit, two practices are to be differentiated – participatory planning and citizen complaints.\(^{143}\)

Participatory planning is an institutionalised participatory practice which may be manifested as public hearings and discussions where CSOs give forth suggestions of bodies and programs which they believe SAI should incorporate into the annual audit plan. Previous experience reveals that even though this


\(^{143}\) Asociación Civil por la Igualdad y la Justicia.
practice may seem as a challenging endeavour for SAIs to create and manage, CSOs have very useful insight in a variety of areas due to their specialisation and competence, summa summarum resulting in an added value to the effectiveness of SAIs. The actual costs of participatory planning come down to the preparation of documents, instructions, brochures and other informative material for the participants which is not as demanding as previously thought. In regards to human resources, in this case, the most common practice is to institute one individual as a liaison to be in charge of communication and coordination with the CSOs on a regular basis. For the mechanism to be as effective as possible, a wide dissemination of the information on the functioning of the process as previously explained is necessary (i).

Similarly as across the European Union, while the practices of involving CSOs in audit planning seem to be rare and mostly underdeveloped, SAIs throughout the region seem to be putting a greater and continuous effort to take into account citizen suggestions, proposals and appeals / complaints / requests / petitions / submissions. In this manner, citizen participation gives added significance to the recommendations made by SAI if they incorporate the current social interests, while at the same time, the citizens become more informed on the work and the influence of this institution. Moreover, it can be said that such a complaint mechanism became the primary method of assuring citizen participation in the external audit process in South America. Conversely, it cannot be said that a specific unit or office which would be in charge exclusively for the reception and analysis of citizen complaints was established in all SAIs of the region. Namely, such examples are noted in Colombia, Costa Rica, Peru, Guatemala and Honduras.

Complaint mechanisms are to be differentiated in regards to their complexity and the level of availability of information related to the procedures pertaining to the form of the complaint, its presentation and the monitoring of the implementation following the submission of the complaint. In some SAIs such as for instance in Colombia, Costa Rica, Paraguay and Mexico may be anonymous, while in other countries anonymity is not deemed to be necessary since the identity of the individual who submitted the complaint is protected within the institution, while the anonymity of the source may negatively impact the credibility of the information at hand.

iv. Participation in oversight

Citizen contribution is ensured in two manners during audit – joint audits (e.g. in Argentina, Colombia and Honduras) through which key questions which should be examined in audit are being identified, and social audit conducted by citizen oversight committees (e.g. in Bolivia, Colombia, Paraguay and Peru) which are comprised of SAI trained citizens who perform oversight of public expenditures so as to determine irregularities.

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144 Asociación Civil por la Igualdad y la Justicia.
145 Montero, Guillan Aranzazu.
146 Asociación Civil por la Igualdad y la Justicia (ACIJ).
147 Asociación Civil por la Igualdad y la Justicia (ACIJ).
Joint audits are a type of direct citizen involvement which boils down to a framework for cooperation of CSOs and SAI, while the public may submit further details on the quality of public services, which leads to a facilitated identification of a variety of aspects of financial accountability which should be further examined. Through joint audits CSOs are involved in the monitoring of public resources and have the opportunity to strengthen the quality of audit findings as well as the annual audit plan through their technical contributions which would be based on experiences with direct service beneficiaries and on the understanding of bodies or sectors which are to be subjected to audit. Additionally, joint audits are in some cases referred to as articulated or coordinated audit.

The concept of social audit entails direct citizen participation in the monitoring of quality and quantity of public services, policies and programmes which is based upon the premise that such monitoring created added pressure on the government to take into account citizens’ needs and demands, and reduces the opportunities for misuse of power and position which also strengthens legitimacy of the government and the trust in the government. Namely, citizens and CSOS through engagement, research, reporting and monitoring, on a voluntary basis conduct oversight of state institutions and programmes, in a manner which excludes the involvement of state bodies and their representatives, while SAIs may provide a secondary technical support. Social audit may be implemented in all phases of the budgetary cycle – design, deliberation, implementation and monitoring, though a wide spectrum of activities and actors such as for instance citizens as individuals, communities, CSOs, media, the private sector etc. Since it takes up a similar role to SAI while relying upon the information gathered by CSOs through their work, social audit offers the possibility to circumvent certain deficiencies that SAI is confronted with in its work such as for example, bureaucratisation. The members of social audit most often need to go through a selection process, so as to later on complete trainings and be in entirety familiar with the matter, instruments and procedures of work as well as ethical obligations of impartiality. Even though this type of cooperation is incrementally turning more relevant during the course of performance audit, for now it was noted that only few countries in South America successfully implement social audit due to the fact that this practice rests upon the prerequisites of certain skills, capacities and instruments so that the citizens could effectively follow and evaluate the decisions of the government. The cases which are being monitored are usually previously selected as SAI audit subjects, while in Paraguay, it is being decided by the citizens through public discussions of CSO working groups.

v. Participation in monitoring compliance with audit recommendations

This participatory mechanism entails civil society involvement in the monitoring of recommendations and measures brought forth by the SAI in its reports. In this case, the initiative of SAI is necessary since only
through trainings related to methods of external monitoring and openness of the institution reflected in established participatory mechanisms, CSOs can be engaged in a constructive manner. South American SAIs for a variety of reasons do not have an institutionalised follow-up participatory mechanism, for instance some SAIs do not bring forth recommendations or guidelines for monitoring compliance with audit recommendations. Additionally, it is necessary for the CSOs to be familiar with the audit in question so as to be able to follow the implementation of recommendations, and this is quite challenging. A limited number of countries such as Honduras may be considered as exceptions, and their examples will be elaborated in greater detail later on in the text. Moreover, this form of participation will not be considered in the context of direct citizen participation, since as aforementioned, monitoring is being conducted through CSOs.

V.2 Citizen Participation in non-European SAIs

In this section four out of the five aforementioned forms of direct citizen participation are being examined. It should be emphasised that the most developed mechanisms are those of raising citizen awareness through education and trainings, while SAIs have also been investing significant efforts in order to include citizen contributions during the phase of audit planning and the selection of audit subjects through complaint mechanisms.

i. Dissemination of information and trainings related to external audit processes

Since Colombia’s SAI (Contraloria General de la Republica - CGR) recognizes the citizens’ right to oversee the management of public resources, a Comptroller delegated with citizen participation in charge of addressing citizens’ inquiries was instituted in 2000 and was given a transversal character. The goal of this Comptroller is to ensure that the needs of the citizens will be taken into account during the stages of audit. Moreover, it is comprised of the Directorate for Citizen Services and the Directorate for the Promotion and Development of Citizen Control.

The other directorate, which will be the focus of this section, is in charge of the development of trainings and activities, organisation and consideration of methods to strengthen citizen capacities so as to be able to provide with a qualitative contribution to the control and monitoring of financial accountability. Currently, there are 113 employees within the CGR, while the Directorate for the Promotion and Development of Citizen Control encompasses 38 officials.

The Directorate for Citizen Services and the Directorate for the Promotion and Development of Citizen Control are in charge of setting up and maintaining communication channels with the CSOs. Namely, their responsibilities include the organisation of trainings, workshops, conferences and campaigns with the goal of raising awareness on the benefits of citizen participation in external audit for citizens themselves as beneficiaries of public services, as well as for the work SAIs. These units are also in charge of the dissemination of the findings and recommendations made by SAIs.

The cooperation with citizens is regulated in terms of procedures and it is a part of

![Picture 6. Strategy for participative fiscal control, Comptroller General of Colombia](image)
Comparative Study of International Practices with Recommendations for Serbia

institutional policy as one of the goals of the CGR’s Strategic Plan. Within the System of Participative Fiscal Control there is also a Strategy for Citizen Trainings, which aims to instill skill and abilities, on an individual as well as on the collective level, in order to assure that the citizen contributions are as effective as possible under the practice of citizen participation in the oversight of public resources. The Strategy is founded on a thematic offer comprised of 32 classes, which may be broadened to encompass other topics of relevance to the citizens. The service is founded on an offer under the Program of Promoting Participative Fiscal Control on topics of relevance to fiscal control and topics which promote citizen participation which was established by the Directorate for the Promotion and Development of Citizen Control, or at times even other institution which shows interest in promoting the strengthening of citizen participation in the control of public resource management.

![Image: Example of the promotional material of Comptroller General of Colombia](image)

**Picture 7. Example of the promotional material of Comptroller General of Colombia**

The basic areas of the trainings boil down to the chief topics, which are necessary for the comprehension of the functioning of the public sector and ethical issues, oversight institutions and participative fiscal control. Other elements, which are covered by these trainings, are for instance, the institutional framework of the state, government accountability, constitutional and legal areas that introduce citizen participation in monitoring financial accountability as well as citizen petitions. The trainings are focusing on skills related to sectoral areas which come down to specialised and concrete knowledge on the aspects of managing public resources such as the general participation system, honorariums, investment in the sector of environmental protection, health, education, drinking water and basic sanitary conditions, etc. In regards to familiarisation of citizens with these topics, the Comptroller delegated with citizen participation and its directorates are also entrusting the institutions, which implement public policies (ministries, decentralised entities). Finally, other topics covered are for example teamwork, leadership, conflict resolution, planning group activities and founding citizen oversight and reporting to the local governments.

Every year begins with the planning of activities which may be broadened throughout the year, and which will be completed in accordance with the guidelines defined by the Directorate. Citizen requests are resolved upon their reception within the unit. If activities are to be conducted upon request, the criteria for their realisation are corresponding to the individual's knowledge of the topics and depending on the topics, which
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will be included in the thematic offer. In case that the activities are offered by the Programme, the Directorate either directly or through their strategic partners on the local level (e.g. local and municipal bodies, as well as other bodies such as ombudspersons and local comptrollers), notify the organisations depending on their knowledge of and interest in a specific sector in which citizen oversight is promoted.

The procedures are in accordance with the System of Integrated Governing and Quality Oversight of the CGR and encompass documentation, which needs to be filled out in the case of any interaction with the citizens. In regards to activities of trainings and articulation, this form refers to physical listings of the tools for measuring citizen satisfaction, evidence of the planning and authorisation of every activity pertaining to the Information System on Citizen Participation (SIPAR), as well documents which stem from the work with CSOs (inputs for fiscal control). In the case of documents, which are submitted by the citizens, every piece of information is digitalised and kept within SIPAR.\textsuperscript{155}

The Supreme Court of Audit of Honduras (Tribunal Supreior de Cuentas - TSC) through a project, which was implemented with the support of the World Bank, organised activities so as to familiarize the citizens with its work and procedures, as well as special citizen-oriented trainings on topics of the oversight system. The success of the program, which aimed at involving citizens and CSOs in the work of the TSC, is reflected in the fact that every public presentation of the audit findings gathered around 1200 citizens.\textsuperscript{156} The Directorate for Citizen Participation was established with the goal of raising citizen awareness on the work of the TSC and other topics of relevance to the work of the institution, designed modules, which stimulate participation and the execution of social audits. It also conducted trainings on topics such as state organisation, legislation significant for the access to information of public importance, Law on Public Procurement, standards for the strengthening of transparency and financial accountability as well as other questions, which revolve around citizen participation such as citizen control, social audit and citizen complaints. The modules can also be designed upon citizen demand; however that limits the offer due to financial constraints. The educational modules are targeted towards citizens on the municipal level and are being help with the assistance of municipal authorities and CSOs active in a certain municipality.\textsuperscript{157}

Within the SAI of Venezuela, Comptroller General of the Republic of Venezuela (CGR), the Office for Citizen Services was established with eight employees, which aims to make the matters of fiscal control more approachable to the citizens, as well as to receive and give out advice, information and more specifically information referring the management of public resources and citizen participation. Alongside the information given by the Office for Citizen Services, on a monthly basis and upon citizen demands, other activities are being organised such as conferences on strengthening citizen power and trainings in topics of social control and the processes surrounding it, the creation and the functioning of the Office, the functioning and financial accountability of the municipal councils' administration. Activities and trainings oriented towards citizen participation are also being conducted.

