Social Accountability In Public Procurement: How Citizen Engagement Can Make A Difference

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Social accountability refers to citizens' direct involvement in monitoring overall performances of bureaucratic agencies or representative institutions (Hassan, 2008) and is a mechanism to hold government officials accountable for ensuring proper utilization of taxpayers' money. Social accountability is increasingly being promoted by governments and development agencies as it yields positive outcomes such as more responsive local government, exposure of government failures and corruption, empowerment of marginalized groups, and ensuring that the national and local governments respond to concerns of the poor (Camargo & Jacobs, 2013), though the appropriate means, through which the mechanism can be effectively implemented, is yet to be clearly understood. As nature (quality or extent) of implementation of development projects vary, contingent on local beneficiaries/stakeholders' interest/incentive, therefore, design of social accountability mechanisms should also be tailored to the specific needs of each localities. In Bangladesh various social accountability mechanisms are being used in different projects in an experimental manner though at least in one important case it has been adopted as a standard policy and implemented on a national scale (LGSP). One very recent initiative in this regard is the incorporation of social accountability mechanism in public procurement, which is being piloted under the Procurement Reform Project (PPRP)-II . This policy note reflects on the design and experiences of this piloting initiative specifically in public construction works and tries to draw interim lessons for development of strategies so that replication of similar project can be done on a wider scale.

Social accountability initiatives: Background

Many countries have been practicing social accountability in different forms. Mexico and Philippine is widely referred to as cases of successful implementation of social accountability . In Mexico, Fundar's strategy is known to be very effective since they advocated for more citizens' access to government budget information to influence government expenditure on HIV/AIDS. For this they collected accounting data from the ministry of health, using National freedom of information law, to identify corruption in the process of contract awarding to private agencies. In Philippines, the civil society made a major contribution in the area of social accountability by

engaging with the Department of Education, just not only to monitor the procurement process, but also through their collaboration with the relevant agency to assess text book distribution process specially focusing on the printing quality of the text. They also helped the authority in mobilizing the volunteers to monitor book distribution at the local level (The World Bank, 2009).

Box 1: Experience in social accountability implementation

Formalization of social Accountability practices through enactment of Union Parishad Act 2009 has been a great help so far for citizen engagement Critical reviews of several projects show that there are both supporting and obstructing factors of engaging citizens.

Factors in favor:

- The Right to Information (RTI) Act-2009
- Introduction of the Citizen's Charters
- Availability of educated people committed to social engagement

Problems:

- Lack of prior experience of community mobilization
- Widespread perception of the deficit of resources available to local government
- Low motivation of service providers
- General lack of culture of participatory work
- Communities skepticism towards local Government and its capabilities
- Citizen's limited access to information due to both structural constraints and deliberate unwillingness of UP leaders
- Partisan cultures

In Bangladesh, Social accountability practices at the UP level were formalized through the enactment of a new Union Parishad Act in 2009. The Act created a provision for citizen participation through creating different deliberative forums such as Ward Shobha, Committees, and open budget meetings. These forums provided citizens with an opportunity to interact with the UP leaders and officials. Close assessment reveals that these forums were somewhat successful to provide a space for citizen to communicate with leaders and to express their opinions, but they were largely ineffective in exacting accountability of the UP leaders. Such assessments indicate that the

citizens mostly refrained themselves from being very critical or vocal about the quality of the service delivery of UP, as they feared that it might disrupt the existing patronage benefits (mainly material benefits) that poor citizens obtain from the UP leaders and other elites (Hassan & Nazneen 2013). On the other hand, it transpired that the elected leaders at the UP level accepted the arrangement as a part of ritualistic compliance to formal laws and rules and the decision making at UPs did not necessarily reflect the suggestions and opinions of the citizen (ibid.).

Such observations were also evident in other similar initiatives, for instance, in several NGO led pilots conducted during the year 2009 by the Affiliated Network for Social Accountability (ANSA) South Asia Region. As part of this initiative, many civil society organizations in the regions experimented micro-level social accountability programs in four key areas including basic rights and entitlements, local governance, public procurement and environmental governance.

