



STATE AUDIT OFFICE
OF GEORGIA

Budget Monitor

Citizen Participation in Supervision of Public Finances

Workshop on fiscal transparency and public
participation in fiscal policy and budget making

Buenos Aires, Argentina 11/20/2017



Why Citizen Engagement?

SAOG's main **challenge** is to make its work and products understandable and user friendly for citizens and other stakeholders





Prerequisites

- Public empowerment to engage in governing process and hold government accountable;
- Increased public interest on the budgetary process and transparent management of the public resources;
- OGP commitment - cooperation with the civil society & use of modern effective tools to increase the awareness and engagement of the general public.



Using ICT tools to communicate and deliver products to key stakeholders

Strengthens SAI's impact and empowers stakeholders with:

- ▶ Increased public awareness and engagement;
- ▶ Increased transparency and government accountability;
- ▶ Opportunity to control public resources;
- ▶ Realization of SAI's benefits;
- ▶ Development of channels for two-way communication.



State Budget



Audits



Municipal
Budget



Budget Monitor



Citizen's Page

Analytical Portal Of State Audit Office Of Georgia



Sustainable
Development



Our Work



Platform “Budget Monitor”

Analytical tool – presents up-to-date analytical information about PFM process and related deficiencies;

Data visualization portal - delivers important information via an easy to interpret data visualizations;

An interactive platform – provides channel for bilateral communication and interface allows citizen input.