Since citizen participation is a fundamental aspect of the Constitution of Venezuela, CGR in greatly contributing to this goal enjoys respect from state institutions and citizens. For instance, the strengthening of citizen participation in the control of public management is denoted as the fourth goal of the institution. More specifically, this goal is further comprised of the following objectives:

\begin{itemize}
  \item a. Promotion of citizen trainings so as to conduct the control of the management of public resources
  \item b. Optimisation of citizen participation mechanisms pertaining to the control of the management of public resources
  \item c. Consolidation of the Office for Citizen Services as a reference in regards to the best citizen participation practices
\end{itemize}

\textsuperscript{155}According to the reply to the questionnaire which was forwarded to the General Comptroller of Colombia.

\textsuperscript{156}Nino, Ezequiel.

\textsuperscript{157}According to the reply to the questionnaire which was forwarded to the Supreme Court of Audit of Honduras.
In this vein, Standards for the Promotion of Citizen Participation in Article 28 denote that with the goal of integrating citizens in the control of public finances, among other, educational programmes and trainings, also in the area of financial, legal, and internal control and evaluation of the work and services, as well as to promote the culture of submitting citizen complaints in relation to the administration, management of public resources or property. According to the law, citizens may submit to the organs of fiscal control suggestions for initiatives which refer to the exercise of citizen participation rights in regards to fiscal control such as activities with the goal of holding forums, lectures and seminars. Additionally, citizens may suggest projects of relevance to the regulatory instruments of fiscal control as well as other initiatives which contribute to the benefit of the community. The law also envisages for the organs of fiscal control to evaluate the initiatives suggested by the public, within their mandate, in a way that they also consider the Annual Audit Plan and community benefits. The organ of fiscal control notifies the individual who has submitted the suggestion, of the results of the evaluation and if the suggestion is adopted, it also notifies upon the specific activities or measures which will be undertaken.

The SAI of Costa Rica promotes a citizen participation strategy through four components: citizen services, citizen information, citizen trainings and articulated control. Namely, the SAI aims at making available information of public importance available to the citizens and to ease the access to it in regards to quality, timeliness as well as clarity and comprehensibility. Citizen trainings have the objective to stimulate citizen capacities relevant for active participation in citizen control. In this way through trainings SAI strengthens social control, and does not only give general information to the citizens without establishing an access mechanism. In other words, citizen expectations and demands are being satisfied, while also facilitating the citizens to identify the areas in which the SAI can share or/and strengthen knowledge and understanding.

There are a number of channels through which this SAI comes into contact with the citizens, according to the activities which are taking place. Some of these channels are electronic (e.g. information systems, online educational courses, electronic mail, educational modules for high schools, etc.) Additionally, there are personal channels such as municipal visits, participation in citizen fairs and workshop in the education sector. The specific channels and their activities correspond to the concrete advocating goals directed at a certain target group. In order to identify the needs of addressing or receiving official demands, the unit in charge of a certain topic designs the activity and chooses the channel of its implementation. As the

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159 According to the Organic Law on CGR and the National System of Fiscal Control, the National System of Fiscal Control is comprised of bodies, structures, resources and processes which are under the purview of the CGR and act in coordination so as to achieve a unique direction of the system and control procedures which contribute to the achievement of the goals of bodies and organizations of the public sector, so as to attain an adequate functioning of the public administration. They are the General Comptroller of the Federation, the country, district and municipal comptrollers, the General Comptroller of National Armed Forces, units for internal audit within state bodies, national controller of internal audit, supreme officials as well as executive levels of public entities, as well as citizens. Available at: <http://www.sunai.gob.ve/images/stories/PDF/Ponencias/EF/Evol_ctrain_fisc_vzla_AG_CGR.pdf>
160 According to the reply to the questionnaire which was forwarded to the General Comptroller of Venezuela.
161 According to the reply to the questionnaire which was forwarded to the General Comptroller of Costa Rica.
162 Within the General Comptroller of Costa Rica, there are the following Departments: Department for Operative and Evaluation Audit, Legal Department; Department for Administrative Contracting and the Department for Managing Support which encompasses the Information Unit, Training Centre, Internal Legal Unit, Unit for Administrative Management and Financial Administration Unit.
bodies in charge, more specifically the executive level within the units of the General Comptroller and/or the Office of the Comptroller) adopt an activity, it may be implemented. Depending on the need, in certain cases the activity is introduced as a regular practice, while in other instances it may be implemented only once.

The internal rulebook which may be found as part of Chapter IV Good corporative administration policies (Policy 21: Financial accountability obligations, Policy 22: Citizen Obligations, Policy 23: Transparency activities, Policy 25: Financial accountability promotion) represents the normative framework for cooperation with CSOs. Costa Rica's SAI is planning to produce products for a specific audience, with the goal of achieving results in certain areas which are deemed to be of fundamental importance for strengthening control with an emphasis on the education sector. For instance there is a variety of material with information concerning the functions of the Comptroller General of Costa Rica as well as the procedures of lodging complaints. For those purposes, pedagogic activities and presentations are developed so as to satisfy the needs of the education system. Finally, there are also online courses and techniques of presentation dedicated to public officials and other target groups. A target group of the trainings corresponds to the needs identified by the institutions or the demands of the parties. They are chosen with the goal of producing a multiplication effect of knowledge. Thus, the trainings are deemed to be of vital importance for the strengthening of control functions and the oversight of public resources.

Online courses related to public procurement are designed for public servants in charge of public procurement. Next, educational program for capacity strengthening of internal audit on topics of investigations and administrative procedures is aimed at above all internal auditors and public servants, and is related to the processes within the administration. There are also courses for newly installed officials on the national as well as on the local level so as capacitate high officials, members of parliament, mayors and municipal officials regarding topics of strategic relevance to control, public procurement, and the purview of the anticorruption legislation. Namely, a training program was also instilled for the municipals officials under which the CGR organised visits to the local governments throughout the entire year for the officials to familiarize themselves with the issues of the procedures in regards to fiscal control, oversight of public resource management, etc. The module of pedagogic mediation was established in cooperation with other institutions in charge of control and is aimed teachers so as to introduce topics concerning democracy, politics, and citizen control, the SAI, etc from the ninth grade (senior year of elementary school, 15 years of age).\footnote{*General Comptroller of Costa Rica. Módulo de mediación pedagógica. Available at: <http://www.conamaj.go.cr/images/modulo/index.htm>\*} Workshops are also being organised for students and they cover issues of relevance to the control institutions so as to raise awareness on the main bodies in the audit process and their functions, as well as workshops and trainings aimed at journalists with the goal of assuring a more adequate reporting and higher quality. The institution also participates on citizen fairs where it disseminates information.

Within the Programme for citizen oversight (a form of social audit), the General Comptroller of Peru developed courses and programs which citizens need to pass in order to be able to participate in its work. For now there is a Programme for young auditors which entails citizen oversight activities that are...
undertaken by high school students in their final years of education so as to be able to prepare reports of the so-called school oversight with the support of their teachers to their schools, municipalities, and other relevant local institutions. This Programme is comprised of three components: capacity strengthening, development of educational material and implementation of oversight activities. Namely, under the first component, the Ministry of Education produced the charter "Ethics, citizens and social obligation" which aims at gathering teachers from across the country so as to undergo a training of 220 hours which among other covers topics of public administration, government control, anti-corruption and citizen participation. This course in 2010 focused on producing the Manual "Promoting citizen participation in schools." Within the component of developing educational material, guides were made for the teachers as well. In order for the activities of citizen oversight to take place in an adequate manner, the teachers who themselves went through a training under the first component of the program, held workshops and provided technical guidelines for citizen oversight e.g. in relation to the production of the reports and monitoring recommendations.  

ii. Participation in the appointment of comptrollers, auditors and other high-level SAI officials

The Constitution of Venezuela elaborates in Article 279. on the election and appointment of the Comptroller General of the Republic (CGR). Namely, the Ethical Republican Council convokes a Citizen Commission for Nomination Evaluation which is comprised of representatives stemming from a variety of societal sectors. In this way, the public process through which officials are being shortlisted for every organ in service to the citizens is strengthened and made more open. The shortlisted individuals are then put under the scrutiny of the National Assembly. The head of the Comptroller General is to be selected by two thirds of votes in the Assembly, in a period of no more than thirty days. If the choice of the Commission is not endorsed in the Assembly, a referendum is called for so that the citizens can directly decide on the official in question. In cases when the Commission is not established by the date envisioned by law, the Assembly continues with the appointment. 

The participation mechanism in regards to the appointment of comptrollers, auditors and other high-level SAI officials in the case of Colombia comes down to a choice of officials who comprise a limited number of employees in the institution. The candidates are first presented to the public and then the citizens are given the opportunity to send their opinions on the nominations via email within a certain period of time.

When in 2008, the Senate impeached a member of the SAI in the Dominican Republic – Chamber of Audit, which was followed by the resignation of the remaining members, the CSOs proposed the introduction of a transparent mechanism in the appointment of comptrollers. The idea was that the biographies of the candidates as well as statements on their earnings and properties, be made available to the public so that the citizens become more informed and get actively involved in the process. 

iii. Participation in audit planning: citizen complaints

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In Venezuela, the Citizen Commission for Nomination Evaluation is convoked so as to select the head of the CGR, who is later on approved by the National Assembly. If the candidate which was brought forth by the Commission is not endorsed in the Parliament, a referendum is called for so that the citizens directly choose the head of SAI.

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164 According to the reply to the questionnaire which was forwarded to the General Comptroller of Peru.
165 According to the reply to the questionnaire which was forwarded to the General Comptroller of Venezuela.
166 For more information visit the website of the General Comptroller of Colombia. <http://www.contraloriagen.gov.co/>
167 Nino, Ezequiel.
Within the Department for Institutional Relations and Conventions, the SAI of Argentina (Auditoria General de la Nacion - AGN)there is a Sector for Citizen Participation with three employees, which is in charge of communication with the CSOs and the processing of citizen denunciations. \footnote{According to the reply to the questionnaire which was forwarded to the General Comptroller of Argentina} Citizen denunciations undergo a verification process through which its relevance for the future audit in regards to the reported topic is being evaluated. The Resolution No. 55/99-AGN changes the denomination "complaint" from the Resolution No. 235/93-AGN which adopts the Procedure Standards for the of timely processing of submitted complaints, changes into "denunciation."\footnote{Regulation AGN No. 50/04.< http://www.agn.gov.ar/informes/Reglamento_Pres_Resol_50_2004.pdf>}

Every document which is submitted or delivered to the AGN on the part of any physical or legal person is deemed to be a "denunciation" if it concerns issues of illegality or irregularity of contracts, legal acts or actions and omissions of the persons and bodies which undergo external audit. The submissions are accepted only if the topic falls under the purview of the AGN's functions. Namely, the denunciation must be in written form and signed, include a name, document of identification and the address of the complainant. It also has to contain a detailed description of the situation and include other documentation which is deemed relevant for the case. If the denunciations are received through electronic means, the individuals who submitted it will be notified through the same medium, on the proscribed form which is necessary for the denunciations to be taken into account. In some cases, the Collegiate of Auditors may accept anonymous documents as denunciations, if they are accompanied by supporting documentation or proof, which substantiates the credibility of the statement and presented claims.\footnote{According to the reply to the questionnaire which was forwarded to the General Comptroller of Argentina}

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A specialised Directorate for citizen services, with 37 employees, under the Comptroller for Citizen Participation of the Comptroller General of the Republic of Colombia (Controloria General de la Republica - CGR) is in charge of receiving, processing, monitoring and reporting on the inquires submitted in relation to the government’s fiscal accountability. It should be emphasised that the success of the Directorate to a great extent lies in the fact that the information on the opportunities and the channels for submitting complaints were elaborated in a clear manner and were widely disseminated. The Information System for Citizen Participation – SIPAR) ensures easy access and complaint registration through an online platform. Additionally, it should be noted that the information on the investigations and the results of the citizen complaints are available through SIPAR, and the citizens have insight into the process and the final result of their contributions. Namely, the citizens are given the opportunity to follow the status of their complaint through the mechanism of a tracking code which is inserted in a specialised computer program, which again an example of the most developed

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\caption{Picture 8. Example of the anonymous citizen registration in the complaint mechanism in Colombia – SIPAR}
\end{figure}
practice in the region when it comes to complaint mechanisms. Under the institutional policy of citizen complaints, the complaints are deemed as a fundamental input for fiscal control and oversight, in regards to their number and the denounced topics, and represent an important factor in the selection of audit subjects. Also, within the Memorandum on the establishment of audits, a specific provision is introduced to assure complaint monitoring.