In Bangladesh, there were projects implemented by PRIP trust and Manusher Jonno Foundation (MJF). One of the methods used in this was the Community Score Cards (CSC) which enabled, local citizens to conduct participatory assessment, planning, monitoring and evaluation of basic services provided by the public institutions at the community level. The experiences of the initiatives suggest that use of RTI 2009 was very helpful in implementing social accountability practices in the field. On the downside, the lack of capacity of the implementing agencies , generally weak sense of citizenship rights among the local community members , widespread perception (among citizens) of the paucity of resources available to local government, low motivation of service providers and local government officials to improve their performance and community's skepticism towards the local government and its capabilities were some of the factors that hindered the successful use of CSC as a social accountability tool(ANSA 2012).

As mentioned above, another similar initiative is the Local Government Support Program (LGSP) started in 2011 at UP level where the objective of bottom up social accountability mechanism were designed to improve citizen's access to information and to increase citizen participation in project selection and implementation. The experiences of LGSP do not differ much from that of Ward
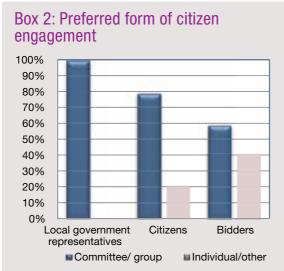
Shobha or open budget. The local leaders, as reported in the studies,did not encourage citizen engagement by not informing them about the scope of participation and at the same time there were other structural constraints (e.g lack of technical & managerial support). UP leaders also tend to use the allocated funds in projects which suit their personal and political needs by providing partial or falsified information to the citizen. Another study on social accountability practices argues that the electoral accountability mechanism (i.e., election)at the UP level tends to act as a major obstacle in the realization of formal social accountability (Ahmed et al 2015). UP leaders are more inclined to be responsive to particularistic demands of individual voters and tend to ignore the demands of collective group of citizens channeled through the formal social accountability mechanisms (such as open budget, Committees etc) that involve formal structures, hierarchy and paperwork.

Implementation of Social Accountability Under PPRPII Project

Each year, Bangladesh spends more than Tk. 72,000 crores on government procurement (Lomborg 2016). This huge investment, if not managed efficiently, can lead to additional expenditures including substandard output, cost overrun and project implementation delays. In this backdrop, Public Procurement Reform Project-II (PPRP-II) was launched by the government in collaboration with the World Bank in 2008. So far, the government has invested $68.10 million in this project (World Bank website, n.d.). Introduction of electronic procurement and citizen engagement were two of the major strategies, which were undertaken under this project .

The social accountability initiative of PPRP II project is being implemented by the Central Procurement Technical Unit (CPTU) of IME Division, Ministry of Planning, aims to facilitate citizen engagement in monitoring implementation of public works at the local level through the assistance of local NGOs. The project deals with public procurement at the local level, which includes monitoring of textbook printing quality in government primary schools and public construction works (school and roads) implemented by the Local Government Engineering Department

(LGED). The social accountability project of PPRP is being carried out both at the upazila and union levels that allows scaling up of the experiment,

districts Sirajganj and Rangpur). These NGOs were trained on different aspects of social accountability and public procurement by BIGD. The process also involved substantial communication with the LGED engineers who also provided technical and moral support to the NGOs and the citizens.

Methodology of Intervention

During the design phase of the programme, opinions were sought from a diverse group of stakeholders regarding the appropriate strategy for effectively engaging citizens. Based on the suggestions, Citizen Committee was formed at the Upazila level, which included 12/15 members. The group ensured representation from a range of professionals including school teachers, social workers, retired government officials, retired bidders and engineers, and health professionals. The group also ensured a mix of representatives from both genders. Under the supervision of the NGOs the committee members are actively involved in monitoring of project implementation at the local level. The committee members were given trainings on project implementation monitoring and also provided with a detailed TOR. Under the project, constructions of twelve roads and eight schools are being monitored.

The committee intervention was done based on consultation with the local stakeholders, including the engineers. The committee members were trained, in two phases, on technical issues of procurement monitoring and modalities of group monitoring. During the initial trainings, engineers of LGED participated as resource persons in technical sessions and briefed the committee members about monitoring of construction processes. The technical training was very helpful in one hand for building rapport between engineers and members, which had further positive impact on the monitoring outcome. On the other hand, based on the practical trainings and discussions, the Citizen Committee members could identify the broad indicators of quality control that were useful in field level monitoring. The refresher training, which had been conducted after half-way down the project period, generated useful discussions (both strategic and technical), experience sharing and provided further guidance

Box 2: Preferred form of citizen engagement

A baseline study was conducted amongst the key stakeholders regarding their opinion on citizen engagement in public procurement. The study was conducted among citizens, local government representatives, bidders . LGED engineers were also interviewed regarding this. The study reports that majority of the all three groups'(bidders, citizens and LG representatives) view that citizen engagement in project monitoring should be done through a committee or group. Engineers also responded likewise in the interviews. The respondents also recommended to diversify the group members and suggested to include members who have some idea about the construction work or technicalities of the construction.

which previous social accountability initiatives could not do since these were conducted at the UP level.