Stages of Budget Monitor Implementation

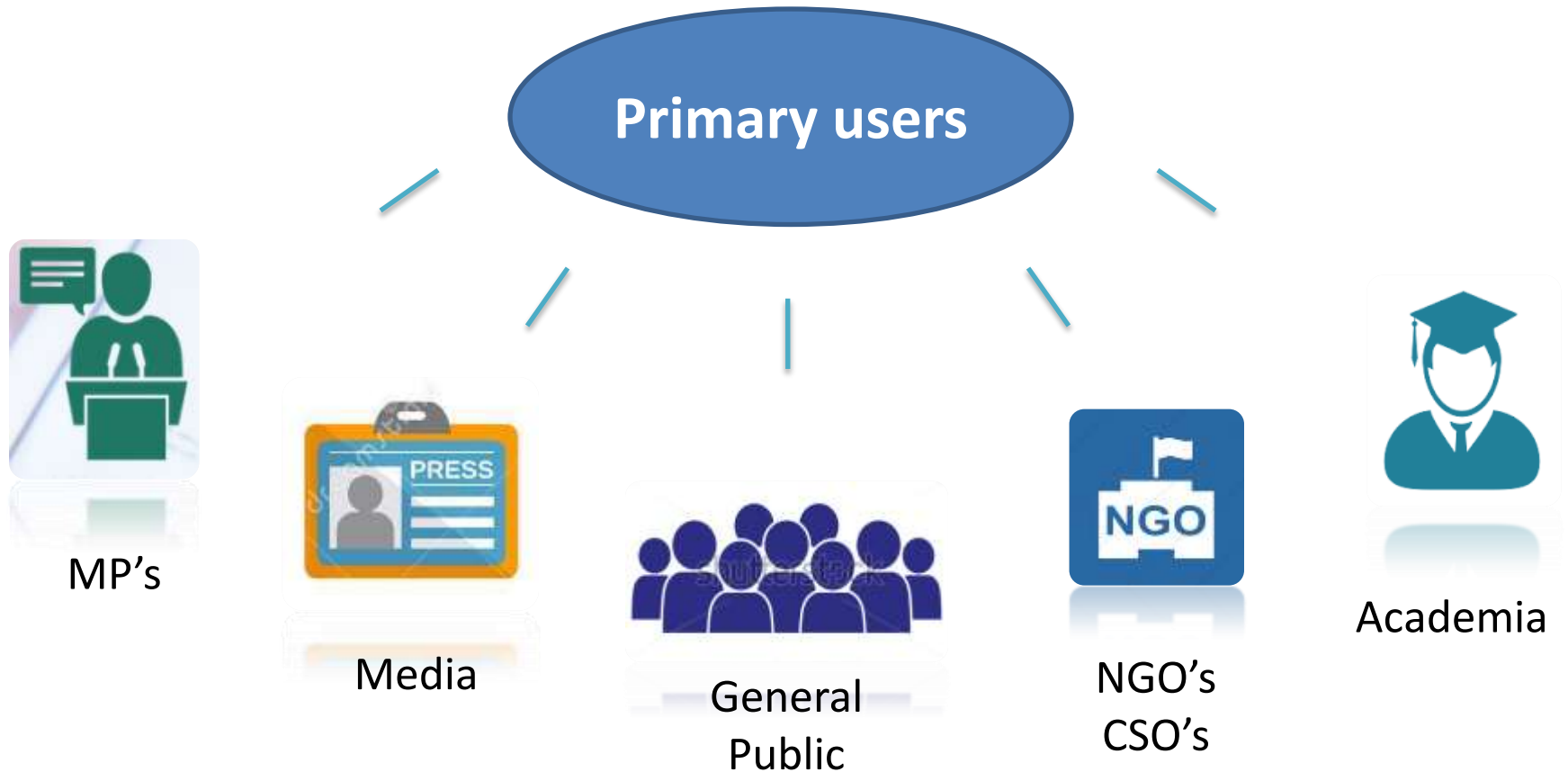


- ✓ Develop Idea of Creating Citizen engagement Web-Platform
- ✓ Elaboration of Conceptual Framework
 - ✓ Assessment of needs and resources for platform development
 - ✓ Sharing Citizen Engagement practices from colleague SAIs and Experts
 - ✓ Identification of stakeholders needs
 - ✓ Elaboration of Platform
 - ✓ Presentation to key stakeholders