In Colombia, a distinction is made within the procedure of managing citizen contributions which differentiates “complaints” and “denunciations.” A denunciation refers to facts or actions which may prove irregularities or inefficiency.

The normative framework is given in the Procedure on the recognition of the right to petition in the Comptroller General of the Republic, as well as among other, the Constitution of Colombia, Law 42 from 199, Law 489 from 1998, Decree 267 from 2000, Law 850 from 2003, Law 190 from 1995, Law 734 from 2002, Law 1474 from 2011, Law 1437 from 2011 and the Guide on State Audit – Audit. This procedure envisions the processing of the documents submitted to the institution by the citizens, their classification, codification, replies and strategies from the procedural and substantive monitoring of replies as well as deadlines for the delivery of notifications to the citizens.

The Procedure on the recognition of the rights of petition in the CGR, otherwise under the System for Management and Control regulates the development of activities covered by the Strategy on Citizen Services and defines the actors who are responsible in every stage of processing complaints and denunciations. The goal is to observe every document submitted by the citizens and to reply to them in a timely and efficient manner. The Procedure establishes a difference between the concepts of “complaint” and “denunciation.” More specifically, a basic complaint entails a situation in which the citizen notifies the CGR of a possible irregularity in the work of the services in charge of internal control. Disciplinary complaints are cases in which the conduct of a public servant reflects a disciplinary problem, and fall under the purview of the Office for disciplinary control. Finally, a denunciation should state facts or actions which may help to prove the irregularity or the ineffectiveness in the management of financial resources.

According to a research conducted by the Directorate for Citizen Services in March 2013 with the goal of examining the opinion of the citizens who used SIPAR services, over 90% out of sample of approximately a

For more information visit the SIPAR platform: <http://186.116.129.17/sipar/>
1000 citizens deemed that the service met their expectations and that they were provided with relevant information.\textsuperscript{172}

Under the auspices of the Office for Social Control within the Chamber of Audit of the Dominican Republic, there is a specialised department in charge of receiving and processing citizen complaints.\textsuperscript{173} Similar to the procedure in Colombia, the citizens have the possibility of checking the status of the complaint. Additionally, upon the evaluation of the complaint, the decision of whether the complaint is found to be adequate and is forwarded to the General Audit Directorate to be included in the Annual Audit Plan or is discarded, is sent to the citizen. The management of citizen complaints is regulated by the Constitution of the Dominican Republic, Article 246., Law 10-04 of the Chamber of Audit, Article 7., and the Regulation on the implementation of this Law, as well as Article 15. of the Law 1-12 on citizen participation.

![Organisational structure of the Office for Social Control, Chamber of Audit, Dominican Republic](image)

The System 311 for citizen services should also be noted as an interesting example. Moreover, it falls under the e-government strategy and represents the main means through which one can submit a complaint, denunciation and reclamation via an online portal or by calling 311 that will later on be channelled towards the bodies in charge. The System is established by the Decree No. 694-09 from September 17th 2009. A complaint is defined as an verbal or written notification of the body in charge in an action which may represent a crime or an administrative infringement, while a denunciation entails a dissatisfaction with the conduct or work of public servants. Finally, with reclamation, citizens demand amelioration of public services. The goal of the System is to strengthen the channels of communication with the CSOs and citizens and to facilitate their participation.\textsuperscript{174} The institutions encompassed are the State Secretary of the Presidency, National Council for State Reform, National Directorate for the Prosecution of Administrative Corruption, Directorate General for Public Procurement, as well as the Office of the President for Information Technology and Communications. In this way the time period for receiving and processing citizen contributions is reduced as well as the financial costs, which represents a step towards an increased efficacy of state bodies and leads to a greater citizen satisfaction with public services. In this sense, the System is also useful for measuring the impact of state institution as well as the support during decision making.

The Supreme Audit of the Federation of Mexico (Auditoria Superior de la Federacion de Mexico – ASF) established a participatory mechanism – Ethical complaints line (LED) with goal of gathering information


\textsuperscript{173} See: <http://www.camaradecuentas.gob.do/>

\textsuperscript{174} For more information see: <http://www.311.gob.do/>
and citizen complaints which are then processed so as to be eventually be incorporated in the Annual Audit Plan. In this way LED embodies the goal of strengthening citizen participation from the ASF Strategic Plan for the period 2011 – 2017.

It is interesting to note that the CSOs did not initiate the introduction and institutionalisation of LED by Juan Manuel Portal Martinez, Supreme Auditor, who in came to realize the numerous potential benefits of such a mechanism in 2009. Namely, the ASF conducted a study in 2010 which concluded that the citizens deem the telephone lines as the most applicable mechanism in the Mexican context due to the fact that they allow for the anonymity of those who submit the complaints. The success of LED after the first five months of the pilot programme led to the institutionalisation of the practice, including the necessary appropriate financial and human resources. Even though, ASF is still in the process of developing the guidelines in order for the mechanism to be fully integrated and incorporated in the institutional framework of the ASF, it can be said that LED started functioning in May 2011.

In the case of Venezuela, the Office for Citizen Services in to be found within the Office of Comptroller General and is comprised of the Sector for Informing and Promoting Public Participation and the Sector for Complaints, Denunciations, Suggestions, and Demands. The key legal document which regulates the management of the aforementioned citizen contributions are the Standards for the Promotion of Citizen Participation which states that first of all these contributions need to be substantiated, received, processed and resolved. Namely, according to these Standards, citizens individually or collectively, directly or through their representatives, or through organised communities may submit to the Office for Citizen Services their complaints, denunciations, suggestions, and demands. According to the Guidelines (Regulation No. 01-00-55, from June 21st, 2000) for a contribution to be effective, the following needs to be done:

- Facts which are deemed to represent irregularities in the management of public resources need to be linked,
- The individual deemed to be the suspect needs to be noted,
- Proof which will aid SAI in investigating the accusations need to be provided,
- Clear and accurate information need to be submitted,
- The contribution may be submitted orally or in written or electronic form.

Firstly, the Office for Citizen Services determines whether the body has the possibilities of processing the contribution. Following the processing phase, if it is concluded that the contribution does not fall under the purview of the institution, it is channelled towards the responsible bodies. Additionally, the decision or the reply

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175 Montero, Guillan Aranzazu.
177 Ibid.
to the complaints, denunciations, suggestions and demands need to be made timely, with integrity and in accordance with the substantial demands and the formality of the case.

In Honduras complaints received by the Directorate for Citizen Participation (Dirección de Participación Ciudadana - DPC) are forwarded to the Department for Control and Monitoring of Complaints (DCSD) which also analyses and directs the complaints to other directorates of the Supreme Court of Audit (Tribunal Superior de Cuentas – TSC). The Department encompasses 16 employees – chief officer, two supervisors, 11 auditors, one legal analyst and one individual who inserts the data from the complaints into the database. DCSD incorporates a group of auditors who timely process complaints so as to provide the citizens with a quick reply on the submitted issues. Complex complaints are also depending on the topic being forwarded to the various directorates of the TSC so as to be incorporated in future audit plans.

Citizen Complaints System, under the auspices of the DCSD, was established with the objective to process more effectively the complaints made by citizens and CSO and which are related to the conduct of public servants or the management of public resources. Citizen complaints are taken into account during the process of audit planning. According to internal regulations which are given in the form of a manual the reception, analysis, investigation and reporting on submitted complaints is regulated and elaborated. Additionally, in this manner the general rules on acting upon complaints, as well as the form and content of the complaints, technically and legally, are established. Complaints may be submitted personally or via internet so that the DPSD would determine whether the complaint in question falls under the purview of the TSC. If indeed the case is that the TSC is in charge of the topic of the complaint, and there are sufficient elements pointing to the individual denounced, at what time, manner and place in its content or the complaint incorporates proof regarding the acquisition of this information, it is forwarded to the Audit Directorate so as to conduct further investigation. Later on, within a special investigation undertaken by this Directorate, necessary documentation is gathered so as to support the complaint. Finally, a report is prepared and an adequate decision is made. The reports of the TSC which are available on the website of the institution also include documentation on citizen complaints.

Table 5. The number of received complaints per year, 2007-2012., Honduras

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The Comptroller General of Panama considers citizen complaints, conducts preliminary investigation and evaluation, and determines the reliability of the submitted information, in order to conclude whether there is sufficient proof to forward the complaint to the unit of the SAI which is in charge of the investigation i.e. the National Directorate for Citizen Complaints which later on includes the complaint in the process of audit planning. The legal basis for the management of citizen complaints is given in the Law No. 32 from 1984, the Organic Law of the Comptroller General as well as the Regulations on the establishment of the National Directorate for Citizen Complaints, procedures. Other relevant legislation are for instance the Law on Administrative Procedures and the Law on Transparency, etc. Which regulate the management and processing of citizen complaints from the beginning until the finalisation of the process. For now there are not internal regulations for the management of complaints within SAI, but as noted, they are in the process of formalisation. These internal regulations refer to the access to information through information technology which aim to present the complaints and the process of their treatment, as well as to the deadlines of the processing phases in accordance with the laws and administrative procedures. National Directorate for Citizen Complaints with its 11 employees, established with the Decision No. 083-DDRH from 2006, as aforementioned, deals with the issues concerning citizen participation. SAI itself maintains contact with the various bodies of the government, on the entire territory, and even rely on some during the investigations of the submitted complaints.

Among the most important functions of the DPSD is the reception of complaints on alleged irregularities in the management of public resources, which are received though any of the various channels, in accordance with the law. Other functions are the evaluation and the forwarding received complaints to the responsible bodies of the Comptroller General or the state institutions in charge of the topic of a certain complaint, cooperation with the bodies in charge so to ensure that the process is in accordance with state interests, documentation of the conducted activities of the investigators so that the Comptroller is
timely notified on their progress, as well as coordination with other directorates of the Comptroller General so to assure the necessary assistance in the process of advancing government accountability. Citizen complaints conveying mismanagement or irregularities in the use of public resources and goods may be submitted via website, telephone line which is free of charge, post, personally or in any other way. These complaints in certain cases are forwarded to the highest instances of the reported institutions so that to direct them to the bodies of internal control, while the units of SAI conduct the investigation. Later on, a monitoring programme is established so to notified the individuals who submitted the complaints on its status. The Citizen Complaint System should be differentiated from the other aforementioned complaint mechanisms, since on its website the information available on the procedure of processing complaints is subdivided into four categories: 1. Under investigation, 2. Audit, 3. Adopted or 4. Rejected. In this way, the Citizen Complaint System facilitates the interaction between the users and the SAI in regards to incorporating complaints and monitoring their status until the completion or the cessation of the procedure. Since the internet page is available to everybody, it is possible to put forward additional information in relation to all complaints notwithstanding if they were submitted personally or through the online platform.

Some of the phases which can be denoted in the processing and consideration of complaints are:

1. Reception of complaints made by identified or anonymous individuals through any of the aforementioned channels. The information is then introduced into the internet system of the Directorate for Citizen Complaints where the complaints are given a number so that the citizens can track the status of their submission.

2. Evaluation of a complaint entails the preliminary examination of submitted data in order to determine whether the complaint falls under the purview of the Directorate.

3. Assessment of a complaint encompasses the analysis of the reported information so to determine whether there is sufficient grounds for an investigation (at this point, the complaint is either rejected or completed)
   a. The criteria for rejecting a complaint are for example lack of information, lack of irregularity, and the subject of the complaint already underwent audit, while there are also cases in which the submission does not constitute a complaint. If the complaint is rejected, the reasoning behind such a decision or the criteria under which the submission would constitute a complaint, are made available on the website i.e. the Citizen Complaint System.
   b. The completion of a complaint occurs in instances when there is no need for further investigation after the analysis of the complaint. Citizens are notified upon the completion of the complaint through the Citizen Complaint System.

4. Communication with the bodies in charge is conducted via remarks or memorandums through which they are being notified by SAI on a reported irregularity which is under investigation and on the fact that it will produce a report with the results of the investigation.

