SOME REFLECTIONS ON THE CITIZEN AS THE CENTRAL AXIS OF GOVERNMENT OVERSIGHT

The experience of the peruvian SAI in recent years

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INTRODUCTION

The governance problems currently affecting several countries in the region are not solely due to the deficiencies and inefficiencies of the State, but are rooted in the government's insufficient capacity to adequately lead society's development process (Villanueva, 2020).

The complexity and heterogeneity of the increasing citizens' expectations and demands often far exceed the directive capacities of governments. This has made countries progressively more inclined to actively take advantage of the collective intelligence and agency capacity of organized and unorganized civil society – through the implementation of various citizen participation mechanisms, within the framework of a new management paradigm: the Open Government (Naser; Ramírez-Alujas; Rosales, 2017).

This usually correlates with fundamental citizens' rights enshrined in the political constitutions of our countries. For example, in Peru's case, although the previous Constitution of 1979 already referred to citizens' right to participate in the political, economic, social, and cultural life of the nation, it was only the Political Constitution of 1993, currently in force, and the enactment of Law No. 26,300, Law on the Rights of Participation and Citizen Oversight (1994), that institutionalized mechanisms for citizen participation in public administration were formally established. According to Shack and Arbulú (2021), this underpins the right and duty of every Peruvian citizen to influence, impact, and take part in the decision-making process of the public sphere. Citizen participation mechanisms are integral to various national governance functions, including public oversight. As we all know, oversight can be internal or external, and in the case of the Office of the Comptroller General of the Republic of Peru (CGR), it is an external audit body.

The CGR is Peru's Supreme Audit Institution (SAI) and, as part of a broad and deep structural reform conducted between 2018 and 2023 – which contemplated citizen participation as one of its pillars, a set of mechanisms for citizen participation were deployed throughout each phase of the audit cycle, from general planning to the follow-up on recommendations, including operational planning, service execution, and the preparation and dissemination of audit report.

CITIZEN PARTICIPATION IN GOVERNMENT OVERSIGHT

Below, we briefly discuss the main citizen participation programs (volunteering) implemented at each stage of the audit cycle, or, more precisely, the oversight cycle. These initiatives do not always involve conducting audits as a specific form of subsequent oversight, since government audit in Peru has developed various types of interventions, following a more concurrent and preventive logic, to prevent acts of functional misconduct and corruption in the management of public assets and funds.

Diagram 1 – Government Oversight Cycle Phases

Source: Shack y Arbulú (2021).

PHASE 1 - GENERAL PLANNING

In addition to running simulations with the risk models available to the Peruvian SAI, public hearings called *The Comptroller's Office listens to you* are held once a year in each province of Peru[1]. These hearings allow citizens to participate both individually or on behalf of their civil society organizations – business associations, non-governmental organizations, professional associations, grassroots social organizations, among others. On these occasions, CGR officials report on the oversight activities carried out by the Provincial Control[2] Office in the previous fiscal year, while gathering information on civil society's priorities for the following fiscal year, thus contributing to the creation of a planning process that is more focused on citizens' concerns.

Aware that citizens, particularly at the individual level, are often unaware of the scope and powers of external government oversight, a registration process is conducted prior to the public hearings through a platform available on the institution's website. The hearings are scheduled three months in advance, and all potential participants are offered a free online course titled *Social Oversight in Your Hands*, designed so they better understand the powers of Peru's SAI and thus make better use of the public hearings.

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1 Peru is a unitary and decentralized State, with its territory comprising 25 regional governments, 196 provincial governments and 1,694 district governments.

2 The Comptroller General of the Republic of Peru has decentralized offices at the provincial level, called Institutional Oversight Bodies (OCIs), and at the regional level, called Regional Oversight Offices (GRCs).

At the regional level, these public hearings[3] are also held, but similar to the national level, in the city of Lima, a Collaborative Planning Workshop is conducted exclusively with representatives from organized civil society, not the general public. Participants are drawn from academia, professional associations, non-governmental organizations, and think tanks. The purpose of the workshops is to gather specialized information on specific topics – such as environmental, marine, gender, energy-related issues, among others – that civil society considers a priority for oversight and in which they are willing to collaborate in carrying out oversight services, either through the hiring of experts or by conducting co-developed and co-financed evaluations.

This means that, in addition to the 221 public hearings, Peru's SAI conducts 26 Collaborative Planning Workshops, resulting in a total of 247 institutional events related to citizen participation and engagement with civil society that are carried out annually during the general planning phase.