The project involves actors at different levels. The CPTU is the official implementing agency of social accountability in public procurement and BRAC Institute of Governance and Development (BIGD) is working as a consultant of the project. BIGD is responsible for designing of the intervention strategy; providing analytical support (research, documentation, dissemination of lessons learnt), helping for capacity building of the partner NGOs and overall coordination of the program. For project implementation, BIGD has partnered with local NGOs at the selected sites (four upazilas under two

to the Citizen Committee members about their responsibilities as monitor.

Experiences from the project interventions: Achievements and challenges

Achievements

Diversity of occupations among the citizen group is a major factor behind the successful project intervention: Members from different occupational backgrounds bring in a good mix of skills within the committee, which has been very useful for project monitoring. For instance, committee members who have technical background (e.g retired bidders bidders, engineers) can explain the technical details to others thus making the collective monitoring efficient.
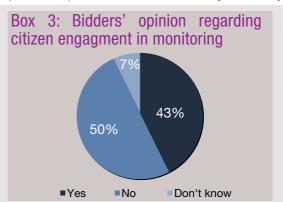
Virtuous cycle of monitoring:

Since the beginning of the project monitoring, the Citizen Committee members maintained close coordination with engineers. This actually turned out to be a more effective mechanism than Citizen Committee acting as an independent actor. The Citizen Committee members get update of the project work from engineers and can plan the visit. Again, if the work gets delayed for some reason, they are able to choose another running project in consultation with the engineers and also could carry out their assignment properly.

Contractors also took the monitoring by the Committee seriously due to affiliation of the latter with the engineers As observed in the field, there were no incidences of non-cooperation from the contractor's side in the process of monitoring by Citizen Committee, which one could have expected if the site visits were made independently.

Constant collaboration between the Committee members and the engineers reinforces the positive feedback system. Since the engineers received reliable and detailed feedback from the Citizen Committee members, they took the field observations by the Committee more seriously and consequently was able to monitor the projects more efficiently, and eventually the remedial measures were taken more effectively and swiftly.

Citizen Committee monitoring is bringing in effective changes in project operations. Bidders/field managers/supervisors are getting used to this idea of citizen monitoring. Citizens are monitoring the projects based on the specifications. As a result, bidders are being compelled to follow the specification of the projects. A robust culture of social accountability is yet to be established but this gradual progress in responsiveness is a major step towards implementation of social accountability mechanisms in public procurement.

Citizen Committees' monitoring tend to generate interest among members of the local community to monitor the project. It has been observed that the Citizen Committee's activities have generated considerable interest among the local citizens. The people living close to the project sites inquire about the monitoring activities and the Citizen Committee members enthusiastically share the details of the monitoring activities with them. This seems to have a positive impact on the local community since they

Box 3: Bidders' opinion regarding citizen engagment in monitoring

7%
43%
50%

■ Yes   ■ No   ■ Don't know

The baseline findings show that engineers and bidders are skeptical about citizen involvement in the project monitoring. Majority of the LGED officials and bidders responded negatively when asked about the scope of citizen involvement. They argue that the technicalities involved in the project make it difficult for citizen to monitor implementation effectively. They also opined that citizen engagement can delay the process and may create pockets of corruption.

become aware of the process of citizen engagement in construction projects. As local people take interest in such activities of the Citizen Committee, they tend to keep an eye on the project activities in other times as well. Such attention of the citizens put pressure on

the contractors to be more diligent and transparent, which result in the use of better quality materials or conducting the work in an efficient manner.