178 See: <http://www.denunciaciudadana.gob.pa/publico/>
179 According to the reply to the questionnaire which was forwarded to the Comptroller General of Panama.
Within the Court of Accounts of El Salvador, there is a Department for Citizen Participation with 12 employees which is in charge of denunciations of corruption on the part of natural persons be they the representatives of CSOs or individuals. The legal framework comes down to the Organic Functional Regulation of the SAI of El Salvador and the Regulation on the Management of Citizen Complaints. This normative framework gives the conditions for the reception, analysis and replies to the submitted complaints. Every complaint on an irregularity or an omission of a public servant begins with an investigation of the individual who submitted it so as to assure the validity and veracity of the complaints. Thus, every complaint needs to incorporate information on the individual who submitted it as well as the copy of an identification document in order to be able to do a proper investigation and send the notification on the results of the investigation, clear and concisely represented facts which fall under the purview of the Court of Accounts, identification of a suspect and the institution in which he or she works, as well as any other additional documentation which would be in support of the complaint. 180

By the end of December 2012, within the SAI of Chile, the Unit for Citizen Services was established (Unidad de Atención Ciudadana - UAC) with 12 employees. It is coordinating with the Technical External Audit Units which work on the national and subnational levels, and is in charge for the reception and processing of complaints and audit suggestions made by the citizens via an internet portal or other channels of the institution. The Comptroller General of Chile (CGR) introduced a so-called internet portal „Control and the Citizens” in order for the citizens to be able to send their complaints and audit suggestions as online forms. It is to be expected that this mechanism will also be used by the representatives of CSOs. In this manner, the contributions of the citizens and the CSOs may later on be incorporated in the audit plan itself.

On the Youtube channel of the CGR, the process that the complaints and audit suggestions go through is depicted in a vivid and understandable fashion. Following the analysis of the information presented in the complaint, if it is determined that the data is valid, audit teams undertake field work through which a special investigation and audit is conducted. In the case of an audit suggestion it is necessary to firstly determine

180 Available at: <http://www.tsc.gob.hn/Denuncia%20Ciudadana/index_denuncia_ciudadana.html>
whether the analysis yield information which is relevant for audit planning. The individuals who submitted the contributions are notified of the final result of audit, while in the case of audit suggestions, they are notified also following the examination of the relevance of the audit suggestion for audit planning.\textsuperscript{181}

Within the SAI of \textbf{Ecuador}, there is a Directorate for Ethical Affairs and Citizen Participation with 30 employees which receives, manages and replies to citizen complaints. The entire process of citizen participation in the audit process is regulated by an Organic Procedural Statute, while there are also internal rulebooks brought by the aforementioned Directorate. The complaints are taken into account depending on the number of its supporters i.e. undersigned citizens.

SAI of Costa Rica, as already mentioned, promotes citizen participation through four components (citizen services, citizen information, citizen trainings and articulated control), while in this section, the focus is placed on citizen services which aim at providing citizens with notifications on their audit demands or information requests, complaints, denunciations or petitions. A unit for complaints and investigations with 44 employees was established with the goal of investigating and detecting irregularities and alleged corruption in public administration through a continuous monitoring process and public finance audit. Namely, there are a number of various channels which are made available to the citizens so as to initiate a case. A denunciation may be made via telephone, fax machine, electronically or personally. Moreover, there is a possibility of submitting an anonymous denunciation, while in the cases when the name of the individual placing the denunciation is available, the institution is obliged by law not to disclose his or her identity. Following the initial evaluation, if it is determined that the denunciation does contain sufficient evidence, an investigation is undertaken. Consequently, denunciations may influence the audit plan, and even lead to an initiation of a legal proceeding. Moreover, a guide in regards to the submission of denunciation was created and is available in both hard copy and as an electronic version.\textsuperscript{182}

The legal basis for the management of citizen complaints can be found in the Law on Anti-Corruption and Illicit Enrichment through Public Office (Law No. 8422), and its provisions, as well as the General Law on Internal Audit (Law No. 8292). Thus, the submission of citizen denunciations as well as the obligation of the institution to receive and answer them while preserving the identity of the individual behind them is regulated by law. In regards to internal rulebooks, there are the Guidelines for dealing with denunciations to the Comptroller General of the Republic, which prescribe the conditions for the submission of a denunciation, as well as the procedure of verifying the validity of the reported data that a denunciation goes through.\textsuperscript{183}

The SAI of \textbf{South Korea} is an interesting and notable example, namely since it introduced numerous channels for citizen complaints and requests. Consequently, the Advance Notice Audit System was created with the objective to instigate cooperation with the citizens and stimulate their participation through timely notifications on the goals and the period of audits which may be of relevance to them. It is through this system that BAI receives citizen complaints as well as information on alleged irregularities noted in the

\begin{itemize}
\item For a citizen audit request to be taken into account in South Korea, it has to be undersigned by at least 300 citizens over 20 years of age, or several NGOs which in total number over 300 employees.
\end{itemize}

\textsuperscript{181}See the CRG Youtube channel. Available at: <http://www.youtube.com/user/CONTRALORIACHILE?feature=watch>

\textsuperscript{182}See: <www.cgr.go.cr>

management of public resources. The Citizens’ Audit Request System, introduced in 2001, provides the citizens with the opportunity to solicit the audit of state institutions deemed to have succumbed to corruption or other irregularities which are in conflict with the public interest. For a citizen audit request to be taken into account, it has to be undersigned by at least 300 citizens over 20 years of age, or several NGOs which in total number over 300 employees. The South Korean society has incrementally been familiarised with the system, and as a consequence BAI has noted an increase in the number of audit requests across time. The Citizens Audit Request Screening Committee was initially comprised of four general auditors and three experts from the civil society, while in time, the ratio has turned in favour of the CSO representatives. The role of this Committee is to receive requests and decide whether they will be included in the audit plan. Another novel approach is the system of the citizen auditor, which is a mechanism on the local level through which the citizens may report on potential abuse of public office via post, fax machine, or telephone if the issues at stake are related to financial accountability. Moreover, under a Civil Petitions Reception System, the consideration of petitions is done by an auditor who is a natural person and not a public servant, whose mandate is to conduct audits in cases when it is deemed necessary and to later on notify the individuals behind the submission upon the results and findings of the audit.

iv. Participation in oversight

iv.a Social audit

In Peru, social control is regulated through a Guide for the Development of Citizen Oversight with the support of the Comptroller General, which is introduced by the Regulation No. 374-2006-CG and Directive No. 02-2006-CG Citizen Oversight Procedure, which was implemented through Regulation No. 155-2006-CG. Citizen oversight encompasses the participation of individuals who have been selected through a public call and have completed an introductory course on the topic of public finance control. In this regards, the SAI of Peru through the Department for Cooperation and the Prevention of Corruption has been promoting Youth Oversight in schools. More specifically, the Department would present the results of the former programmes related to citizen oversight on fairs which brought together youth organisations dealing with anti-corruption. As it was already elaborated in the section on dissemination and training practices across SAIs of the region, under the Programme for Young Auditors, high school students in their senior years and their teachers undertake trainings in order to be prepared to conduct citizen oversight on the national level, namely in the most populated cities. The following methodology of oversight depicts the procedure through phases:

1. Planning:

The purpose of oversight is determined at the onset. Moreover, certain criteria that need to be accounted for are such as the integrity and the safety of the citizens, the relevance of the topic for educational institutions, the ease of access to information, the compliance with the curricula, etc. Legislation related to the chosen field is then being collected in order to eventually select the pieces of legislation referring to students. Afterwards, the formats of citizen oversight are being examines so as to finally create the Youth Audit Plan which needs to contain a short description of the state of affairs, the information on the institution which will be subjected to youth visits, the overarching goal of the audit as well as the specific goals, the legal basis, working group, material resources, formats which should be used and the schedule.

2. Conducting citizen oversight:

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185Dialogue on Civil Society Engagement in Public Accountability.
186Pyun, Ho-Bum.
According to the Youth Audit Plan, the first activity is the student visits (done alongside a teacher) to the state body which was selected as the subject of oversight. Every student group is responsible for gathering information according to the guidelines given by their teachers. Afterwards, the students present their conclusions so that the teachers would summaries them and prepare oversight reports.

3. Dissemination of recommendations:

The report is presented to the individual in charge within the auditee, as well as to the Comptroller General i.e. the Supreme Auditor and the Principal of the school.

4. Monitoring:

The Comptroller General has to be timely notified on the result of the monitoring, or in other words, whether the auditee adopted the recommendations which were brought forward.

Even though according to the Initiative Transparency, Citizen Participation and Accountability (Transparencia, Participacion Ciudadana, y Accountability - TPA), there are other countries in which social audit is being undertaken, other examples in this area were not submitted to the European Policy Centre. Despite the fact that social audit is rarely conducted by CSOs, TPA gave the example of Colombia and Paraguay which represent countries where SAIs institutionalised cooperation with CSOs through agreements. As elaborated at the beginning of this section, social audit is conducted without the involvement of any state institutions, and these two countries are no exception. Moreover, TPA also referred to the example of Bolivia where so-called mechanisms for social control and vigilance committees were established due to the Law on Popular Participation from 1994 which introduced CSOs in the monitoring. These committees bring together the representatives of local organisations which were prior to this selected at the municipal level, and have the mandate to conduct ex post monitoring or in other words – social audit. Likewise in Mexico, Citizen Control and Monitoring Committees represent the mechanism of social audit. While the committees in the case of Bolivia are permanent, in Mexico they remain to be convoked in an ad hoc manner. The citizens who are members of these committees are chosen either from other committees dealing with public procurement topics or are directly chosen by the communities which are the final beneficiaries of a governmental program or activity.187

V.3 SAI Cooperation with Civil Society – Non-European Practice

This section gives a reflection on the approaches observed in the SAIs of South America in regards to their cooperation with civil society organisations, according to the categories denoted by the TPA Initiative which were listed and elaborated at the beginning of the chapter – dissemination of information and trainings related to external audit processes and participatory mechanism, participation in the appointment of Comptrollers, Auditors and other high-level SAI officials, participation in audit planning, participation in oversight, and participation in monitoring the compliance with audit recommendations.

i. Dissemination of information and trainings related to external audit processes

As the majority of SAIs, the General Audit of Argentina (Auditoria General de la Nacion - AGN) established a web page which is utilised for the purposes of disseminating audit reports. However, alongside the general website, AGN introduced a blog where it publishes short summaries of audit reports in a clear and understandable language with the goal of reaching a wider audience.188 Through this portal, the citizens may opt for daily news related to the reports of state as well as provincial oversight agencies that they receive on their e-mail address. It is relevant to note that this blog was the result of an initiative brought by

187 Asociación Civil por la Igualdad y la Justicia (ACIJ).
188 Blog of the General Comptroller of Colombia. at: <http://agnparticipacionciudadana.wordpress.com/>
the Union of Audit Institution Employees (APOS), which shows the willingness of the employees to improve the work and impact of AGN in such a manner. What is more, the Media Department of the AGN sends newsletters on the findings and conclusions of the reports, also written in an everyday language for user-friendliness, to journalists and media outlets, ombudspersons, CSO representatives and other beneficiaries.  

Workshops on topics of relevance to audit are being conducted on a quarterly basis and are directed and intended for CSO representatives, but not citizens in general. Their purpose is to inform the CSOs on the work of AGN, as well as to introduce them to the procedure of suggesting audit topics which would eventually be included in the Action Audit plan. During the course of 2013, informative workshops were conducted on the environment, which other considered topics are dealing with issues pertaining to vulnerable groups, consumers and public transport. In numerous cases, the topics of the workshops are decided upon in accordance with the CSOs.