Budget Monitor





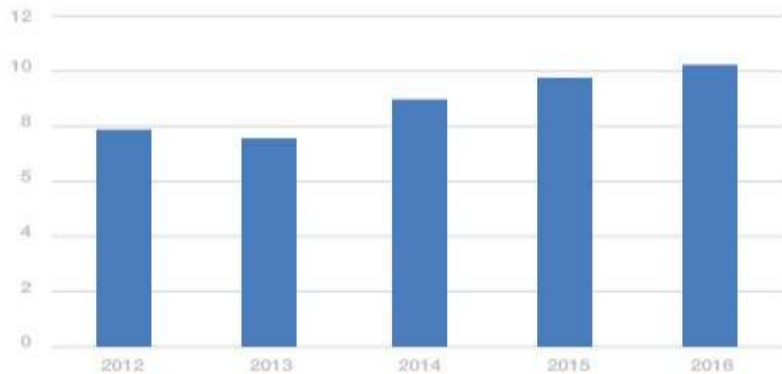
Information Presented on Budget Monitor



State Budget

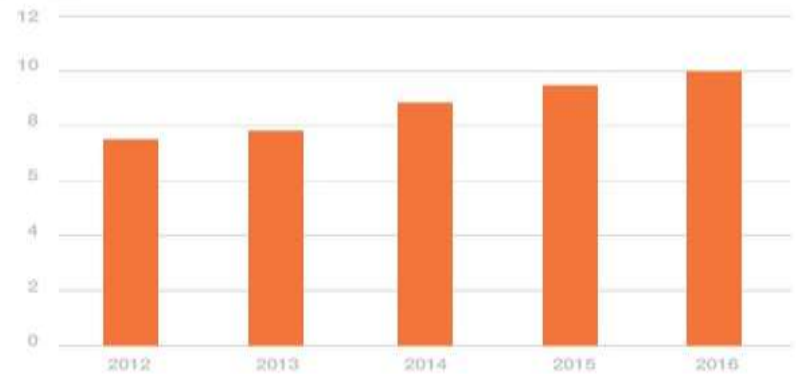
Budget Receipts

Billion

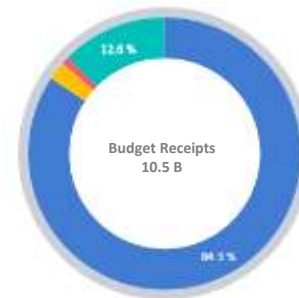


Budget Payments

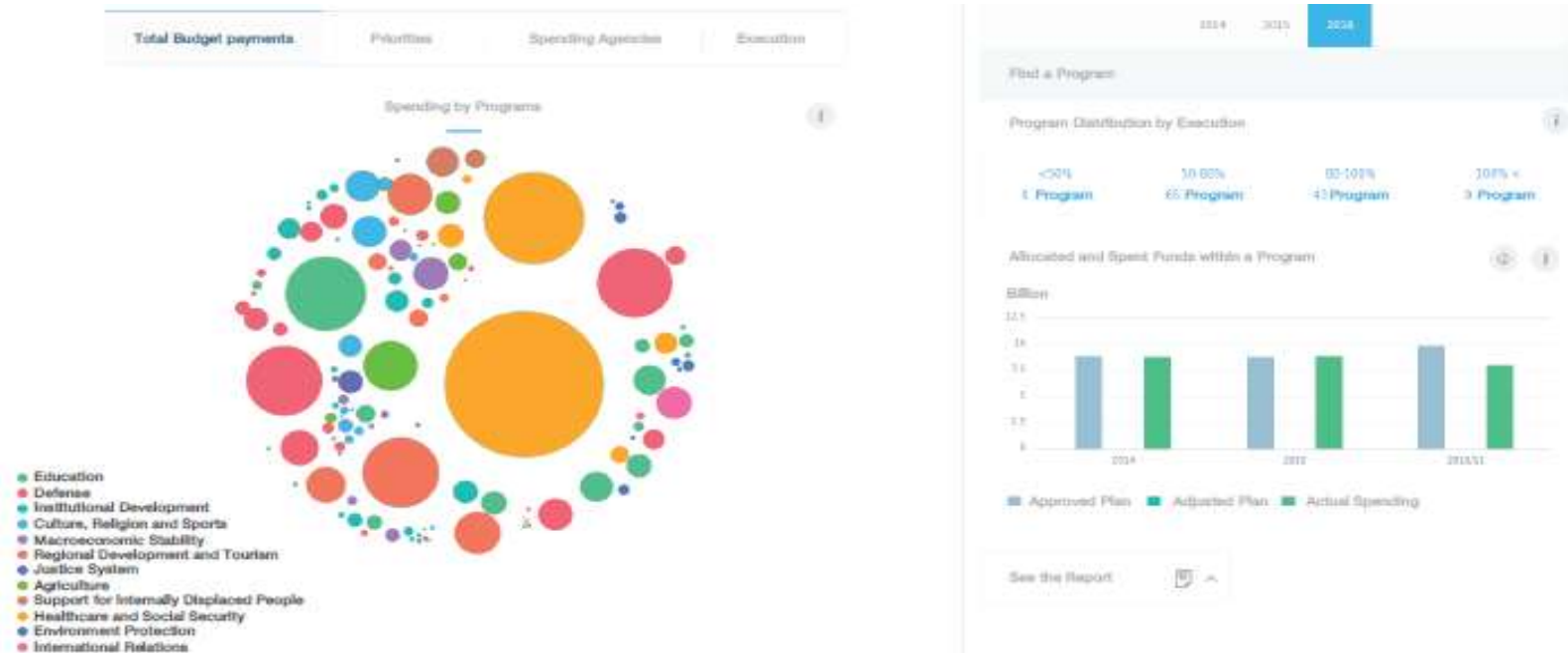
Billion



- How is the State budget executed?
- What are the components of State budget?



Budget Spending



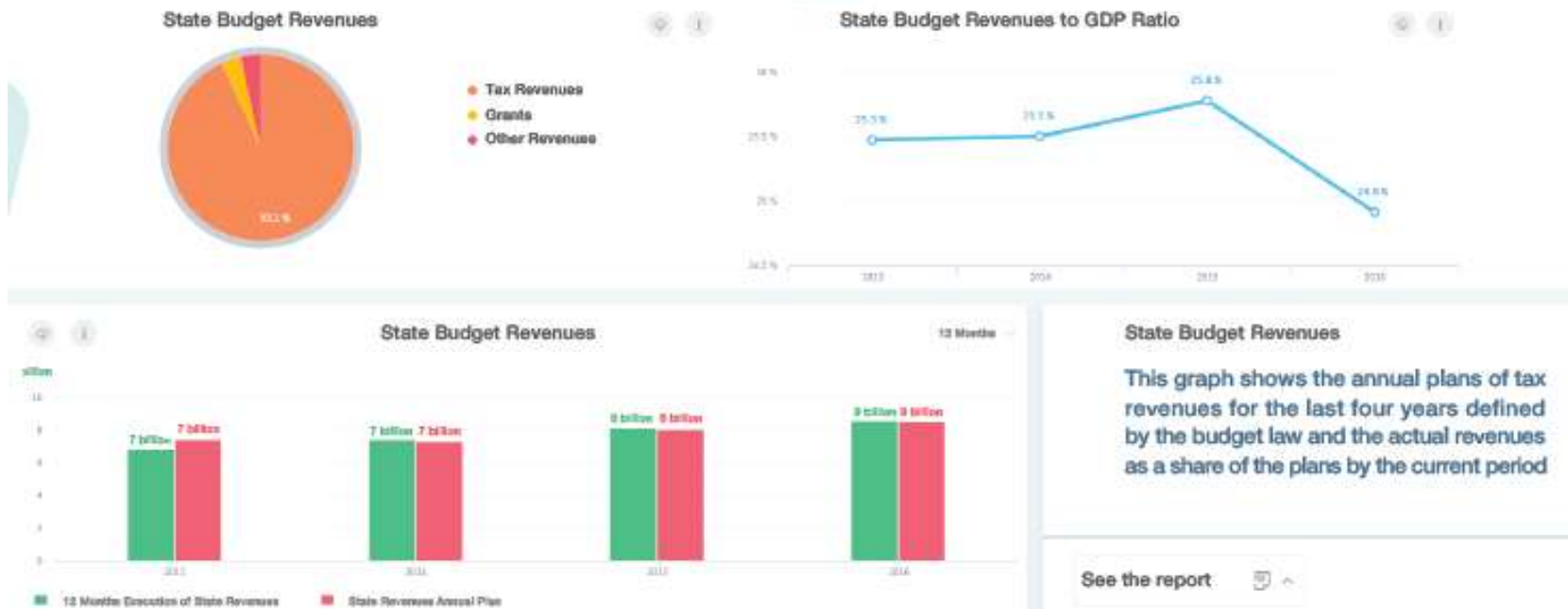
- Which programs are funded from the state budget?
- How is the state budget allocated between programs of different spending agencies?
- How state programs are executed?