PHASE 2 - OPERATIONAL PLANNING

Once the quantity and type of services to be deployed during the fiscal year have been defined within the framework of the Annual Audit Plan resulting from phase 1, in phase 2 of Operational Planning, citizens participate through the CGR's complaints system (Sinad). Citizens provide alerts and valuable information for better targeting the specific oversight actions.

Complaints are submitted throughout the year, and during the Planning Phase, 20% of the CGR's operational auditing capacity is reserved to ensure timely attention to these submissions. The CGR processes, within the same fiscal year, all complaints received during the first ten months of the year. Due to management calendar constraints, and with some exceptions (such as complaints that gain significant media attention), complaints received in November and December are processed during the first quarter of the following year. This way, civil society in general contributes information and helps to better direct the focus of oversight activities.

PHASE 3 - SERVICE EXECUTION

In this phase, field operations and the actual investigative work take place, during which individual citizens, through the *Citizen Control Monitors* (MCC) program, collaborate with the CGR and its auditors during site visits, for example, to verify the condition of public works and assess progress or corrections in construction processes. Each year, an open call is issued for interested citizens to apply to the MCC program. Those who complete a 48-hour virtual training course provided by the National School of Oversight become accredited as MCCs and remain on standby, expressing their interest in participating in the evaluation and investigative processes – whether virtual or on-site – regularly conducted by the CGR. These processes may involve cross-cutting analyses on specific oversight topics, such as a nationwide review of educational infrastructure in basic education at the beginning of the school year, or a targeted assessment and follow-up of a specific public work project located within a one-kilometer walking distance from the MCC's residence under execution.

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3   In addition to virtual courses, this means that 196 provincial public hearings and 25 regional public hearings are held annually, totaling 221 public hearings per year.

In the case of cross-cutting analyses, interested MCC participants[4] must complete a free, specialized 12-hour virtual training course that prepares them for the specific tasks they will carry out. This training aims to standardize the processes of data collection, analysis, and the preparation of oversight reports, which will serve as an input for the Audit Commission to draft and issue the official Oversight Report (signed by CGR auditors and may, with the MCC's consent, include references to the authors of the underlying report). The selection process for MCC participants in each assignment is crucial, as they must possess essential professional qualifications. For example, when assessing public works, it is required that participants have a background in civil engineering.

Another program that produces reports used by auditors in the oversight services carried out in the education sector and at the local government level is the "school monitoring" initiative, conducted by public secondary school students in the final three grades, as part of the *Young Auditors* program. Based on the learning-by-doing approach – it is implemented in coordination with their teachers, under an agreement between the CGR and the Ministry of Education, and with the participation of their parents or guardians. It not only teaches students various aspects of ethics, values, and oversight, but also raises awareness of the responsibilities of school principals, the rules for the use of the funds they manage, and the municipal regulations that must be observed regarding the physical environment surrounding educational institutions. For example, municipalities are prohibited from issuing licenses for liquor stores within a 100-meter radius of schools.

In essence, this program serves as a school for citizenship, since, ultimately, if we aim to effectively prevent corruption in the medium and long term, it is essential to educate young people and promote a cultural shift in society.

PHASE 4 - REPORT PREPARATION AND DISSEMINATION

Although citizens do not participate in the drafting of the oversight report – as that is a task exclusive to the CGR auditors, they contribute to its dissemination through their own networks, to which they have contributed not only by providing information and analysis, but also through fieldwork. Per the mandate of the oversight reform approved in Peru in 2018 through Law No. 30,742, oversight reports – regardless of the modality: prior, simultaneous, or subsequent[5], are published on the SAI's institutional website. However, given the scale of operations[6], the work of disseminating the MCCs to the community is essential; as otherwise many citizens would not be aware of the results of the oversight service they have a specific interest in.

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4   As it is a voluntary program, not all MCCs remain available continuously. On average, about 25% of the accredited individuals are available.

5   By their very nature, citizen participation mechanisms focus on simultaneous and subsequent control. They do not include prior control, which in the case of Peru, is only carried out in five circumstances specified by law and accounts for less than 0.4% on average of the total number of reports issued by the CGR each year.

6   An average of around 200 control reports are published per day.

PHASE 5 - FOLLOW-UP ON RECOMMENDATIONS

A key element in generating public value through government oversight is ensuring that the recommendations resulting from investigative findings are implemented in a timely and meaningful manner. Often, this implementation is a complex process and not always carried out promptly, in form or substance, by public institutions. Improvements in management, the adoption of new standards, the implementation of better internal oversight systems, as well as the determination of administrative and disciplinary responsibilities are all inherently complex processes that require relatively continuous monitoring.