The Unit for Citizen Services (Unidad de Atención Ciudadana - UAC) within the Comptroller General of Chile (Contraloría General de la República - CGR) with the goal of instigating citizen participation conducts trainings on topics related to financial accountability and audit. Since the CGR is actively endorsing initiatives striving to reduce the asymmetry of information available, between the government and the citizens, noted that CSOs are considered as strategic partners in the audit process and in strengthening audit findings through communication with the citizens. At the moment, for the other half of 2013, trainings which are underway tackle the preparation of documentation on the financial accountability of CSOs that received grants from public funds, topics related to public administration bodies which are managing public resources, etc. Since the UAC is still novel and developing, numerous aspects of this cooperation with the CSOs are not yet specified such as for instance the frequency of trainings and the conditions for choosing the participants. Additionally, there are no educational programmes aimed at the citizens. Still, in accordance with the Article 17. Of the Lima Declaration, all CGR products – from reports to recommendations and conclusions – are written in a comprehensible and clear language in order to facilitate wider understanding among the public.

ii. Participation in the appointment of Comptrollers, Auditors and other high-level SAI officials

An example of CSO participation in the appointment of the Comptroller General can be found in Ecuador and is moreover, denoted as the most successful practice of its kind. The SAI of Ecuador is under of the Office for Transparency and Social Control as a part of the wider policy which entails the opening of participation and oversight channels in audit through the Council for Citizen Participation and Social Oversight. The Council is authorised by law to convene citizen committees which are comprised of the same number of government and CSO representatives. It is interesting that the representatives of the CSOs are also subjected to a public discussion meaning that the candidates are being chosen through a public vote.

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189 Nino, Ezequiel.
These five committees (executive, legislative, judiciary, transparency and social control, and electoral) whose sessions are public, are in charge of appointing the Comptroller General, organizing public debates between the candidates for the post in the media, and overseeing the entire process. This experience points to the fact that the civil society may be quite interested for such a type of cooperation.\(^\text{190}\)

Cooperation with the citizens and the CSOs was envisioned in the founding documents of the Ecuadorian SAI, while the Organic Law for Transparency and Access to Information should be also noted since it refers to the monitoring of public resources and citizen participation. Still, it cannot be said that the cooperation with the CSOs is regulated by Law.\(^\text{191}\)

### iii. Participation in audit planning: Participatory Planning

In regards to SAI cooperation with the CSOs, the most important form of participation in audit planning is participatory planning. Thus, this section will above all focus on the practices of the examined country case studies in regards to this participatory mechanism.

Supreme Court of Accounts of Honduras (Tribunal Superior de Cuentas - TSC) through the Directorate for Citizen Participation with 24 employees promotes citizen participation, transparency, financial accountability and citizen participation in audit processes.\(^\text{192}\) Thus, in Honduras, social audit as well as citizen complaints has been instituted as a permanent form of cooperation which is questioned only due to lack of human and financial resources. Therefore, TSC promotes the participation of citizens and CSOs which deal with audit processes and research related in those processes. TSC stated that it finds CSOs to be their allies during social audit and in informing on irregularities of public resource management and financial accountability.

Article 5. of the Constitution of the Republic of Honduras envisions that the government must preserve the principle of participatory democracy. Thereof, it envisions the cooperation with CSOs and its regulation, as well as a manner of accessing information. In relation to the choice of CSOs with which the TSC is cooperating, there are no rules and conditions as the TSC in general sends a call to the organisations or individual citizens who have a true interest to participate in the work of the TSC. Additionally, the parameters of frequency and institutionalisation of cooperation were not established, and the need to formalize the cooperation with the CSOs is determined on an ad hoc basis, when an agreement on cooperation is also signed.

Through the two yearlong pilot programme „Connecting citizens with institutional oversight,“ TSC introduced practices which consider the suggestions of external actors, above all CSOs and the media, in the process of audit itself and audit planning. Citizens and CSOs, who benefited from the services of the institutions which are subjected to audit, are invited to meeting so as to formally submit evidence on irregularity. Information which is brought forward is taken into account during the preparation of the General Audit Plan, and mostly in the case of CSO suggestions. In this manner, this participatory practice includes both citizen contribution as well as direct cooperation with CSOs in the process of audit planning.\(^\text{193}\)

It can be said that participatory planning is an innovative practice which was introduced in the countries of South America, while the case Argentina needs to be credited for its development. Moreover, SAI of Argentina (AGN) introduced structural proceedings for meetings with CSOs. This participatory mechanism is implemented on the basis of certain regulatory standards, even though there is no formal regulation for participatory planning per se. What could be mentioned in this regard is for instance Article 13. Of the General rules which regulate the internal regulation of the Collegiate of Auditors which states that the public

\(^{190}\)See: Internet stranica Kancelarije Generalnog kontrolora Ekvadora: \(<\text{http://www.contraloria.gob.ec/}\>\

\(^{191}\)According to the replies to the questionnaire forwarded to the Comptroller General of the Republic of Ecuador.\

\(^{192}\)See: \(<\text{http://www.tsc.gob.hn/}\>\

\(^{193}\)See: \(<\text{www.tsc.gob.hn/PDFS/PARTICIPACION\%20CIUD/proyecto_balance\%20pdf.pdf}\>
hearings procedures may be also used for the purposes of evaluating the activities of the public administration.

The Regulation on open consultation and participatory planning, even though it has not yet been adopted, establishes basic guidelines for the implementation of the mechanism such as the calls directed to CSOs so as to invite them to participate in the annual meeting and the deliberation on the CSO suggestions. The mechanism established is to be differentiated from the previously described open consultations since in this case the contact with the CSOs is maintained throughout the year. The Civil Association for Equality and Justice (ACIJ), a non-profit organisation aiming to contribute to the development of participatory and deliberative practice such as the initiatives and suggestions related to the introduction of a system within the AGN through which the CSOs could propose audit subjects. As a result, the AGN did introduce a participatory process which gathers CSOs.

From 2003 through the programme „Participatory planning,“ the AGN has been promoting the exchange of information and cooperation with the CSOs which facilitated the rapprochement of the institutions and organisations which resulted in a consistent, fruitful and transparent dialogue despite the fact that there is no legal grounds, meaning legal framework and not even internal rulebooks which would regulate this cooperation. The AGN is applying Participatory Planning Programme, a consultative mechanism which is comprised of two dimensions – on the one side, the exchange of information and experiences, and on the other side, the reception of suggestions on the part of CSOs in regards to the topics which should be taken into account during the process of drafting the annual audit plan.

Participatory Planning Programme conducted the Argentinean SAI represents a consultative mechanism which is comprised of two dimensions – the exchange of information and experiences, and the reception of suggestions on the part of CSOs in regards to the topics which should be taken into account during the process of drafting the annual audit plan.

taken into account during the process of drafting the annual audit plan. Therefore, AGN states that it considers the CSOs to be its allies who owing to their experience concerning specific topics provide a richer vision which is complementary to the technical work of the auditors. In order to participate in audit planning, the only condition for the CSOs is to meet the legal requirements of establishment. Four times per year, all the CSOs who have previous experience in relation to the topics of relevance to the AGN and with which it has maintained contact, are invited to a meeting with the representatives of the AGN. Namely, the AGN created a database which enlists all CSOs with which is has cooperated in the past, taking into consideration their mission and vision, field of activities, as well as certain other indicators established by the AGN. Afterwards, via electronic mail, a formal notification is sent to all the selected CSOs, through which they are invited to submit audit suggestions through forms. The Department for Operative Planning of the AGN evaluates the CSO suggestions so that they can give feedback on the adopted and rejected suggestion during the second meeting with the CSOs. When the suggestions are processed, a meeting is held in order to discuss topics which will be undertaken in the next Annual Operative Plan.

According to the Participatory Planning Programme from 2010, the following six phases may be indentified:

- a. SAI sends a call for a meeting to the CSOs,
- b. SAI informs CSOs on types of audit and technical criteria for choosing the auditee,
- c. SAI receives the CSOs suggestions,
- d. SAI processes and analyses CSOs suggestions,
- e. SAI forwards the CSOs the replies to their suggestions,

Asociación Civil por la Igualdad y la Justicia (ACIJ).
f. SAI disseminates information concerning the process.\textsuperscript{195} What was noted as a problematic fact was the lack of a cooperation mechanism when the process of participatory planning ends. There is a strand of thought which purports that the informal contact which the AGN maintains with the CSOs does not allow for satisfactory monitoring and stimulation of the implementation of measures and dissemination of audit reports.\textsuperscript{196} Moreover, since it remains a non-obligatory consultative practice, it was not duly and regularly implemented in the past (from 2003 when instilled, meetings were conducted in 2004, 2006, 2007 and 2010).\textsuperscript{197} Still, it should be noted that the AGN did remain in close and consistent contact with the CSOs and has taken their concerns and needs into consideration as it has participated in joint projects. Moreover, there a numerous examples of the significance of certain reports which resulted from the exchange of information of the AGN and CSOs.\textsuperscript{198} An case in point proving the success of the cooperation is the introduction of an accessibility assessment for persons with disabilities of the institutions which are subjected to audit.\textsuperscript{199} The AGN up to this date showed the willingness to incorporate CSOs suggestions in the Annual Audit Plan, which is also reflected in the fact that it notifies the organisations, as previously stated, even in cases when their suggestions were rejected in order to present the reasoning for such a decision.\textsuperscript{200}

iv. Participation in oversight

iv.a Joint Audit

The sole example of an institutionalised mechanism of joint audit through formal rules, legislation and offices is to be found within the SAI of \textbf{Colombia}. When internal reorganisation and systematisation of the institution was taking place, comptroller delegates were introduced and one of them was in charge of citizen participation. Under the Deputy Comptroller, there is the Directorate for Citizen Participation which is in charge of managing the complaint system and the engagement of CSOs in audit, and the Directorate for the Promotion and Development of Citizen Oversight in charge of trainings and the promotion of citizen participation.

In the case of Colombia, joint audit is comprised of the following four phases:

1. SAI identifies and trains the CSOs which meet the prerequisite of cooperation, accept the rules and have signed an agreement on cooperation,
2. SAI organizes roundtables which gather CSOs that contribute with their technical knowledge,
3. Bodies which were subjected to audit submit to SAI a Plan for the Improvement of the Institution as a compliance with the recommendations brought forth by SAI, while CSOs are invited to attend,
4. SAI plans the training programme for the Office of the Comptroller General and the CSOs, as well as the introduction of working groups which would evaluate public policy.\textsuperscript{201}

\textsuperscript{195}See: \texttt{<http://www.agn.gov.ar/planificacion_participativa/mapa_control_08_09_.pdf>}
\textsuperscript{196}Montero, Guillan Aranzazu.
\textsuperscript{197}Montero, Guillan Aranzazu.
\textsuperscript{198}Nino, Ezequiel.
\textsuperscript{199}Nino, Ezequiel.
\textsuperscript{200}Nino, Ezequiel. Auditing agencies and NGOs: Benefiting from each other’s work. A work experience in Argentina. Available at: \texttt{<http://unpan1.un.org/intradoc/groups/public/documents/un/unpan028670.pdf>}
\textsuperscript{201}Transparencia Internacional Colombia. No.2 Para Fortalecer El Control Ciudadano en Colombia: Estudio sobre la figura de la Veeduría Ciudadana. 2000. Available at: \texttt{<http://transparenciacolombia.org.co/images/publicaciones/control_social/cuaderno2.pdf>}

\textsuperscript{195} See: \texttt{<http://www.agn.gov.ar/planificacion_participativa/mapa_control_08_09_.pdf>}
\textsuperscript{196} Montero, Guillan Aranzazu.
\textsuperscript{197} Montero, Guillan Aranzazu.
\textsuperscript{198} Nino, Ezequiel.
\textsuperscript{199} Nino, Ezequiel.
\textsuperscript{200} Nino, Ezequiel. Auditing agencies and NGOs: Benefiting from each other’s work. A work experience in Argentina. Available at: \texttt{<http://unpan1.un.org/intradoc/groups/public/documents/un/unpan028670.pdf>}
\textsuperscript{201} Transparencia Internacional Colombia. No.2 Para Fortalecer El Control Ciudadano en Colombia: Estudio sobre la figura de la Veeduría Ciudadana. 2000. Available at: \texttt{<http://transparenciacolombia.org.co/images/publicaciones/control_social/cuaderno2.pdf>}

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Within the organisational structure of the SAI of Colombia as a pioneering endeavour at the time, the unit of the Comptroller Delegate for Citizen Participation was established and put in charge of the implementation of activities concerning the creation of a link between citizens and their organisations, and the management of public resources, monitoring and fiscal control. Under the policy of citizen participation which materialised into the System of Participatory Fiscal Oversight, the strategy Joint Work with the Civil Society Organisations was created so as to direct joint efforts in assuring fiscal accountability of the government. CSOs participate in the audit from the moment when the General Audit Plan is defined, from risk factors, complaints or irregular actions and then in any other phase of audit such as for instance workshops on audit, discussions on the final report of audit and the plan for improvement proposed by audit subjects, as well as the monitoring of its implementation. The System of Participatory Fiscal Oversight is defined as cooperation between institutional oversight conducted by the Comptroller General and social control. As an expression of the sovereign power of the citizens, CSOs are the first to have the right to hold officials who manage public funds accountable, and to contribute to a more efficient monitoring and fiscal accountability from their purview which determined by law.