Administrative Expenses



- How many people are employed at spending agencies and what is their compensation?
- What is the amount spent on administrative costs for each spending agency?
- What is the share of bonuses in total compensation of employees?

Budget Revenues



- What is the amount of state budget revenues?
- What is the composition of the tax revenues and its mobilization dynamics?

Public Debt



- How much is public debt?
- What is the impact of currency exchange rate fluctuations on public debt?
- How debt ratios compare with different thresholds?

National Indicators



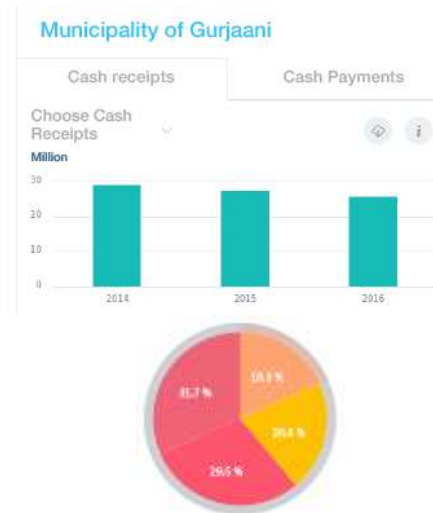
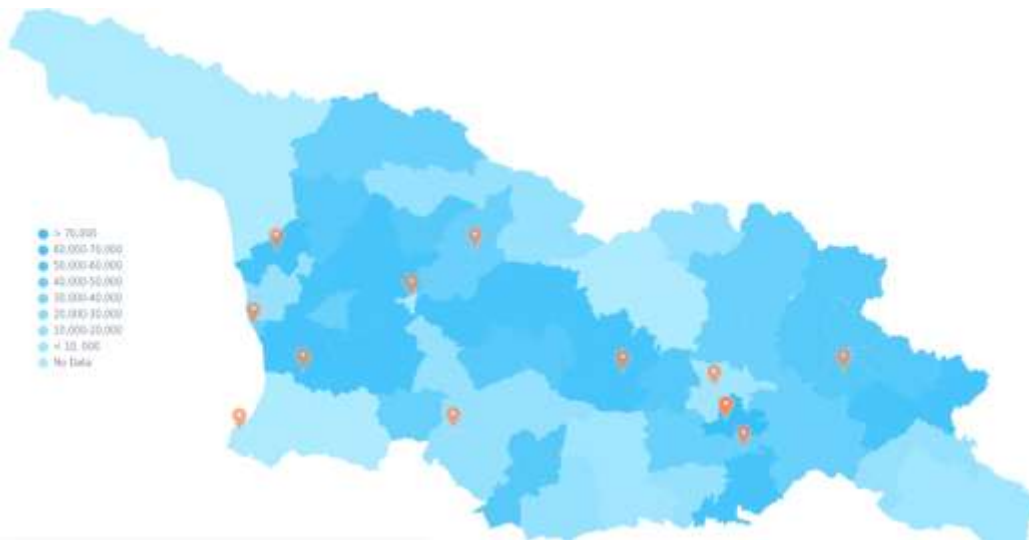
- How does Georgia rank in international rankings of public administration?
- What are the key economic indicators of Georgia?