In order to track and assess the proper implementation of a recommendation, it is necessary to have a good understanding of how the State apparatus works. In this regard, and to leverage the time and expertise of retired public managers and older adults in general, the *Social Oversight Mentors* (MCS) program has been implemented. This program specifically assists audit units, at both the national and regional levels, in carrying out such follow-up activities, while also engaging through social networks and the media to advocate for the timely implementation of oversight recommendations.

In this way, the oversight cycle is brought to a close with citizen participation mechanisms that reflect a life-cycle approach: starting with adolescents and student life through the Young Auditors program, continuing with adulthood and working life through the MCS program, and extending to older adults with the *Citizen Oversight Monitors* program.

Diagram 2 – Mechanisms for Citizen Participation in Oversight
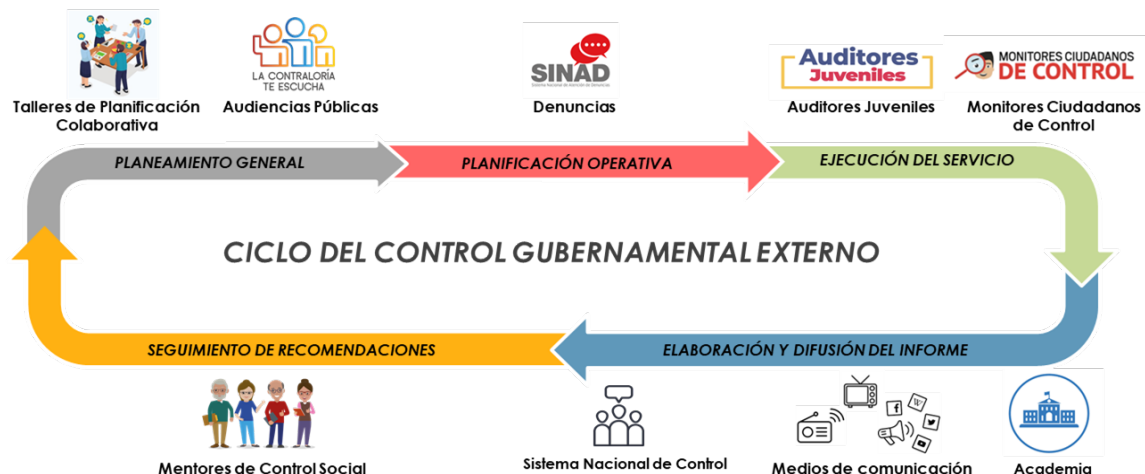
Source: Shack (2022).

But beyond the citizen participation mechanisms in oversight already discussed, placing citizens at the center of government oversight goes even further. Indeed, it is necessary to strike a balance between risk modeling and the impersonal materiality of public transactions and what truly matters to citizens in their daily lives. How can we know that with any certainty, in a country as heterogeneous and multicultural as Peru, if we do not ask them? This balance becomes especially important when deciding what to audit – and, given the ever-limited resources, the equally important

decision of what not to audit – and how to carry out the oversight work, particularly within the operations of the provincial and regional oversight offices.

Likewise, let us recall the importance of the "tone at the top". The proper implementation of citizen participation mechanisms in government oversight requires active leadership and genuine commitment from the Senior Management of the SAI. In the long run, this type of reform demands a change in the organizational culture of the institution.

A clear sign of the Senior Management's commitment to this process can be seen in the creation of institutionalized spaces for communication and coordination with various civil society actors. For example, in the case of SAI Peru, biennial discussion forums were held between the Comptroller General and both the *Citizen Oversight Monitors* (MCC) and the *Social Oversight Mentors* (MCS).

Additionally, during the Comptroller General's biweekly supervision visits to the provinces, the agenda protocol included not only participation in a formal session of the Municipal Council – to engage with local authorities, and a working meeting at OCI, to meet with partners, auditors, and administrative staff, but also dedicated time with the MCCs, MCSs, and civil society in what resembled a mini-hearing with the Comptroller General. This allowed them to interact directly with the institution's highest representative and report on the progress of oversight activities, including the performance of local officials of Peru's SAI.

In short, Peru's recent experience shows that the successful widespread implementation of citizen participation mechanisms in government oversight, while preserving the principles of autonomy and independence of the SAI above all else, not only expands the coverage, scope, and oversight capabilities by leveraging the collective intelligence and agency capacity of civil society, but also increases institutional legitimacy and strengthens its position in the context of the public sector and society in general.

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