The legal basis for the participation of CSOs in the control and fiscal oversight is the Constitution of Colombia (Article 2, 267, and 270). Within the institutional structure the Controller Delegated for Citizen Participation was created through the Decree 267 from 2000, while the document CONPES 3654 from 2000 indicates the strategy for the coordination with CSOs as part of the objective to strengthen diagonal financial accountability. Within the institution, the strategy is designed as a special procedure of the Guide for fiscal control and supervision. In addition, it sets the spectrum of CSOs which are subject to the strategy and defines the roles of the participants—therefore, the CSOs, citizens, and a team of auditors of the CGR.

To take part in the review process, the CGR initiated the identification of CSOs which is carried out in accordance with the Audit Plan. Depending on the subjects of audit, the CSOs are chosen due to their familiarity with the substance of audit, the sector of the auditee, or those which to submitted complaints to the CGR regarding irregularities that should be taken into account in the audit process. On the other hand, CSOs can also express their willingness and wish to be directly involved in the audit process. Afterwards, the contacted CSOs come to a meeting with the CGR to determine the suitability of the individual organisation, i.e. to examine the possible interests or contractual arrangements which would violate the principles of objectivity and impartiality. It is then that the CGR provides training to the members of the CSOs to ensure an adequate level of knowledge needed for the monitoring. Then, CSOs submit the necessary documentation in order to formalize their cooperation and realize joint work with CGR. Among these documents are the certificate of establishment and representation of CSOs, motivation letter which states a aspiration to participate in the audit process, etc. With this documentation, the team for articulated audit of the Comptroller Delegate for Citizen Participation consults with the Criminal Records, and prosecutors to make sure that there is no irregularity and that the representative and the members of the organisation are suitable for the realisation of such a confidential affair as submitting information to the auditors teams and first-hand tracking the progress of audit. The organisation which was previously verified by the Controller Delegated for Citizen Participation can be considered eligible to participate in articulated audits.

The articulation process takes place twice a year, and is institutionalised through the Guide for Audit, so as to ensure that the CGR will indeed conduct articulated audit in collaboration with CSOs. The first phase of articulation is initiated by the Memorandum of Assignment, which represents the team for articulated audit on the first working table. Subsequently, what is being decided upon are the lines of audit in which the organisation will participate depending on its readiness and expertise, so that the obligations of the parties involved are established in relation to other working tables as well as the schedule which should be adhered
to for the sake of an effective articulation. In the following tables (3 and 4), the team for articulated audit informs on the progress of the audit and the issues that the organisation brought forth and in relation to which additional documentation is submitted. At the last table, the results of the audit and the actions of the Comptroller General are presented to the civil society organisation. Additionally, an important step in the process of articulated audits is the moment when the organisation is allowed to monitor the progress of the audited entity in the implementation of the recommendations. Later on the organisation informs CGR.

Law No. 20.500 from 2011 on Partnerships and Citizen Participation in the Management of Public Funds, even though it excludes SAI regarding any liability, it does provide an important framework for the development of the cooperation between CGR and civil society organisations in Chile. This law was introduced by the amendments to the Law No. 18.575 General Constitutional Organic Law on Public Administration, which incorporated in Article 3. The principle of citizen participation and introduced the new Title IV on the subject. While under Article 75. Law No. 18.575 after the amendment of Law No. 20.500, these rules in Title IV do not apply to SAI, it was assessed that it is necessary to introduce institutional policies that establish participatory mechanisms according to the functions that are constitutionally and legally in accordance with the development of CGR. Otherwise, there are no internal rules governing cooperation with CSOs. In areas that are directly connected with the police, the SAI has opened up new opportunities for cooperation with CSOs. Thus, for example within the framework of a project supported by the Inter-American Development Bank, the SAI worked with a group of CSOs enabling them to conduct audit and develop practices related to active transparency.

Articulated control, as joint audit is referred to in Costa Rica, represents the process of articulated audit as well as the contribution of individual citizens who possess a certain level of knowledge and expertise on specific relevant issues. However, to date no audit has been implemented in coordination with the CSOs at any stage of audit, since they are considered to contribute to specific sectors. In this sense, according to expert criteria stemming from the civil sector plans for medium control are formulated. They also have an impact on citizens’ reports and identified trends based on monitoring the state of affairs throughout the country.

iv.b Social audit

According to the General guidelines of the Department of social control which is within the Chamber of Auditors of the Dominican Republic, social control is an instrument of citizen participation through which every citizen has the right to oversee, monitor and evaluate the implementation of public policies in order to ensure a proper management of public funds in a transparent and responsible manner and to avoid corruption. Actors can individually or collectively participate in social control which is being carried out at all levels of government. The law established a general framework for social control, while CSOs and entities that are part of the control system have to define the structure and form of participation and create opportunities for citizen participation.

Article 7,Paragraph 4.of the Law 10-04 provides that the Dominican society through legitimate representatives has the right and obligation to contribute to agencies of external and internal control which are specialised for the prevention and investigation of corruption, so to ensure that public funds are used in accordance with the law

In the Dominican Republic, the law stipulates that the society through its agencies and legitimate representatives, has the right and obligation to contribute to external and internal control of public resources and determine if they were used in accordance with the law and the principles of transparency, efficiency and effectiveness, which is the basis for social audit (social control).
and principles of transparency, efficiency and effectiveness. To this end, public authorities need to facilitate access to relevant information and coordination mechanisms within their jurisdiction. In order to achieve this, CSOs have access to the Audit Chamber to channel their comments and suggestions, but cooperation is not regulated by legislation. Department of social audit, has five employees, during the preparation of the Annual Work Plan defines the ways and methods of cooperation with CSOs.

In Venezuela, CSOs can play the role of an ally in the process of ensuring government accountability through social control, which is in accordance with the law governing its implementation. The functions are divided between public authorities, citizens, municipal councils, municipal councils and social enterprises, to ensure that public investments have been realised in a transparent and efficient manner and that the activities of the private sector do not affect social and collective interests. This function can be performed individually, collectively or organically, as follows:

a. *Individually*, through complaints, denunciations, claims directed to SAI or the Office for Citizen Services, which operates within the SAI. This form of participation shows that the citizens are part of this system, and conduct social control.

b. *Collectively*, through organisations encompassing a larger number of members which conduct social control. Collective social control is organised to investigate the situation in a community, as well as to assess, monitor and control management of organisations. It is not necessary that the organisations are registered.

c. *Organically*, the law regulates the organisation, integration, operationalisation and scope of social control, for example through municipal councils, directly or indirectly. The structure of the municipal councils according to Article 19 Organic Law on Municipal Councils: "will consist of: a Citizen Assembly, a collective of community coordination, administrative and financial units of the community, as well as units of social control." In municipal councils, for example, through social control, it is being investigated whether the funds were used for the project for which they have been assigned, and whether the project has been implemented as planned, in order to conclude whether the planned work was fully executed.

The aim of social control is the prevention of conduct and activities that are contrary to the interests of the collective and the ethics of performing public functions to ensure management of public funds in a transparent and efficient manner. This function is performed through the evaluation of executive processes i.e. it is determined whether the actions were undertaken in accordance with the regulations.

Under the National Plan for Rehabilitation, in 1989 the Regulation no. 1512, social groups in Colombia were given the authority to oversee and monitor the implementation of projects, activities, initiatives etc. undertaken by the government. The Law No. 850-03 established the Institutional Support Network for Social Audit. Certain practices of social audit are described in the answers of the SAI Bolivia (ex post social monitoring) Paraguay (institutionalisation of citizen participation through offices that create a link between OCD and SAI) and Chile.

India, provides with the interesting example of „Mazdoor Kisan Shakti Sangathan,“ (MKSS) the union of farmers and workers who developed an instrument of social audit to facilitate citizen participation in the oversight of financial accountability of the government. The initiative MKSS had influenced at the local level the fight against corruption and led to the introduction of social audit practices on the provincial level. Five stages of social audit were described:

1. Gathering information,
2. Comparing and summarizing information,

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202 See: <http://www.contraloriagen.gov.co/>
203 See: <https://www.cge-djbr.gob.bo/page6.html>
204 See: <http://www.contraloria.gov.py/>
3. Distributing information and explaining their meaning to the community,
4. Public debates and discussions,
5. Providing information on public debates ("follow-up") in the form of a formal report.205

v. Participation in monitoring compliance with SAI recommendations

The World Bank in Honduras funded a project of the Directorate for Civil Participation (DPC) within the Supreme Court of Audit (Tribunal Superior de Cuentas - TSC), entitled "Linking Citizens to institutional control" which strived to make the CSOs a part of audit. This was to be done by presenting complaints which the audit team used in audit planning while the audit itself is being conducted by the TSC independently, so as to present the results to the citizens and subjects of audit (auditees). During this program, the final phase focused on monitoring the progress of bodies after they were subjected to audit and have publicly presented a plan for improvement based upon the recommendations of SAI. Also, the interested CSOs were encouraged to follow the recommendations and inform the TSC of the extent to which the auditees met them. Regardless of whether this exercise is conducted or not due to a lack of resources, the TSC publishes all audit reports and reports on complaint investigations on its website. The CSOs which were previously trained were able to adequately oversee the auditees and monitor their compliance in regards to their previously presented improvement plans. This practice has been completely transformed audit in Honduras through participation and citizen control.206

SAI of Panama is open for citizen participation, while with the CSOs there is very limited cooperation, mostly in regards to monitoring the implementation of audit findings. The legal basis for cooperation with the CSOs is to be found in the rules which refer to the basic functions of SAI Panama and are concerning accountability, transparency and fight against corruptions. Within SAI Panama, it is deemed that promotional activities which call for support of the SAI in exercising its duties should increase access and participation of CSOs. Currently, even though there are neither internal regulations nor rules for cooperation with the CSOs, first steps were made within the Unit for Citizen Participation to formalize channels of information and communication with CSOs. The criteria for choosing CSOs which the SAI will be cooperating with are based upon the needs of the SAI and depend upon the complaints, denunciations, petitions, claims submitted.

In South Africa, the monitor of services accountability (PSAM) is an independent research project which initially aimed to monitor the responses of the state administration in reported cases of corruption. It is then that a database containing the reports of the SAI and the actions taken in response to its recommendations and conclusions was created. Over time, the PSAM began to monitor compliance with financial regulations and administrative directives. Also, PSAM follows whether and to what extent the recommendations of the Office of the Auditor General and the relevant parliamentary committee are being implemented. After performing analysis, it publishes reports which are written in a clear and

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205Dialogue on Civil Society Engagement in Public Accountability.
206Asociación Civil por la Igualdad y la Justicia (ACIJ).
understandable manner to encourage public involvement in the processes of government financial accountability. The impact of PSAM is reflected in the fact that it contributed to the establishment of a Joint anti-corruptive working team which consists of members of the anti-corruption and oversight agencies as well as the Office of the Auditor General and aimed to investigate and prosecute the unresolved cases of corruption in the province of Eastern Cape. Thus, PSAM illustrates the potential of the activities undertaken by CSOs even when the authorities in charge refuse to take into account the conclusions of the oversight bodies.207
Chapter VI: Conclusions and Recommendations
This study has examined in the previous chapters a wide spectrum of experiences, examples and modalities of involving citizens in the widely observed external audit process, by adopting a neo-institutional approach, qualitative research methodology and using a comparative research method. From the examined comparative experiences in Serbia in regards to cooperation between state authorities on the one side and civil society and citizens on the other side, through the elaborated experiences in the European countries in terms of citizen participation in external audit, and finally to the analysis of non-European practices in the area, numerous conclusions were drawn regarding the possibilities to improve the mechanisms of citizen participation and cooperation with the civil society organisations in the activities of the State Audit Institution of Serbia. It could be said that 2013 is the ideal year for launching activities in relation to the participation of the citizens and CSOs in the work of the State Audit Institution in Serbia, for two reasons:

1. Firstly, SAI Serbia is planning to introduce performance audit in 2014, which is underlined the comparative practices case studies as particularly convenient for the adoption of citizens and the CSO contributions.
2. Secondly, by the end of 2013 or in early 2014, Serbia will begin negotiations for EU membership, while the civil society will be strategically and institutionally incorporated in this process (the actual proposals and model are still in the making).