Challenges

Dynamics of relationship between the engineers and the Citizen Committee: Substantial difference in response to citizen engagement has been noticed among the engineers within the hierarchy of the local LGED office. Implementation of bottom- up social accountability received support from the top officials and received lukewarm support or even implicit non-cooperation from the field level officials. Experience from field suggests that at the top level, the district level LGED officials are usually very enthusiastic about implementation of social accountability whereas the mid-level officials of districts are also generally positive. Executive engineers at the districts and upazilas provided considerable assistance by providing necessary information and guidance to the committee members. However, such assistance was difficult to obtain from the field level officials (sub-assistant engineers, supervisors etc). This was evident in their use of dilatory tactics in handing out necessary documents to the citizen groups or deliberately providing incorrect information regarding the status of the project. Further probing indicates that such avoidance and non-cooperation actually originated from their fear of losing control over the construction processes. The involvement of third- party actor in monitoring projects is viewed by them as interferences by external actors. At the same time, possible existence of a collusive nexus (that provides rent seeking opportunities) between the lower level engineers/supervisors and the bidders cannot be ignored. Involving citizens in the process is perhaps perceived by them as disruptive of such nexus, which also might have contributed to their non-cooperative behavior.

Dynamics of relationship between the bidders and the Citizen Committee: Bidders have serious incentive problem to allow citizens in the monitoring of public works. Majority of them were against the idea of citizen engagement in public works, as revealed in the baseline survey. The field experiences suggest that interactions between citizens and bidders bidders hardly happen since the actual construction works are left in charge of a paid employee of the bidder generally known as 'manager' (also occasionally under labor 'sardar' or head laborer). The managers generally respond to the queries of the committee members about the ongoing project but tend to avoid explaining/ clarifying queries or concerns about the quality of construction. The bidders and his agents generally harbor negative attitude towards citizen engagement. Such field observations from the pilot projects also corroborate the findings of the baseline study. The bidders also raised question about the necessity of 'citizen engagement' as a monitoring tool since, they argue, official monitoring mechanisms are already in existence. The contractors also questioned the legal status of the Committee and believed that members tend to be proactive in monitoring projects since they have ulterior motives.

A major concern of the bidders is that the involvement of another monitoring group would increase the informal transaction costs: Interviews with bidders reflects that they need to spend considerable amount of funds (on average 30 percent of the total investment) in informal payments collected by the relevant officials and other influential actors to avoid any hassle in project implementation, especially to avoid strict monitoring and quality control. They believe that adding another actor (i.e., the citizens) in monitoring would raise the informal transaction costs further as they would need to pay extra amount to keep the citizen groups quiet. Such increase in transaction costs would, bidders believe, contribute to further deterioration of the project quality since with the consequent reduction in profit margin, bidders will have incentive to further compromise with the quality of materials.

Severe deficit of trust and social capital is a major difficulty in establishing social accountability programs: Severe deficit of trust and social capital is a major impediment to establishing social accountability programs. An overall lack of mutual trust has been noticed among all relevant stakeholders, both primary and secondary. Citizens generally view bidders as corrupt and also perceive engineers to have collusion with them. On the other hand, as observed above, citizens are perceived by the bidders to have ulterior motive.

Technical difficulties create obstacles to citizen monitoring: It is observed that project specifications use technical jargons which are difficult to understand for the local citizens. At the same time, language (English) is a major barrier for Citizen Committee members to understand project specifications.

Managing a diverse group is also a major challenge. Tensions tend to prevail within the committee due to varying social status of the individual members and preventing hierarchical dynamics within the group seems to be major challenge. Managing opportunistic individual is also proved to be a challenge for the project.

Recommendations:

1. Dissemination of information in a more accessible manner would be an important step to ensure implementation of social accountability in public procurement work. Right to information (RTI) can be a major policy tool to ensure that field engineers supply the specification to Citizen Committee and local people.

2. The project specifications should be provided in Bangla and it needs to be available in project sites so that the Citizen Committee can access them easily and without delay.

3. Quick response from the authorities is another major requirement for successful scaling up of the project. A strict follow up system with strict timeline is extremely important for the implementation of social accountability in public procurement.

4. Citizen should always visit the field collectively. Individual visits should be discouraged as this may promote opportunities for individual economic gain through rent seeking/ extortion.

5. One of the important learnings from the project implementation is that citizen engagement in public procurement works needs a good mix of experiences (among the Committee members) from different relevant professions. As the nature of construction work is technical, at least a few members in a group should have sufficient experience in conducting or monitoring public work. In that way, technical knowledge can be shared among the members, which can contribute to the building of collective capacity of the Committee for effective monitoring of projects.

6. Managing group dynamics will need critical attention. NGOs can play an important role in this. Innovative techniques such as nominating chairperson by rotation for group meetings can be helpful. Again, including religious leader in the citizen group may increase their acceptability and level of trust among the contractors.

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