Public Procurement



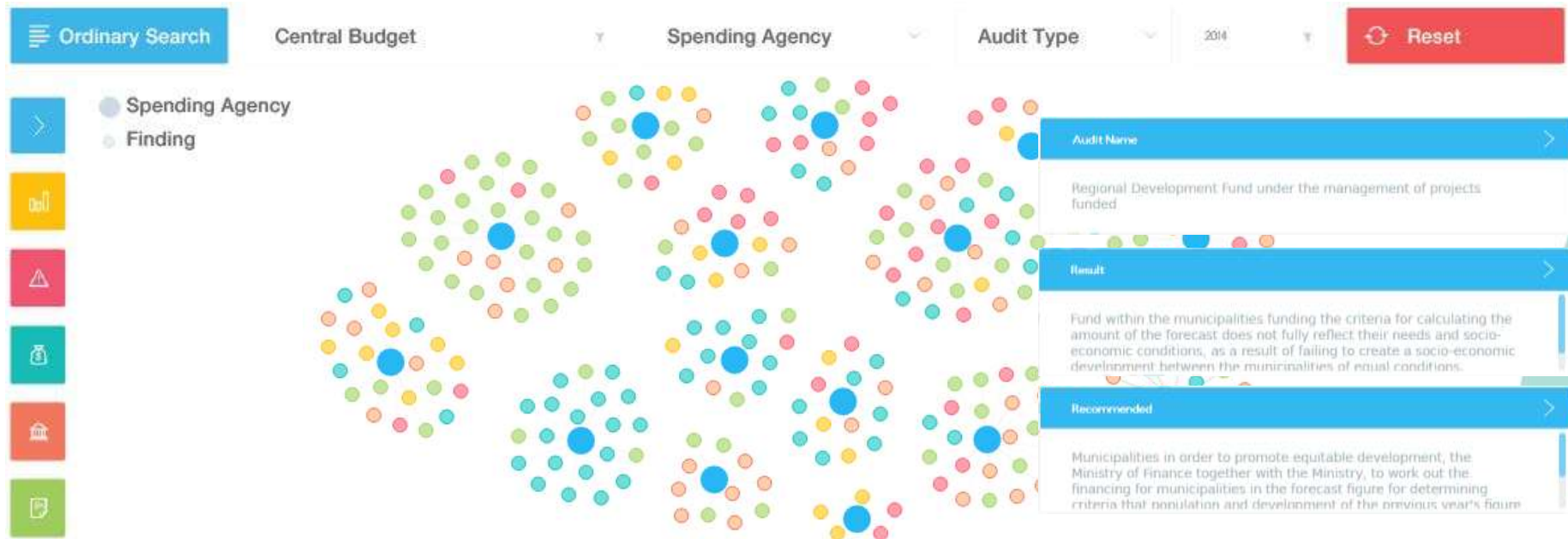
- What is the share of procurement in state budget expenditures?
- What are the systemic deficiencies in public procurement procedures?
- What are the audit findings and recommendations related to public procurement?

Municipality Budget



- What is the budget of each municipality?
- What is the amount of state budget transfers to municipalities?
- How much is spent on administrative expenses in each municipality?
- How many legal entities are in each municipality and how much is their funding?

Audits



Module gives the opportunity to access the audit findings and recommendations of State Audit Office by using simple visual filters:

- Public agency
- Audit Title
- Period
- Audit type
- Category of finding
- Budget level

Sustainable Development Goals



- What are SDGs?
- What deficiencies are identified by SAOG for each SDG?

Citizen's Page



Plan with Us



Fight Corruption



Vote for Priority

Enables citizens to engage in the development of annual audit plan and contribute to the improvement of the PFM:

- Inform us about the deficiencies in the PFM system;
- Contribute to the reduction of corruption risks;
- Suggest the priority spheres for future audit.



Budget Monitor

Tangible results

- BM has increasing number of users;
- SAO has already received requests/suggestions from citizens;
- Requests are already reflected in next year's audit plan.





A reflection on the public participation principles

- Accessibility
- Openness
- Inclusiveness
- Respect for self-expression
- Timeliness
- Depth
- Proportionality
- Sustainability
- Complementarity
- Reciprocity



Conclusion

ICT Based Citizen Participation:

- Increases public awareness, transparency and accountability;
- Helps realization of SAI's benefits.

But, is associated with some Risks:

- Inefficient allocation of limited audit resources;
- Managing citizens' requests (flood, politically motivated requests);
- Being late to citizens needs, concerns, etc.



Conclusion

Mitigation approaches:

- Define scope of citizen participation and provide clear explanations;
- Safeguard and focus limited audit resources on the audit requests/matters of high public interest;
- Automatically filter and reject audit requests which are not in compliance with predefined criteria;
- Segregate duties and develop operational manual.