The analysis of comparative practices, both European and non-European, has demonstrated many advantages of involving citizens in the audit process, notably in the context of the countries and societies in a transition process, during which the culture of government accountability remains still underdeveloped and independent bodies aspiring to increase government accountability are still novel, insufficiently affirmed and continue to face difficulties in terms of implementing measures and recommendations. When it comes to external audit, the analysed comparative experiences clearly demonstrate that the practices of direct citizen participation and inclusion of CSOs are far more developed in the young democracies of Latin America, compared to the „old democracies“ in Europe. A similar conclusion can apply to other examined countries beyond Europe: India, South African Republic and South Korea, despite their specific contexts. What is more, it seems that the accession to the EU of the new member states - former members of the Eastern Bloc, has not provided an adequate framework for the inclusion of citizens in the process of achieving government accountable through supreme audit institutions. However, even though this area is not directly covered by the EU acquis, or good practices in the EU, several member state of the EU and the European Economic Area have recognised the need to directly involve citizens in the external audit process, as well as the potential role that SAIs can have in improving government accountability with the support of the citizens.

Bearing in mind the fact that the adoption of the acquis communautaire allows both member states and candidate countries to choose for themselves the best mechanisms for accomplishing optimal/desired results while not forgetting that legal and institutional arrangements of different member states are deeply interlinked with their political and administrative culture, in may be concluded that a literal translation of EU experiences cannot guarantee expected results in any public policy area. Thus, in the field of government accountability and oversight of public finance management, Serbia still needs to find adequate solutions that would produce the best results in the context of developing its democratic institutions, legal and administrative culture and tradition. A wide range of experiences in regards to democracies worldwide can serve as a source of ideas that need to be analysed and considered in light of their applicability in the domestic context. The focus should certainly be put on the European countries, also having in mind that the negotiating chapter 32 – financial control – in the context of external audit requires from the candidate country not only the implementation of international standards (INTOSAI), but also alignment with the best practices in the EU. At the same time, given that the rules and practices relate above all to the standards of the audit itself, functional independence of the SAI and the follow-up procedures, numerous initiatives and
activities of the citizens participation and cooperation with the CSOs which can be inspired also by the non-European practices, could be applied in Serbia without having negative repercussions on the implementation of the obligations stemming from the EU accession process. In fact, if these initiatives and mechanisms are properly streamlined and justified, they may be applied precisely for fulfilling the concrete obligations deriving from the membership negotiations, i.e. may directly contribute to the fulfilment of the benchmarks in the framework of the negotiating chapter 32.

The involvement of citizens and the civil society in the external audit process may be observed from various different aspects. The analysed experiences of Latin American countries suggest the existence of five different forms of citizen participation: 1) information dissemination and education of citizens; 2) participation in the appointment of the auditor and other SAI officials; 3) participation in the audit planning, most often indirectly via submission of complaints (appeals, requests, etc.), through which citizens provide information on the alleged irregularities and misuse of public funds; 4) participation in the audit activities (via joint audit or direct activities of the citizens similar to audit and linked to the work of SAI); and 5) participation in monitoring of the implementation of audit recommendations and measures.

On the basis of the analysed experiences, and according to the forms of citizen participation denoted above, certain recommendations may be drawn for the SAI – Serbia, to be realised in three stages. First, the recommendations to be implemented in the short term are listed – up to a one year period. Subsequently, the recommendations for the mid-term period are given, i.e. for two to four years, and finally the long-term recommendations, for the implementation period for over four years. The recommendations are marked with the following symbols:

<table>
<thead>
<tr>
<th>Short-term recommendations</th>
<th>Mid-term recommendations</th>
<th>Long-term recommendations</th>
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</table>

It should be mentioned that the civil society organisations active in areas of public finance, government accountability etc. can actually provide major assistance to the State Audit Institution in monitoring the implementation of recommendations. In the upcoming period, these organisations will have access to both bilateral and European sources of funding, which may be used to support SAI in realisation of numerous activities in the fields of citizen participation and cooperation with the CSOs. SAI can be both the partner and the beneficiary in the planning and realisation of these projects, while the synergic engagement of the SAI and the CSOs as its substantial ally, will result in a better effectiveness for the development of financial accountability in Serbia (and wider).

That practically implies that at least two specific dimensions of involving the CSOs in the work of SAI are feasible: 1) involvement through the same mechanisms which are at the disposal to the citizens in general; 2) cooperation with the CSOs specifically in regards to the development of mechanisms for citizen participation. A good example can be the dissemination of information and education, which will be elaborated in greater detail below. Due to the limited capacities of the SAI and the need to streamline its activities on substantially improve the scope of audit, additional improvement of the quality of audit reporting and performance audit, which is in its inception stages, the SAI will need to be reinforced with new staff, as well as given the necessary external support from interested actors so that the process of citizen
participation would develop yet not deplete SAI’s resources essential the performance of its central activities.

Out of five described forms of the citizen and CSO participation, recommendations have not been drawn for two forms, as the analysis of their feasibility in the Serbian context has shown that it would unrealistic to insist on these solutions. This conclusion was confirmed during the consultations with the SAI representatives and during the presentation of preliminary results. It relates to the citizen participation in appointing auditors and other SAI officials and in respect to the involvement of citizens and CSOs in audit activities, either via joint audits or independent quasi-audit civic activities (social audits), which are conducted with the support of SAI. However, experiences and practices of Latin American countries in these two areas are still described in the previous chapter since they illustrate the depth and richness of possibilities of citizen participation in the external audit process in comparative practice.

VI.1 Dissemination of Information and Citizens’ Education – Promotion of the Culture of (Financial) Accountability

Good practice examples of Western European countries (the Netherlands, for instance), as well as Latin America, demonstrate that the supreme audit institutions can play an important role in promoting the general culture of government accountability, especially accountability of public finance. It is necessary to inform the citizens and “emancipate” them in a certain manner with regards to their role and position towards the government they elected, especially in terms of their right to know how the budgetary resources through which they pay taxes are spent. Bearing in mind the relatively underdeveloped control mechanisms in the parliament (especially in the relevant committees) in countries in transition including Serbia, direct oversight conducted by citizens in accordance with the principles of deliberative democracy gains distinct relevance in regards to controlling the “citizen-alienated” representatives of government. In addition, citizens in Serbia are still not sufficiently aware of the mechanisms and specificities of external revision, which can be noticed from the frequent requests that SAI receives and “immediately” reacts on the request/information and executes audit. Although the Serbian SAI seeks to improve its capacities for ad hoc audits in the following period, in the situations where the well-founded suspicions on serious irregularities occur, it is necessary to educate the citizens about the processes and procedures of external audit and its place in the development of the system of public sector integrity in Serbia.

**Recommendation:** In the upcoming period, SAI should develop concrete activities and programmes for development and maintenance of the (financial) accountability culture, oversight mechanisms for public finance management, external audit specificities, etc., with the support of the EU technical assistance and the bilateral donors, and in cooperation with the relevant CSOs. Such programmes could be especially effective if they would be created and implemented as joint activities of the multiple functionally linked institutions, for example SAI, the Commissioner for Protection of Information of Public Importance and Personal Data Protection, the Ombudsman, and potentially the Anti-Corruption Agency. The activities could include:

- Modern forms of information visualisation, like info graphic, with concise and attractive information for the citizens – these messages can refer to the work of SAI (and other independent bodies), so as to familiarise the citizens with these bodies and their competences, and should contain the general information on the citizens’ rights regarding the government accountability;

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201 Interview with Radoslav Sretenović, President of SAI Serbia
Educational campaigns and road shows across Serbia, to be realised with the support of CSOs;

TV and online campaigns directed towards the citizens, with messages related to the oversight of public finances (for example: “Did you know that…”);

Trainings and seminars for pupils and students; lectures in schools. The experiences of the Latin American countries demonstrate that investing in the education of the teachers/professors in schools, who will subsequently engage directly with the pupils in promoting civic participation and creating a culture of financial accountability, is an effective and efficient tool.

The development of a certain programme for teachers and professors in primary and secondary schools in cooperation with the Ministry in charge of education in order to incorporate the aspects of government accountability, public finance, fight against corruption and citizens’ involvement into the adequate educational plans and programmes of all relevant subjects (for example History, Civic Education, Sociology, etc.) (example of Peru);

Alternatively, relevant topics of financial accountability and oversight of public finance management should be incorporated into the educational curricula of civic education, emulating the example of the access to information of public importance;

Conception/planning additional forms/modules of education for a variety of target groups, including e-learning, with the adjustment of vocational trainings to different target groups;

Publishing the magazines (similar to the Dutch example), especially aimed at pupils;

Moreover, SAI should in the following period strive to improve the communicativeness of its reports, i.e. should decrease the use of technical jargon and terminology, which derive from INTOSAI standards, as well as from analysed comparative practices.

As already noted, distinctive “supporters” of SAI in these activities could be precisely the civil society organisations, which are equipped with the capacities and are experienced in the realisation of similar activities. Through the regular communication (via consultative meetings) with the SAI officials, CSO representatives would have sufficient endorsement and input necessary for the creation of programmes and instruments for information dissemination and citizens’ education. Those CSOs which cooperate closely with SAI would be given the opportunity to conduct trainings for other CSOs, so as to increase the overall capacities and knowledge in the civil society sector. Various bilateral and EU mediated allocations which are made available, can be used to implement these activities, with the rationale of developing the culture of financial accountability in Serbia, for the younger and the older generations alike.

VI.2 Participation in Audit Planning

Comparative practices, both from the European countries and beyond, suggest that the most common way of involving the citizens and the CSOs in the external audit process goes through filing claims (appeals, requests, etc., depending on the terminology used in different countries) which the citizens and the SCOs can submit via various means. The examples of SAIs which create the online portals for filing the claims, is becoming more and more frequented. In certain cases, these portals enable the citizens to follow the status of their claim. Other possibilities of filing a claim are certainly not excluded, which is nevertheless envisaged with the Law on general administrative procedure. The advantage of the online portal is precisely in the fact
that they enable the SAI to channel the citizens’ claims in the appropriate manner (for example to
distinguish the claims which relate to the information of the public importance from the ones which signal a
certain irregularity or ineffectiveness under the SAI competence). Moreover, online portal would make
possible the submission of the supporting documents and information that would be sent together with the
claim.

Recommendation:

Therefore, SAI should establish the online portal for the submission of inquiries, which can
also be used by citizens and CSOs. All inquiries/claims should be taken into account and analysed in terms of their contents and risks in audit planning and performance of audit.

For the creation of an online portal, the Norwegian whistleblowing internet channel can be
used as a model. The most important elements of the Norwegian model include: 1) prescribed content of the complaint, i.e. the information which should give the context of the inquiry; 2) existence of a separate, expert group for potential fraud which processes the complaint in the initial stage; 3) handling the complaint in the initial stage, in three phases (assessment of the source, relevance and recommendations); 4) instruction/providing advice/providing assistance on the part of the expert group to the section that requested the initial treatment; 5) developed registration procedures, internal distribution and management of all the complaints received; 6) equal treatment of complaints submitted in written and oral form (letter, e-mail, fax), or via internet whistle-blowing channels.

Certain examples from Latin America demonstrate that it is useful to establish various
criteria for different types of inquiries (for example, differentiation between the “regular”
claim and a “complaint”, which can also affect the procedure conducted by SAI related to
these inquiries). For example, the condition for treating the inquiry as a “claim” can be
stating the fact or procedure which would lead to proving the existence of irregularities of ineffectiveness, while “complaint” could be less detailed and could only offer general information about the possible irregularities. Such categorisation could be useful for conducting the internal activities of SAI, so as to avoid the engagement of human resources for each type of inquiry within the SAI.

It would be useful to set a certain deadline for giving feedback information to citizens on the
procedure/treatment of their inquiries, given that any feedback contributes to trust building
and can positively enhance SAI’s reputation in front of the citizens (even if the feedback is
negative, i.e. does not meet the citizen expectations). The example of Denmark shows that
a SAI with developed internal capacities can handle the inquiry within 10 days. Bearing in
mind the capacities and activities on improving audit activities in SAI of Serbia, the most
realistic deadline will be considered, but it should not in any case exceed 30 days. This
deadline should not account for giving feedback to the performed audit activities, but only to
the feedback on the status/treatment of the inquiry within (or outside) SAI.

SAI should develop its internal procedures for handling citizen inquiries in relation to audit
activities. This implies that the future methodologies for audit planning should embrace
concrete examples regarding forms and locations for considering these inquiries for the
purpose of audit planning.

Moreover, it would be useful for SAI to develop a simple and user-friendly guide for an
online submission of inquiries related to audit, so as to ensure that the highest level of
inquiries will satisfy the minimal criteria for assessment and contribution to the audit
programme.
VI.3 Participation in monitoring of the implementation of recommendations and audit measures

CSOs can play the important role in monitoring of the implementation of the recommendations and the audit measures, primarily through different analyses of the response reports of the auditees, verification and analysis of the claims in these reports, as well as by monitoring various procedures that are initiated as a consequence of the audit procedure (for example, the procedure of dismissal of the responsible person, misdemeanour and criminal procedures initiated in relation to the audit results).

**Recommendation:** In order to make the various forms of monitoring the recommendation implementation possible, SAI is recommended to:

- Establish regular consultative meetings with the CSOs that are included in the monitoring system, twice a year if possible;
  
  These consultative meetings could serve for the exchange of information and experiences, as well as for collecting recommendations for topics which are to be taken into account during the preparation of the annual audit plan, particularly in the context of performance audit. SAI would certainly have the entire freedom to accept or reject recommendations, in order to avoid compromising its independent position. CSOs should receive some kind of feedback information on their proposals.

- Initiate the practice of publishing response reports from auditees on its website.

- Develop participative methodology of monitoring the implementation of its recommendations, in cooperation with the CSOs.

VI.4 Connection with Other Systems

Citizen inclusion through other relevant/related systems, especially the public procurement system, can be very useful in improving the overall result of public expenditure control and creating a financially accountable government in Serbia. The public procurement system is particularly important, given that SAI nowadays focuses its activities to a great extent precisely on potential irregularities and unlawful practices related to public procurement procedures. In that context, and related to the citizen participation, the civil supervisor is an exceptionally important institution introduced for large procurements (above one billion RSD). It is desirable to lower down the census for public procurements conducted by local self-government units and public communal enterprises, so as to enable civil supervisors to engage in local procurements, which would contribute largely to the creation of a culture of financial accountability. In terms of engaging with the work of SAI, it would be particularly useful to prescribe an obligation under which the reports of civil supervisors would be submitted to the SAI, which would insofar receive (with the intermediary of civic participation in public procurement system) useful and founded information on possible irregularities to focus on while preparing the audit plan.

The topics of bad governance, fight against corruption, openness/ transparency of the government and public finance oversight are intrinsically interlinked, which makes the practice of close cooperation and coordination of work and activities of competent independent bodies extremely relevant. In this respect, the analysis has identified several possibilities to further bond their work, which may result in greater efficiency in the process of establishing a more accountable government in Serbia.
**Recommendation:**

- Information contained in the aforementioned “Black List” of the Commissioner for information of public importance and personal data protection should be listed in the risk assessment on possible irregularities in the work of the auditees;

- Joint educational activities for the citizens and the CSOs [conducted] by the independent bodies;

- Joint activities of promoting the culture of accountability (under the aforementioned proposals);

- Establishment of a joint online portal for the electronic reception of inquiries (complaints, requests, etc.) for SAI, the Ombudsman, the Commissioner for information of public importance and personal data protection and the Anti-corruption agency. The model for such a system could be the Dominican “311 System” for citizen services, which allows the submission of inquiries via online a portal or through the telephone line 311. The inquiries are subsequently channelled to the relevant bodies (besides SAI, the Dominican system provides example of the involvement of the body in charge for fight against corruption, state prosecutor, the body in charge for public procurement, etc.)

**VI.5 Legal Framework and Internal Organisation of SAI**

National Strategy for the Fight against Corruption of the Republic of Serbia for the period 2013-2018 envisages amendments to the legal framework pertaining to the work of SAI, in order to provide a complete financial and operative independence in accordance with INTOSAI standards. The amendment of these regulations should be transparent and participative, i.e. it is essential on one side to allow for the participation of relevant CSOs, which can contribute with their expertise and experience to the preparation of the foundations for legal amendments, and on the other side to make the process of bringing forth new solutions as participative as possible, more specifically to make all the draft versions of the new/amended provisions of the Law available to the public through the SAI website (as a minimum condition). The amendments to the law should be utilised for institutionalisation of certain solutions suggested above.

In order to put in practice the given recommendations, the following amendments to the current SAI structure are suggested:

- Create one working position within the Office of the President of SAI, to deal with reception, initial treatment, forwarding and responding to the received citizens’ inquiries, as well as with everyday communication and coordination with the CSOs and other independent bodies related to the activities of involving the citizens and the CSOs. These affairs should be executed under the direct supervision of the SAI President.

- Create one internal organisational unit (3-5 working positions) within the Office of the President of SAI for conducting activities related to public relations, promotion of the culture of financial accountability, planning and coordination of citizen education affairs, reception, initial treatment, forwarding and responding to received citizen inquiries. The Unit would equally deal with everyday communication and coordination with the CSOs and other independent bodies related to the activities of citizens and CSOs participation.

The need for creating such Unit precisely in the Office of the President of SAI derives from the fact that the scope of their work are of a horizontal nature, which would relate to the work of various audit services. At the same time, since the new unit would not embrace the classical
secretarial affairs, it should not be systematised within that existing unit.

In the long term, the option of creating coordination committees in charge of cooperation and communication with citizens and CSOs, comprised of representatives of all audit services within SAI, should be considered. These committees would have (in accordance with the procedures and methodologies to be developed in the meantime) the task to also analyse the received citizen inquiries related to audit activities and propose their further treatment, notably in terms of including them in the annual audit programme.
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Partnerstvo za otvorenu upravu. Available at: <http://www.opengovpartnership.org/>
ANNEXES

1. List of supreme audit institutions encompassed by the questionnaire

1. Argentina - Auditoría General de la Nación de Argentina
2. Belize - The Office of the Auditor General
3. Montenegro - State Audit Institution
4. Chile - Contraloría General de la República de Chile
5. Denmark - Rigsrevisionen (the Danish National Audit Office)
6. Dominican Republic - Cámara de Cuentas de la República Dominicana
7. Ecuador - Contraloría General del Estado de la República del Ecuador
8. El Salvador - Corte de Cuentas de la República de El Salvador
9. France - Cour des Comptes
10. The Netherlands - The Netherlands Court of Audit
11. Honduras - Tribunal Superior de Cuentas de la República de Honduras
12. Croatia - State Audit Office
13. Iceland - The Icelandic National Audit Office
14. Colombia - Contraloría General de la República de Colombia
15. Costa Rica - Contraloría General de la República de Costa Rica
16. Malta - National Audit Office of Malta
17. Hungary - the State Audit Office of Hungary
18. Norway - Office of the Auditor General of Norway
19. Panama - Contraloría General de la República de Panamá
20. Peru - Contraloría General de la República de Perú
21. Puerto Rico - Oficina del Contralor del Estado LibreAsociado de Puerto Rico
22. Slovenia - Court of Audit
23. Sweden - Riksrevisionen (the Swedish National Audit Office)
24. Turkey - Turkish Court of Accounts
25. Venezuela - Contraloría General de la República Bolivariana de Venezuela

2. List of semi-structured interviews held

1. Ana Knežević Bojović - Institute for Comparative Law, Belgrade
2. Aleksandra Gajić - Svetionik, Loznica
3. Brord Van Westing - Resident Twinning Advisor, State Audit Institution of Serbia
4. Citizens Foundation, Reykjavik, Iceland
### 3. Electronic questionnaire for supreme audit institutions

<table>
<thead>
<tr>
<th>Questions</th>
<th>Answers</th>
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<tbody>
<tr>
<td><strong>Part I: SAI in regards to Civil Society Organisations (CSOs)</strong></td>
<td></td>
</tr>
<tr>
<td>1. What is the stand of your SAI in terms of cooperation with CSOs?</td>
<td></td>
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<tr>
<td>2. What is the stand of your SAI in terms of CSOs involvement in the audit process (various stages e.g. designation/appointment of authorities within the SAI, participation in the audit planning, joint audits, oversight committees, follow-up to recommendations)?</td>
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<tr>
<td>3. Does your SAI perceive CSOs as “honest brokers”, i.e. allies in the process of ensuring government accountability?</td>
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<td>4. Is there a legal basis for cooperation with CSOs?</td>
<td></td>
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<tr>
<td>If yes:</td>
<td></td>
</tr>
<tr>
<td>a. What legal document provides it?</td>
<td></td>
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<tr>
<td>b. To which extent is cooperation with CSOs regulated?</td>
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<tr>
<td>If not:</td>
<td></td>
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<tr>
<td>c. Are you aware of any initiative advocating for the introduction of a legal basis for cooperation with CSOs? (If yes, please describe.)</td>
<td></td>
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<tr>
<td>5. Are there internal rulebooks, which regulate cooperation with CSOs?</td>
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<tr>
<td>If yes:</td>
<td></td>
</tr>
<tr>
<td>a. How do these rulebooks regulate the cooperation with CSOs?</td>
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</tbody>
</table>
b. What are the criteria for the selection of CSOs, which the SAI is cooperating with?

6. If there are channels (formal or informal) for the cooperation with CSOs what are the procedures in terms of their:
   a. institutionalization
   b. frequency
   c. compulsoriness

7. Is there a liaison office/unit/department within the organisational structure of your SAI which is in charge of communicating with CSOs?
   If yes:
   a. How many employees does it have?

8. Are there SAI organised trainings/information and education programs for CSOs or citizens?
   If yes:
   a. What are the topics of the trainings?
   b. How frequently are they organised?
   c. On which basis are the CSOs selected and notified of the trainings?

9. Are there records of your SAI's cooperation with CSOs?
   If yes:
   a. Can any of these records be made available to us?

Part II: SAI in regards to the management of citizens' complaints

1. What is the stand of your SAI in terms of taking into account citizens' complaints in audit planning?

2. Is there a legal basis for the management of citizens' complaints?
   If yes:
   a. Which document provides it and in which manner?
   b. To which extent is it regulated?
   If no:
   c. Are you aware of initiatives advocating the introduction of such a legal basis (if yes, which are they?)

3. Are there internal rulebooks, which regulate management of citizens' complaints?
   If yes:
   a. How do these rulebooks regulate the management of citizens' complaints?
   b. What are the criteria for deeming a complaint relevant?

4. Is there a liaison office/unit/department within the organisational structure of your SAI, which is in charge of managing citizens' complaints?
   If yes:
   a. How many employees does it have?

5. Are there trainings/information and education programs for citizens organised by your SAI?
   If yes:
   a. What are the topics of the trainings?
   b. How frequently are they organised?
   c. On which basis are citizens selected and notified of the trainings?

6. Are there records of your SAI's management of citizens' complaints?
   If yes:
   a. Can any of these records be made available to us?
Supreme audit institutions are characterised by a functional independence in relation to the executive in performing external control over the management of public resources and in ensuring financial accountability of the government. At the same time, in transitional countries the need for citizen participation and cooperation with civil society in the oversight of public finances arises due to insufficiently developed mechanisms of external control, and the lack of affirmation of the concept of financial accountability of the government. This Study relies upon a rich comparative practice and domestic experiences with the goal of examining the methods of reconciling this need in the context of external audit in Serbia, and brings forth concrete recommendations for the Supreme Audit Institution of Serbia in regards to assuring participation of citizens and civil society organisations in the external audit process.

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